

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

January 24, 2007

10:00 a.m.

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P R E S E N T

GOVERNOR MARTIN O'MALLEY, Presiding;

HONORABLE PETER FRANCHOT, Comptroller;

HONORABLE NANCY KOPP, Treasurer;

SHEILA C. MCDONALD, Secretary, Board of Public Works;

STEVE CASSARD, Acting Secretary, Department of General Services;

T. ELOISE FOSTER, Secretary, Department of Budget and Management;

JOEL LEBERKNIGHT, Chief of Procurement, Department of Budget and Management;

JOHN PORCARI, Acting Secretary, Department of Transportation

FRANK OSLISLO, Administrator, Department of Natural Resources;

RICHELLE THOMAS, BPW Administrator, Department of General Services; and,

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

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P R O C E E D I N G S

GOVERNOR O'MALLEY: Well, good morning, ladies and gentlemen. Good to be with all of you at this new Board of Public Works.

I am told it's customary if people want to make statements at the beginning of this meeting, so I guess we'll do that, especially given the fact that this is our inaugural or maiden voyage of this newly constituted Board of Public Works.

I look forward to working with all of you. And to Treasurer Kopp and to Comptroller Franchot, I'm looking forward to working with both of you on behalf of the people that we serve. And working together to figure out how we can raise the bar and advance the cause of minority business inclusion and the important work of this Board. And so many, many other things that pass before us.

And I know that this is not only the first meeting of this new Board of Public Works, but also likely be the longest meeting --

(Laughter.)

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GOVERNOR O'MALLEY: -- as we have all of the school construction hopes and aspirations and needs coming before us. Many of us had been on the other side of this table for that exercise. And I just want to express to you our desire to make sure that this is an opportunity for all of us to learn from each of the counties. And that this will be a respectful and a cordial discussion of the needs and the hopes of the people of our state. And we're going to do all that we can to keep it that way.

So let me turn to my right and ask Treasurer Kopp for any words she might have.

TREASURER KOPP: Well, what a beautiful day it is.

(Laughter.)

(Applause.)

TREASURER KOPP: It's a pleasure to be here to see some familiar faces and some new faces. I am really looking forward to this Board and to its meetings over the next four years. I think it's going to be very productive. There are a number of issues

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which the Governor has pointed out, including minority business, including energy efficiency and environmental protection. Issues that come before the Board in it's projects, it's construction projects and it's service projects. And I look forward to working closely with the Governor and the Comptroller to make everything run smoothly and well for the people of the State of Maryland.

And it is a pleasure to be here.

GOVERNOR O'MALLEY: Mutual. Comptroller

Franchot?

COMPTROLLER FRANCHOT: Thank you, Governor. It is the dawn of a new day. And I'm looking forward to working with you and with the Treasurer. And I think it's fitting that this new Board of Public Works will convene for the first time on a day that's traditionally devoted to the needs of Maryland's public schools.

Of all the enormous responsibilities that have been vested in this body, none are more important and certainly none more urgent than providing the

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children of Maryland a safe, modern, and comfortable centers of learning.

And as a result of the information that we gather here today and through the work, the Board will subsequently do with the IAC. We can ensure the timely and cost-efficient construction of schools that are truly worthy of Maryland's most precious resources.

I'm talking about classrooms that not only provide suitable learning space for our children, they're also compatible with the advance learning technology, the information age. Schools that are not only aesthetically appealing but are also built, repaired, or renovated to stand the test of time. Projects that are not only completed on time and on budget, but also meet the highest standards of energy conservation as the Treasurer mentioned.

In recent years we have experienced a new sense of possibility on this front as innovative thinkers from both government and private industry have come to understand the obvious benefits of this approach. Whether it's through employing geothermal or

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solar energy or through something as simple as using different kinds of light bulbs we now have the opportunity to address our global challenges while saving taxpayers money.

Over the course of today's meetings I hope that ask representatives to send reports back to this Board, briefly or in writing listing your current efforts or your potential efforts to incorporate specific energy conservation strategies in to your projects.

With this new Board of Public Works team in place let's resolve together to help make Maryland the greenest and most physically responsible state in the nation.

Thank you, Governor, and I look forward to working with you and Treasurer Kopp.

GOVERNOR O'MALLEY: Thank you, Mr. Comptroller.

COMPTROLLER FRANCHOT: Let's get back to work.

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GOVERNOR O'MALLEY: Let's start with the Secretary's agenda.

MS. MCDONALD: Good morning, Governor, Treasurer, Comptroller. It's a pleasure to be here. We have nine items on the Secretary's agenda. We have one report of an emergency procurement. Item one is the public school construction capital improvement program for 2008. So we're going to hold item one till the end of the entire meeting. And we're happy to try to answer any questions on items two through nine.

TREASURER KOPP: Governor, I'd just like to point out that item number two is a resolution that this Board has to adopt for us to go forward for a bond sale at the end of February, which is now planned for \$325 million general obligation bond sale.

GOVERNOR O'MALLEY: Any other questions concerned on any of these on the Secretary's agenda.

COMPTROLLER FRANCHOT: That sounds important.

(Laughter.)

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: I have a question --

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: -- if you don't mind. On number eight, St. Mary's.

MS. MCDONALD: Right. Number eight is the procurement policies and procedures that St. Mary's College of Maryland has proposing to adopt with the Board of Public Works approval. Those procurement policies and procedures are necessary because the St. Mary's College of Maryland is exempt from the state procurement law.

And we do have Mr. Jackson at least is here. And I probably -- Mr. Jackson is here.

TREASURER KOPP: I have a question about it and I appreciate the change that was made in response to concerns before. There was one more concern and that is about electronic transactions.

My understanding is that there is a Board of Public Works regulation for a state agency concerning the handling of electronic transactions. And there seems to be nothing in the proposed regulation. And the question that was raised is wouldn't it be better

for the College, in fact, to have provisions in their spelling out the procedure for the electronic transaction.

MR. JACKSON: The --

MS. MCDONALD: Chip, could you introduce yourself for the record, please.

MR. JACKSON: Yes. My name is Chip Jackson. I'm the associate vice president of facilities of St. Mary's College. And Jessica Carter is our representative from the Attorney General's Office.

Jessica, I don't know if there is a question that this question is --

TREASURER KOPP: Again, the question is could you follow up with Mr. Vanderbosch --

MS. CARTER: Absolutely.

TREASURER KOPP: -- about the concerns, about that they seem to be well taken and helpful to the College?

MS. CARTER: Yes, certainly Madam Treasurer. We have all intents of following the Board of Public

Works advisories and their regulations as they apply to us.

TREASURER KOPP: Thanks.

MR. JACKSON: Thank you.

GOVERNOR O'MALLEY: Okay. Any other questions on the Secretary's agenda?

Hearing none, do we do a motion, Madam Secretary at this point?

MS. MCDONALD: Yes, we do. We do. Ask for a motion on the Secretary's agenda items two through nine. Not item --

GOVERNOR O'MALLEY: Mr. Comptroller, is there a motion to approve the Secretary's agenda items two through nine?

COMPTROLLER FRANCHOT: So made.

GOVERNOR O'MALLEY: Second it? Seconded by the Treasurer. All in favor signal by saying, "Aye." Aye. All opposed? And the Aye's have it.

MS. MCDONALD: Thank you.

GOVERNOR O'MALLEY: How about that. Our very first.

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(Applause.)

MS. MCDONALD: But now Mr. Oslislo from the Department of Natural Resources has the Program Open Space agenda.

MR. OSLISLO: Good morning, Governor, Madam Treasurer --

GOVERNOR O'MALLEY: Good morning.

MR. OSLISLO: -- Comptroller. It's a pleasure to be here and address the Board today. DNR has 11 items on the agenda this morning. We revised one, 8-A. Ten of those items are local POS and community parks and playgrounds. And one of them is a rural legacy conservation easement acquisition. Be glad to answer any questions you may have.

GOVERNOR O'MALLEY: Does any one have any questions on -- what do we call this, the Open Space agenda?

MS. MCDONALD: Correct.

GOVERNOR O'MALLEY: The Open Space agenda. Hearing none is there a motion to approve the Open Space agenda?

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COMPTROLLER FRANCHOT: So move.

GOVERNOR O'MALLEY: Moved by the Comptroller.

TREASURER KOPP: Second.

GOVERNOR O'MALLEY: Seconded by the Treasurer.

All in favor signal by saying, "Aye." Aye. All opposed,  
nay. Aye's have it.

Moving on to now this is the Department of Budget  
and Management agenda.

SECRETARY FOSTER: Governor, Mr. Comptroller,  
Madam Treasurer, good morning. It's a pleasure to be here.

TREASURER KOPP: Madam Secretary --

(Laughter.)

SECRETARY FOSTER: There are six items on the  
Department of Budget and Management's agenda for today.  
I'd like to withdraw items two and three. And item six is  
a supplemental item. I'd be happy to answer any questions.

GOVERNOR O'MALLEY: Any questions on the  
Department of Budget and Management agenda?

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TREASURER KOPP: It's a pleasure to see this agenda. The item --

SECRETARY FOSTER: Thank you.

GOVERNOR O'MALLEY: Yeah. It's on --

SECRETARY FOSTER: Item six.

COMPTROLLER FRANCHOT: So is the Amos issue involved in this that we're voting on now or is that later?

GOVERNOR O'MALLEY: It's item six.

SECRETARY FOSTER: It's item six on the agenda. We're requesting on behalf of Stephen Amos for payment of attorney's fees that were incurred against the criminal indictment that was dismissed.

COMPTROLLER FRANCHOT: And does that cover all of his legal fees or?

SECRETARY FOSTER: It covers the bulk of them.

COMPTROLLER FRANCHOT: The bulk of them.

SECRETARY FOSTER: There's about \$5,000 that's not covered, but the Attorney General's Office has certified approval of \$190 -- \$189,000.

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COMPTROLLER FRANCHOT: And so that money's paid -  
- he doesn't have to pay taxes on that, I take it, or does  
he? Is this a grant to him or to --

SECRETARY FOSTER: This is reimbursement for  
attorney fees that were incurred in connection with his  
defense.

COMPTROLLER FRANCHOT: Well, Governor, I applaud  
you for putting this on the agenda or whoever put it on the  
agenda, because I cannot imagine the mental anguish that  
Mr. Amos has gone through and his family. And I think that  
that unfair treatment of him was about one of the worse  
abuses I've ever seen of power here in Annapolis. And  
thank you or whoever put it on the agenda and is pushing  
this through. I look forward to voting for it with great  
enthusiasm.

GOVERNOR O'MALLEY: It's about time, huh?

COMPTROLLER FRANCHOT: Yep.

GOVERNOR O'MALLEY: All right. Let's hear a  
motion that we approve the agenda of the -- getting the  
terms down folks -- Budget and Management. Motion by

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the Treasurer. Seconded by the Comptroller. All in favor signal by saying, Aye.

COMPTROLLER FRANCHOT: Aye.

GOVERNOR O'MALLEY: Oppose, nay? Aye's have that also three zip.

MS. MCDONALD: Governor, we now turn to the University System agenda. Mr. Jim Stirling from College Park is here.

MR. STIRLING: Good morning, Governor, and members of the Board. Jim Stirling for the University System of Maryland. We have three items on the agenda. Be happy to address any questions you have.

GOVERNOR O'MALLEY: I have a question. The

--

MS. MCDONALD: Governor, you may want to ask people to leave quietly, please.

GOVERNOR O'MALLEY: Okay. You may leave quietly or you may quietly leave.

(Laughter.)

GOVERNOR O'MALLEY: Paraphrase George Bernard Shaw.

(Laughter.)

GOVERNOR O'MALLEY: So you're -- on the item 1-S and I'm learning here so this is -- I mean this is a sincere question, not a rhetorical question. It says the MB/WBE goal was listed as zero percent. And this would appear to be a contract for --

MR. STIRLING: It's \$1.3 million dollars estimated over six years.

GOVERNOR O'MALLEY: And for what purpose?

MR. STIRLING: This is for full service travel agencies to --

GOVERNOR O'MALLEY: Travel agents.

MR. STIRLING: -- travel support to the University. Not just College Park but all of the campuses within the system.

GOVERNOR O'MALLEY: And there's three different travel agencies listed, right?

MR. STIRLING: We're making multiple awards. And the total capacity that we're assigned here over six years is \$1.3 million. So all three contracts together will be \$1.3 million.

GOVERNOR O'MALLEY: Okay. And is any one of the three a minority or a women-owned --

MR. STIRLING: Well as it happens --

GOVERNOR O'MALLEY: -- travel agency?

MR. STIRLING: -- sort of a in a way a success story. One of them actually is a minority owned business. We had them as one of our incumbent travel agencies. That's Omega World Travel. However, they have grown in size and have graduated from the minority business program so they can't be certified through MDOT any longer and we don't get to count them against the minority business goal.

GOVERNOR O'MALLEY: Got you. So one of your three is --

MR. STIRLING: Yes, sir.

GOVERNOR O'MALLEY: -- a minority-owned prime that is no longer able to be part of the state's particular MBE program because people when they get too big --

TREASURER KOPP: Or successful.

GOVERNOR O'MALLEY: -- graduate out?

MR. STIRLING: Exceed a small business size standard that the federal government establishes. That's and that's the measure that MDOT uses to graduate from the program.

GOVERNOR O'MALLEY: Got you. Okay. Any other questions on University System of Maryland agenda?

TREASURER KOPP: Just out of curiosity, do you find that you in fact save money by using this process?

MR. STIRLING: Using?

TREASURER KOPP: An authorized -- do they have to use this or they just avail themselves up if they --

MR. STIRLING: We don't mandate that the travel agency be used by our customers on campus, although these kinds of agencies do bring some specialized expertise for certain types of travel; international and group travel for example. So there are some advantages but we don't mandate the use of them.

TREASURER KOPP: So you don't know whether in fact they save money using them?

MR. STIRLING: Depends what required.

TREASURER KOPP: I'm just curious.

MR. STIRLING: We can certainly, you know, shop around, we have the opportunity to take the best deal.

TREASURER KOPP: I just know that when I go to some meetings, organizations say, "Use this travel agent." I call up and then I go on the internet. And I look at what you can get if you play around for a few minutes. And it was less.

MR. STIRLING: We actually play that both ways. For small dollar transactions under delegated authority act on campus we are not required to use the travel agencies and we can go elsewhere. Sometimes they do use the travel agency because they may find that one of these agencies may have a particular discount deal with one airline or --

TREASURER KOPP: Uh huh.

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MR. STIRLING: -- chain hotels or something like that.

TREASURER KOPP: Thank you. Just curious.

GOVERNOR O'MALLEY: Does the item number three indicate that you completed a project for less than what you had projected it would be completed for?

MR. STIRLING: That's a fairly routine sweep up that we do --

GOVERNOR O'MALLEY: Uh huh.

MR. STIRLING: -- over the balances on capital projects. And once they're completed the funds are returned back to the particular spot. And so those are completed projects.

TREASURER KOPP: Including the biological sciences thirty-six cents.

(Laughter.)

MR. STIRLING: Unfortunately we have complied with the law there and the thirty-six cents has to be --

TREASURER KOPP: No, it's good.

MR. STIRLING: -- returned to the treasury.

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MS. MCDONALD: Actually, I will work with Mr. Stirling, because we have issued a letter before that under two dollars did not need to come to the Board. And the Comptroller's Office doesn't come with under two dollars anymore. So we'll work with Mr. Stirling --

MR. STIRLING: We're aggressively compliant.

(Laughter.)

MS. MCDONALD: We will work with Mr. Stirling and the thirty-six cents off in the future.

GOVERNOR O'MALLEY: Any other questions on this? All right. The Comptroller moves approval; seconded by the Treasurer. All in favor signal by saying, "Aye." All opposed, nay. The Aye's have it.

Moving on now, there is no Public Safety and Correctional Services agenda item. And we move on now to the Maryland Environmental Services agenda.

MS. MCDONALD: And I believe Mr. Harkins is here. I saw him. Yes.

MR. HARKINS: Governor, good morning.

GOVERNOR O'MALLEY: Good morning.

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MR. HARKINS: Mr. Comptroller.

GOVERNOR O'MALLEY: Sir, do we call you executive? Do we call you director? Do we call you Secretary or excellency?

(Laughter.)

MR. HARKINS: My wife says when I took the garbage out this morning, "Just get it done."

(Laughter.)

MR. HARKINS: I'm the director, sir.

GOVERNOR O'MALLEY: Director. Mr. Director.

Good to see you again, my friend.

MR. HARKINS: Good morning. Good morning to see you all. We have three items before you today.

Item number 1-C is a sludge dredging and disposal at Poplar Hill Pre-Release Center. This is a project which involves the dredging of the wastewater treatment plant.

These are really very articulate projects we do, sir.

This is a case where the contractor was originally awarded this contract, did not perform. They did not were not able to do the work. And after

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numerous contacts we went to the second bidder on the list who agreed to do it at their price. So, therefore, it's back in front of the Board for your consideration.

The second bidder has agreed to do it at the price bid.

GOVERNOR O'MALLEY: Got you. And the MBE goal is five percent? A lot of this hauling, Mr. Director?

MR. HARKINS: Yes. Items two and three are pretty clear cut. They're -- number two is painting tanks at the Cunningham Falls State Park. We do a lot of work for the Department of Natural Resources.

And the third is for the cogeneration plant that MES runs for the Department of Public Safety. This is a plant where we take wood waste and we burn it and produce electricity. That electricity then runs powers the wastewater treatment plant as well as the electricity needs for the prisons down there. What's left we sell back in to the grid.

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This is an update to the controls, the electrical controls for that plant. Now they haven't been updated in about 20 years and they're obsolete. So that would be the three projects that we have before you today.

GOVERNOR O'MALLEY: Sure. Comptroller Franchot.

COMPTROLLER FRANCHOT: On the first project, the company stopped the -- you terminated your relationship with them for some reason.

MR. HARKINS: Yes, sir.

COMPTROLLER FRANCHOT: And then you started up on with the new company. Are we, did the company you terminated with did we have any basis to get our money back or whatever you've given them?

MR. HARKINS: Because they were under the threshold of \$100,000 they did not put up a performance bond. That's pursuant to the by-laws, I believe, of the Board and procurement.

MS. FRKETIC: They also had -- excuse me.

MR. HARKINS: Ellen.

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MS. FRKETIC: I'm Ellen Frketic. I'm chief of engineering at MES. They hadn't done any work at all. They hadn't even mobilized. So we didn't pay them anything at all. I mean we didn't --

COMPTROLLER FRANCHOT: But they bid what \$99,000 --

MS. FRKETIC: Yes.

COMPTROLLER FRANCHOT: -- nine hundred and twenty-five.

MS. FRKETIC: Yes, sir.

COMPTROLLER FRANCHOT: And didn't the new bid come in at \$120,000?

MS. FRKETIC: Yes, sir.

COMPTROLLER FRANCHOT: So and but we have no capacity --

MS. FRKETIC: We have --

COMPTROLLER FRANCHOT: -- to hold them to their --

MS. FRKETIC: No. No. They were terminated for default, but there was no bond to go back to collect any of the money.

COMPTROLLER FRANCHOT: Well I would just suggest when you get up around the \$100,000 threshold that you have a bond, because this is I know the \$100,000 is the ceiling, but when you do something \$75 less than \$100,000 you probably ought to get a bond on it, based on this.

Thank you.

GOVERNOR O'MALLEY: Did we actually lose money on this? No.

COMPTROLLER FRANCHOT: Well, they're paying \$20,000 --

MS. FRKETIC: Well we're paying more --

COMPTROLLER FRANCHOT: -- more for the same work.

MS. FRKETIC: -- because the second bidder was --

MR. HARKINS: Was a little bit higher.

GOVERNOR O'MALLEY: Because the first guy wasn't willing to go when you guys when you all needed him to go.

MS. FRKETIC: Right.

COMPTROLLER FRANCHOT: Okay.

GOVERNOR O'MALLEY: Correct.

TREASURER KOPP: The question was raised by one of the local legislators, where does where's the sludge go?

MS. FRKETIC: Where ever the contractor takes it. It's his responsibility to dispose of it. That's part of his scope of work, but we make sure that they've got all the permits that they're supposed to have.

TREASURER KOPP: What ever the local the Zoning --

MS. FRKETIC: Where everything's in order before they get -- yes, ma'am.

GOVERNOR O'MALLEY: That was a scary answer.

(Laughter.)

MR. HARKINS: We're working on innovative ways to reuse it. Recycling at it's very best.

GOVERNOR O'MALLEY: Great. Any other questions on Maryland Environmental Services agenda?

TREASURER KOPP: Could I just say --

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: -- talking about MES. This project I recall from when we were on appropriations the Corrections facility on the Eastern Shore was very difficult to get right the first time. I mean it took a number of years and a number of tries. But my understanding is that since then your agency has made that --

MR. HARKINS: Yes.

TREASURER KOPP: -- really work. And very productive --

MR. HARKINS: It is truly a success story --

TREASURER KOPP: -- and very cost effective.

MR. HARKINS: -- today.

GOVERNOR O'MALLEY: This is the wood burning aspect?

TREASURER KOPP: Yeah.

MR. HARKINS: Yes.

GOVERNOR O'MALLEY: The power generation?

MR. HARKINS: It's one that's being simulated in other states. They're using the smaller models of

this to power school facilities, college facilities. It uses the wood waste when they go in and do the logging operations. That waste that's left on the ground they take that, run it through a chipper, and make little chips. And then re-burn what would normally rot it's recycled. So pretty successful.

GOVERNOR O'MALLEY: All right.

MR. HARKINS: Thank you, sir.

GOVERNOR O'MALLEY: Thank you. If there are no further questions, motion by Comptroller to approve the Maryland Environmental Services agenda. Seconded by the Treasurer. All in favor signal by saying, "Aye."

COMPTROLLER FRANCHOT: Aye.

GOVERNOR O'MALLEY: All opposed? Aye's have it. Moving on now to the Morgan State University agenda. No items.

MS. MCDONALD: No items.

GOVERNOR O'MALLEY: The MDOT. Maryland Department of Transportation. Secretary nominee Porcari.

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SECRETARY PORCARI: Good morning, Governor, Comptroller, Madam Treasurer. For the record, John Porcari with the Maryland Department of Transportation. We have 16 items for your consideration. We are withdrawing item 13-GM-MOD, and we have previously revised item 16-RP. And I'll be happy to answer any questions you might have.

TREASURER KOPP: I have a --

GOVERNOR O'MALLEY: Madam Treasurer?

TREASURER KOPP: Just one question about the landscape. You ever deal with kudzu? I mean I don't mean to come out of left field, but this is a real issue where we along the highways where I live.

MR. PORCARI: I know that is an invasive species kudzu is a big issue. I will find out, but I strongly --

TREASURER KOPP: It's serious.

MR. PORCARI: -- somewhere --

TREASURER KOPP: Yeah.

MR. PORCARI: -- in the State Highway system we have a kudzu problem.

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TREASURER KOPP: If you drive or walk -- I know this is not one of your highways, but the Clara Barton Parkway in --

MR. PORCARI: Yeah. The National Park Service facility.

TREASURER KOPP: All of those trees are just covered. I mean if you look at the outline of them they're all smooth. I mean it's very pretty and then you come up and you realize they're all smooth because they're all covered over with the vine.

MR. PORCARI: It's I can go back and look at where we specifically have kudzu issues. For our sound barrier landscaping projects we're actually planning indigenous species that would compete with kudzu.

TREASURER KOPP: Thanks.

GOVERNOR O'MALLEY: We may need a kudzu taskforce.

(Laughter.)

GOVERNOR O'MALLEY: Mr. Porcari, the item 3-M. Describe that to me. What is that an on-call

contract \$6.5 million, 22-month contract for structural repairs to bridges statewide for state highways. It says MB participation is 100 percent.

MR. PORCARI: In this particular case it is. This is one of two on-call contracts. These are general contracts for bridge repair, structural repair, whatever is needed. And in this particular case we have an MBE contractor that's being awarded the contract.

GOVERNOR O'MALLEY: And who is it?

MR. PORCARI: It is PDI-Sheetz Construction Corporation.

GOVERNOR O'MALLEY: Out of?

MR. PORCARI: Linthicum.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. If I could just ask about the MBE program in general. Do you -- there's a lot of concern that I heard about that we have these goals that are not there's no accountability, I guess is the argument. I'm not saying that's necessarily true. I'm just wondering how

you at MDOT are I see 100 percent on this one but others I see zero percent or ten percent or 20 percent. How do you assure that we're reaching the same goals?

MR. PORCARI: It works a couple of different ways, Mr. Comptroller. On the federally funded projects we have Federal Highway Administration guidelines for participation. In each case these contracts have a Board at the state Highway Administration is looking at that individual contract and actually setting the goals for that specific contract based on availability and other factors.

So there are problem-specific goals for these that are set.

COMPTROLLER FRANCHOT: But look at the next item after the one the Governor asked about, item four. It's a lawn landscape maintenance program, which has three percent MBE participation. Why wouldn't that be something that is --

MR. PORCARI: This has only it's a fair question. This has only three percent MBE

participation, but it's part of a small business reserve.

So this was set aside this particular contract under the state's Small Business Reserve Program for a certified small business. And so from that perspective it's 100 percent small business, which is not necessarily the same thing as a certified minority business.

COMPTROLLER FRANCHOT: And that would take it from the next item, item five. It has ten percent. That would be the same argument?

MR. PORCARI: Item five is a ten percent goal that is not a Small Business Reserve contract.

COMPTROLLER FRANCHOT: And what about the next one which has zero percent?

MR. PORCARI: The zero percent one this is a sweeping contract on the Eastern Shore. And we only had two respondents for it. This is -- this project -- this particular sweeping contract has been re-bid a number of times over the years. The zero percent is based on availability. In this case on the Eastern

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Shore they're hiring sweeping contractors there simply are no certified MBE firms that have competed in the past and are available for this.

This is highly location specific. And I would point out that this can be generically a geographic issue on the Eastern Shore and in other parts of the state where it's harder to reach your MBE goals than it is in the major metropolitan areas like Baltimore and Washington.

COMPTROLLER FRANCHOT: You are one of the great public servants that we have in Maryland. And if you could help us understand this issue of accountability which I hear over and over again and perhaps give us a document that might explain why in your agency the goals are being met or they're not being met for the following reasons.

MR. PORCARI: I would be --

COMPTROLLER FRANCHOT: I would appreciate that.

MR. PORCARI: I will be happy to do that, Mr.

Comptroller. I'm --

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COMPTROLLER FRANCHOT: I'm happy to give it to the Board or whomever.

MR. PORCARI: An additional issue on MBE programs that you didn't mention that we are working on is there's a whole another question about these are the goals as you let the contract. The post-contract compliance in other words whether they actually made it on those contracts is a whole another issue that and that's one that requires, I think, a lot of work.

GOVERNOR O'MALLEY: If I can pipe in here. The it would be I think if the Treasurer and the Comptroller would designate someone from their staff so that we can all sit down and try to figure out how we make the MBE program more open, transparent, accountable, you know should not be you know some sort of labyrinth and overlays for small business and MBE.

It doesn't happen overnight, but I mean it is it's complicated, but it's not so complicated that we can't make it clearer and more open and more accountable. And as we start in to a staff process the MBE, WBE goals on a year to date basis, you know, will

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be the first line recorded by all of the major drivers of this important goal of expanded opportunity in our diverse state. And that will help it become clearer.

The and the back end compliance is also something that we've never particularly -- that we have yet to do well at the state level, but you know as part of that work group we'll also be taking a look at our statute with Ms. Watson's guidance and to make sure that it would pass constitutional muster if ever it were challenged.

And but with, you know, the good news is opportunity abounds for improvement on this score. So --

COMPTROLLER FRANCHOT: Well I really look to John Porcari, Governor, for this, because he's got so much experience at the local level and the state level. And you obviously want to do it agency wide, which is fine too, but I would really like to get an understanding. And I think the compliance is what people are concerned about. And the inability to understand how to apply.

GOVERNOR O'MALLEY: The most -- the one of -- I think one of the most important requisites for a successful MBE/WBE program is the executive will and determination that this is real and not just a check on the box or lip service every four years. And fortunately we have that on this Board. So I think -- and that's the most difficult alignment to create.

TREASURER KOPP: And candid clarity and understanding. I think you're absolutely right that it sometimes it's so arcane and difficult. And it's like John said or someone said one of the people did so well that it doesn't count anymore. Just an understanding of the goals, the purpose, the mission, the accountability, I think it would be terrific.

GOVERNOR O'MALLEY: My guess is, John, you have -- Mr. Porcari you have people within your department who are charged with the -- well actually it is housed entirely in your department the MBE program.

MR. PORCARI: It is, Governor. It is.

GOVERNOR O'MALLEY: Right.

MR. PORCARI: We do the certification for all state agencies and most of the local governments, counties for example throughout Maryland as well.

GOVERNOR O'MALLEY: Uh huh. And but it but imagine the other departments in DGS for example. I mean they must have at least a person or a few people designated specifically to making sure that they are, Mr. Cassard, going through. I mean making sure -- making the determination as to why this one's two percent, why this one's ten percent, why this one's seven percent, right?

SECRETARY CASSARD: That's right.

GOVERNOR O'MALLEY: How many people in DGS?

SECRETARY CASSARD: We have a staff of four.

GOVERNOR O'MALLEY: That are exclusively committed to the MBE/WBE --

SECRETARY CASSARD: Yes.

GOVERNOR O'MALLEY: -- aspects? Okay. All right. Are there any other questions on the MDOT agenda? Hearing none, the Treasurer moves that we

approve it for approval, seconded by the Comptroller.

All in favor signal by saying, "Aye."

COMPTROLLER FRANCHOT: Aye.

GOVERNOR O'MALLEY: All opposed, nay. The Aye's have it. Next we move along to the -- did that -- did we just approve the supplemental MDOT items?

MS. MCDONALD: Yes, it did. It's all approved.

GOVERNOR O'MALLEY: We did that as well, huh?

MS. MCDONALD: Yes. Yes, you did.

GOVERNOR O'MALLEY: Okay. We move on now to the Department of General Services agenda item.

SECRETARY CASSARD: Good morning, Governor --

GOVERNOR O'MALLEY: Morning, Mr. Cassard.

SECRETARY CASSARD: -- Treasurer, Comptroller. Today DGS has 13 items. We have no revisions or any supplementals. So be happy to answer your questions today.

GOVERNOR O'MALLEY: Okay. Any questions?

TREASURER KOPP: Yeah, I have a question about --

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GOVERNOR O'MALLEY: Madam Treasurer.

TREASURER KOPP: -- number six.

GOVERNOR O'MALLEY: Number six.

TREASURER KOPP: You know we try to have two real appraisals for each project. This one looks like one of the appraisals was ruled out as not a valid appraisal. Is that --

SECRETARY CASSARD: Madam Treasurer, I'll invite Nelson Reichart our assistant secretary for real estate to answer your questions.

MR. REICHART: Good morning, Madam Treasurer. Good morning, Governor. Good morning, Mr. Comptroller. Nelson Reichart with DGS.

This item is for the purchase of 15 acres of land adjacent to the Appalachian Trail. And the appraised the price is \$75,000. DGS did obtain two appraisals.

The piece of property was landlocked. We requested that they consider it as landlocked. As a landlocked parcel it's value, of course, as a development site it didn't meet Zoning. The one

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appraiser I would say without coming back to us and this was where we disagreed with his appraisal is that he didn't come back and talk to us about it. Adjusted his appraisal based on the cost of a developable site and deducted adjusted his comparables to include the cost of procuring a right-of-way -- a fee simple right-of-way to make it a developable lot.

We disagreed with that, because we felt it was all in all too speculative and we did not accept the appraisal. The other appraisal was acceptable. And given it's value of \$75,000 we didn't want to go and procure an additional third appraisal which would've cost another \$1,500 to \$2,000 because we felt fairly comfortable with the one appraisal at \$75,000.

TREASURER KOPP: But you're still retaining and paying the \$290,000 guy.

MR. REICHART: We asked for a gentleman's opinion of it and we have to pay him for his opinion. We may not agree with the final conclusion of his opinion. His process was acceptable. His methodology was good. We just had disagreed with his final

conclusion, but we still have to pay him for the time that he put in to do the appraisal work for us.

TREASURER KOPP: Well, first of all, I would just say I don't think you got two valid appraisals. First of all.

MR. REICHART: Okay.

TREASURER KOPP: Secondly, do you keep a record on these guys? I mean I haven't, so I don't know whether it's the same person as we've had problems with before. But you do have on a number of occasions appraisals that are just not appropriate. Just not in sync with reality.

MR. REICHART: Uh huh. We do keep track of who --

TREASURER KOPP: And you keep paying them.

MR. REICHART: We have to -- once they do the work and submit the appraisal we have to pay it. Like I say, we can't pay because we disagree with the conclusion. You know if his methodology is --

TREASURER KOPP: I understand you can't pay if you disagree with a conclusion because --

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MR. REICHART: Right.

TREASURER KOPP: -- of the slight --. But \$290,000 because it doesn't follow directions versus \$75,000. That's a big difference.

MR. REICHART: I -- it is -- I agree with you, it is a difference. We have subsequently spoken with the gentleman about it. He should of come back to us without finishing his appraisal and submitting. He should of come back to us and talked to us. He did not. And we have since, you know, discussed this with him to not proceed in that manner before.

TREASURER KOPP: It's nice you discussed it with him, but what do you -- I mean are we going to see a change?

MR. REICHART: We will monitor these more closely. If necessary we will do an in-house appraisal so that when we come to the Board you will see it with two appraisals that support our --

TREASURER KOPP: I would like to see here --

MR. REICHART: -- purchase price.

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TREASURER KOPP: -- two real appraisals if what the guidance calls for is two real appraisals.

MR. REICHART: Well --

MS. MCDONALD: Actually, it is in the state statute that requires the Board to have two appraisals before --

TREASURER KOPP: It's not the Board policy it's the law.

GOVERNOR O'MALLEY: So we only have one?

TREASURER KOPP: No. He would argue we have two.

MS. MCDONALD: Yeah. I think that there's two because they just --

TREASURER KOPP: But I would argue that they don't.

MS. MCDONALD: But he didn't accept it.

MR. REICHART: It's a valid appraisal and that it meets the form and the -- it followed the process. It's just that his conclusion we disagreed with his conclusion of his appraisal.

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GOVERNOR O'MALLEY: So you accept his appraisal?

MR. REICHART: We have to -- in a sense we have to accept it because it reaches a conclusion. We disagree with it. It's the same --

TREASURER KOPP: Let me ask, Governor --

MR. REICHART: -- as asking for an opinion of repairs on your car, disagreeing with the cost of the repairs. You still have to pay the man if you said you'd pay him for the estimate.

TREASURER KOPP: That's not a very good analogy and I wouldn't follow it very far if I were you Nelson. Because you can say I you know one guy says you need a new engine the other one says, "Oh, no you got to fill up the tire."

MR. REICHART: Well, I agree. And this is not quite the same, but either but we --

TREASURER KOPP: Could I ask you suggested one briefing of our staff. Since this is a new --

SECRETARY CASSARD: Sure.

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TREASURER KOPP: -- beginning that we have our representatives get together and understand this process and how this sort of thing can be justified or if not what proposals could be made to change it so we actually do have on behalf of the people two real -- I mean in this case we're paying -- we're paying less. That in terms of the taxpayers, that's one thing. But it could be the other way around too.

MR. REICHART: Well, I agree with you. I think we use our staff as the Board to make sure that we don't over pay. We do in-house staff appraisals. On this particular one we did not go back and do an in-house appraisal either which we could of done what we call a composite appraisal.

TREASURER KOPP: Right.

MR. REICHART: So --

TREASURER KOPP: If I could ask, Mr. Reichart --

MR. REICHART: -- we will do that in the future.

We'll meet with your staff.

TREASURER KOPP: No.

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SECRETARY CASSARD: Defer it for a week?

TREASURER KOPP: Actually this one came out okay for us.

MS. MCDONALD: Well actually the genesis of the statute that requires two appraisals was not necessarily that the taxpayers get the best deal. It was to protect the landowner --

TREASURER KOPP: Right.

MR. REICHART: Right.

MS. MCDONALD: -- from state because if it's a low ball it's on this case and we detected we can say, "Oh, we can only spend \$75,000." The whole point of having two appraisals was to make sure that the state didn't come in --

TREASURER KOPP: Right.

MS. MCDONALD: -- and railroad the owner.

TREASURER KOPP: But Mr. Briggs seems to think --

MS. MCDONALD: But he's okay with the \$75, obviously, in this case so.

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GOVERNOR O'MALLEY: Yeah, but if the second appraisal you accept it and it said \$25,000 --

TREASURER KOPP: Exactly.

GOVERNOR O'MALLEY: Why don't we -- wouldn't --

MR. REICHART: We would -- if it had come back and said \$25,000 we would've taken another look at it and probably, we might possibly would've rejected it as well.

TREASURER KOPP: I'm happy.

MR. REICHART: We don't accept, you know, we don't accept the low ball appraisal. We accept an appraisal that we feel meets the market. And that's what we're trying to --

TREASURER KOPP: But I do think all of members of this Board and their staff should feel comfortable that they understand the process and that it's appropriate --

MR. REICHART: Sure.

TREASURER KOPP: -- process. And if we don't then we need more information --

MR. REICHART: Okay.

TREASURER KOPP: -- and --

GOVERNOR O'MALLEY: It's kind of hard for us to say that we've had two appraisals when in print on the agenda it says the second one wasn't accepted. You know? So why don't we -- I mean --

SECRETARY CASSARD: Governor, I'll be happy to defer the item and provide you with a composite appraisal completed by one of our licensed appraisers so that the Board could have a second opinion of value that's approved.

GOVERNOR O'MALLEY: Yeah, let's do that.

TREASURER KOPP: For this specific item.

GOVERNOR O'MALLEY: Yes.

TREASURER KOPP: But I think we also --

GOVERNOR O'MALLEY: This -- yes.

TREASURER KOPP: -- could use a briefing on the process and an understanding --

SECRETARY CASSARD: Sure.

TREASURER KOPP: -- of what the problems are.

SECRETARY CASSARD: And we do have an approved list of appraisers, about 75 long. If the appraiser continues to fail to meet standards we remove them from the list. And don't give them an opportunity to bid on any of our work.

TREASURER KOPP: And has that happened?

SECRETARY CASSARD: Yes it has. And there are appraisers that appeal for our approval to be on our approved list who don't make it, because their standards aren't met.

TREASURER KOPP: I think that's the sort of process we would like --

SECRETARY CASSARD: Yes.

TREASURER KOPP: -- to know more about.

SECRETARY CASSARD: We agree.

GOVERNOR O'MALLEY: And any MBE/WBE among your 75 appraisers?

SECRETARY CASSARD: There are.

MR. REICHART: There are a few, yes. Uh huh. There is.

GOVERNOR O'MALLEY: Okay. All right. Well we'll defer this one indefinitely. Is that what we said?

SECRETARY CASSARD: Well we'll bring it back, Governor, when we can have a composite appraisal by one of our licensed appraisers so that the Board can have two approved values and see where that the balance is. We may be very close to that \$75,000 number when we get finished looking at.

We'll provide you with a second appraisal --

TREASURER KOPP: And to be fair to the land owner. I don't want to just hold --

SECRETARY CASSARD: Yes.

TREASURER KOPP: -- this up.

SECRETARY CASSARD: Sure.

TREASURER KOPP: But I think people should feel comfortable.

SECRETARY CASSARD: We'll attempt to do that by the next Board.

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MR. REICHART: Yeah, we'll get it back. We'll have something by the next Board meeting. It's no problem.

GOVERNOR O'MALLEY: When is the next Board meeting?

MS. MCDONALD: It's three weeks, actually. We have a three week break. It's Valentine's Day that makes me remember February 14th.

GOVERNOR O'MALLEY: Okay. And we always take a three week break in deference to Valentine's Day?

(Laughter.)

MS. MCDONALD: No, it's generally two week breaks. We get a three week break after one. The state constitution requires the Boards meet four times a year. And those are stated in the state -- actual dates are stated. And so I just start with that and then I have to work around it. And so there's a couple three week breaks that we just have to --

GOVERNOR O'MALLEY: Okay. So we defer this until such time as a second appraisal is done on this property. Do we need a motion in order to pull this

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from the agenda or just stating it on the record like I just did?

MS. MCDONALD: The leave it in the record we'll defer. Right.

GOVERNOR O'MALLEY: All right.

MS. MCDONALD: It's been deferred. It's off the agenda now. So when you move on the rest of the agenda and vote in favor of the rest of the agenda, this will have have been deferred.

GOVERNOR O'MALLEY: All right. So --

MS. MCDONALD: You're okay. You did a good job.

GOVERNOR O'MALLEY: The chair has deferred this.

MS. MCDONALD: Yes.

GOVERNOR O'MALLEY: Okay. And then are there any other questions about the other matters that are on the General Services agenda? Mr. Comptroller?

COMPTROLLER FRANCHOT: If Ms. Secretary if I could just ask a question about item one. It's -- you have five companies who competitively bid for this

exhibit business. And obviously the process worked, because the state got a good price of \$559,000.

My question is does the performance bond that you have protect the state if the bid which is the winning bid is too low?

SECRETARY CASSARD: Oh, sure. There is an explanation, Mr. Comptroller on this one. In that the Handley Company does in-house cabinet making --

COMPTROLLER FRANCHOT: Right.

SECRETARY CASSARD: -- which gave them a competitive advantage in their pricing. So there was an evaluation to ensure that price was not too low.

But the answer is, of course, yes, performance bond should ensure that we would get --

COMPTROLLER FRANCHOT: If they don't perform.

SECRETARY CASSARD: -- the product that we bargained for.

COMPTROLLER FRANCHOT: And generally what is your outlook or attitude, I guess, about a low bid being granted and then amendments of that coming back? How do you have protection?

SECRETARY CASSARD: Change orders?

COMPTROLLER FRANCHOT: Yeah. Do you have a protection for the state --

SECRETARY CASSARD: Sure.

COMPTROLLER FRANCHOT: -- against that kind of dynamic?

SECRETARY CASSARD: With every change with every bid we see our procurement officers do evaluate to determine whether the bid is responsible. Sometimes we do receive a bid that is absolutely irresponsible and the contractor cannot perform. And it's in the interest of the state we reject that bid.

In this instance there was an evaluation determined that this firm had the upper hand and that they do a lot of in-house fabrication as opposed to subbing out. Cabinet making is a premium business, very high end business and this exhibit required a lot of custom cabinet making.

COMPTROLLER FRANCHOT: It was just for my clarification if there is a change order in a contract,

do those come back before us or are they considered your jurisdiction?

SECRETARY CASSARD: They are reported to the Board either below \$50,000 on a construction contract. They're reported through our procurement advisory report, our PAAR report that we make to the Board. Over \$50,000 we bring the item for your review and approval.

COMPTROLLER FRANCHOT: Thank you, Governor.

GOVERNOR O'MALLEY: The Treasurer kind of pointed out to me the item on 1-C. Can you tell us a little bit about that? It's interesting.

TREASURER KOPP: Very interesting. It is very interesting.

GOVERNOR O'MALLEY: We've got a few minutes.

SECRETARY CASSARD: Oh, absolutely. We have Mr. Roger --

GOVERNOR O'MALLEY: St. John's Manor.

SECRETARY CASSARD: Mr. Roger Hill is here today, I believe. There he is.

GOVERNOR O'MALLEY: Mr. Hill, tell us about St. John's Manor.

MR. HILL: I'll be happy to. Good morning from the first capital of Maryland.

(Laughter.)

MR. HILL: And the home of the first governor and the first treasurer. However, not first comptroller, they came later.

COMPTROLLER FRANCHOT: The first comptroller was a former governor.

(Laughter.)

MR. HILL: More history than I knew. The St. John's site can arguably call the most important historical site in Maryland. It was originally the home of the first secretary of the state of the colony, John Luger who built it in 1637, 1638. It was the home of Charles Calvert and he actually ran the assembly from that house.

This was the site where the first women asked for the right to vote in the State of Maryland, Margaret Brent. They turned her down. This was where

the first person of African decent served in a new world legislature. This was the first place where the first laws of religious toleration were passed in the new world. And this was the first law of it's kind since antiquity. The first law separating church and state was passed in this specific place as well. And the confluence of the Indian nations went there and signed the peace treaties that established the trading rights and stopped warfare. This was when Charles Calvert was governor.

So this is, like I said, arguable the most important site historically in Maryland; certainly early Maryland history.

GOVERNOR O'MALLEY: And this is in St. Mary's City?

MR. HILL: St. Mary's City, Maryland.

GOVERNOR O'MALLEY: That's great. So what are we going to be doing there?

MR. HILL: We're building a museum over the remains of the original house --

GOVERNOR O'MALLEY: Uh huh.

MR. HILL: -- which are well preserved. And we will be telling the stories that we just talked about there today.

GOVERNOR O'MALLEY: And --

TREASURER KOPP: When?

GOVERNOR O'MALLEY: When and what's the price?

MR. HILL: The museum itself is under construction and the price on that is about \$6.5 million.

GOVERNOR O'MALLEY: Boy.

MR. HILL: It's about 40 percent constructed. And you're certainly welcome to come down and see the progress, particularly on Maryland Day.

GOVERNOR O'MALLEY: What -- so what are we approving here? I don't see --

MR. HILL: This is the exhibits that go inside the building. The building is one construction contract and this is the exhibits, the case work, the signs, the artifact mounting, and things like that that go inside a museum. They're two separate contracts.

GOVERNOR O'MALLEY: Oh, I'm sorry.

COMPTROLLER FRANCHOT: So this is --

GOVERNOR O'MALLEY: I went right to page two. I'll learn. Start with page one.

(Laughter.)

GOVERNOR O'MALLEY: That's it. Okay. Any other questions on these items?

TREASURER KOPP: I look forward to seeing it.

MR. HILL: Thank you very much.

GOVERNOR O'MALLEY: Thank you. All right.

COMPTROLLER FRANCHOT: Move to approve.

GOVERNOR O'MALLEY: Comptroller moves to approve the Department of General Services agenda. Seconded by the Treasurer. All in favor signal by saying, "Aye."

TREASURER KOPP: Aye.

GOVERNOR O'MALLEY: All opposed, nay. The Aye's have it. And now -- so that completes our --

MS. MCDONALD: Meeting, sir. And we usually take a short break for five minutes to let these people leave and --

GOVERNOR O'MALLEY: All right. Ladies and gentlemen, we're going to take a short break, very short, and then we're going to come back and begin in earnest with our school construction extravaganza.

(Whereupon, at this time in the meeting, the Board took a short break.)

GOVERNOR O'MALLEY: All right. We are returning now to Secretary's item number one. Mr. David Lever is going to make some opening remarks. On deck we have from -- on deck we have Frederick County, then Anne Arundel County, followed by Baltimore City. And we're going to begin. Catch up. Mr. Lever.

DR. LEVER: Good morning, Mr. Governor.

GOVERNOR O'MALLEY: How are you, sir?

DR. LEVER: Madam Treasurer, Mr. Comptroller. This morning the Inter Agency Committee on school construction will bring before you this afternoon recommendations in the amount of \$242 million for funding for 103 school construction projects.

GOVERNOR O'MALLEY: Did you say \$222 or \$242?

DR. LEVER: Two hundred and forty-two.

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DR. LEVER: Two hundred and forty-two.

GOVERNOR O'MALLEY: Got you.

DR. LEVER: As well as recommendations for planning approval for 32 projects. The funding recommendations will represent 75 percent of the estimated preliminary capital budget which was \$323 million.

The total funding request in fiscal year 2008 amounted to \$894 million. There were 132 requests in addition for planning approval. The funding requests are actually slightly less than they were last year. But the escalation of construction cost, we believe, has led to an increase in the total dollar request of about 22 percent compared to last year. So construction escalation continues to be a major issue that all of the school systems are facing.

At this point, I'd like to ask Frederick County to come forward.

GOVERNOR O'MALLEY: Great.

DR. LEVER: And we'll now hear appeals from all of the -- or from 20 of the local governments and

school districts. And this afternoon we'll return with the motion.

GOVERNOR O'MALLEY: I'm sorry. Mr. Comptroller?

COMPTROLLER FRANCHOT: Mr. Lever, could you -- you briefed me yesterday on some of your thoughts about energy conservation and schools. And if you could just give 30 seconds on geothermal, because you're so expert on that and what's going on in our school systems, because I'd love to get the Board focused on that just a little bit.

DR. LEVER: Well, in general we've seen a growing awareness of the importance of energy conservation, the search for alternative energy sources. The most important of these is the geothermal system that you mentioned.

We now have 24 schools in the State of Maryland at various stages of construction completion, the schools are open; under construction or in design which have geothermal systems.

We're finding now that the costs are decreasing on the Eastern Shore but they're becoming competitive with conventional systems and the technology is spreading on to the Western Shore, becoming in many cases the methodology of choice for heating and cooling buildings.

We have other progressive approaches to energy conservation, particularly energy performance contracting in which the actual savings in the cost of energy pay for the improvements over the life of the financing; often 15 years.

And then we have also initiatives just beginning to achieve LEED certification. A school in Montgomery County opened this fall Great Seneca Creek Elementary, which has LEED certification. A school is under design in St. Mary's --

TREASURER KOPP: Explain LEED certification, if you would.

DR. LEVER: Leadership in energy and environmental design is a certification process established by the green building council in the 1990's

that establishes certain criteria in a number of different categories. And it has rankings of grade from simple certification, silver, gold, and platinum.

The Chesapeake Bay Foundation building is a platinum level building. The level of certification that was sought by Great Seneca Creek was either simple certification or silver. Schools are very difficult to achieve a LEED certification at the moment.

We have another school in St. Mary's County under design, which will seek LEED certification. I understand that there will be a school in Harford County which is seeking LEED certification. There may be others as well, I'm just not aware of them at this time.

COMPTROLLER FRANCHOT: I only bring this up because we're going to save millions and millions of dollars for taxpayers by doing these kinds of -- good. That's a good explanation mark. We're going to save millions of dollars by adopting these practices. And I asked on -- I was stunned to learn that we had 24

schools that are employing geothermal, which I only learned about yesterday.

And I asked you where this came from and I think you said that your predecessor Yale Stensler had heard about a Pennsylvania school that had used it and gradually you brought it in or he and you together brought it in the system.

And Governor and Treasurer, it just shows that one focus can move the state in a way that saves us money and gosh knows how many barrels of oil we save from using geothermal rather than fossil based electricity. Although I understand there is some fossil base electricity used with geothermal.

But I applaud your attention to this. I hope the superintendents that are here will utilize whatever they can to encourage this new dynamic, because it will allow the state to be much greener and cleaner down the road.

GOVERNOR O'MALLEY: I think all of us share that goal. Are there best practices that you give awards for schools that are particularly outstanding in

their use of green technologies, conservation, energy efficiency, etcetera?

DR. LEVER: At this point we haven't done that.

GOVERNOR O'MALLEY: That might be something fun to do.

DR. LEVER: Okay.

COMPTROLLER FRANCHOT: It's happening anyway, but --

DR. LEVER: That's right.

COMPTROLLER FRANCHOT: -- and I'm particularly interested in the fact that it's not the they're not technological impediments they're cultural impediments.

TREASURER KOPP: Well they're --

DR. LEVER: It's a combination, but the cultural aspect is extraordinarily important. Acceptance of the technology, particularly by the design and the contracting community is what has made the difference on the Eastern Shore. And that is part

of the cultural change we're seeing spread to the Western Shore.

COMPTROLLER FRANCHOT: And the Treasurer's right, the cultural change results in a premium in cost, because the contractors aren't familiar. But it's exciting for me to see the school system moving forward with, I take it, a lot of good results.

I'm also interested in any data you have as to the savings that you have.

DR. LEVER: It's anecdotal at this point. We do have an instance of a geothermal school in Queen Anne County. In March of 2005, which was a especially cold and blustery month, they spent under \$200 for the energy that was required to heat and cool the school. Heat it, essentially --

COMPTROLLER FRANCHOT: In that month.

DR. LEVER: -- compared to several thousand dollars spent in that month in comparable size schools that did not have geothermal.

GOVERNOR O'MALLEY: And that's a brand new school that just been --

DR. LEVER: And it's new. So it also had a high degree of insulation --

GOVERNOR O'MALLEY: It's a pretty school.

DR. LEVER: -- windows and so forth. This is Matapeake Elementary School.

GOVERNOR O'MALLEY: Different than the one I was in.

DR. LEVER: Is extraordinary. It's on Kent Island. It's an extraordinary achievement. We're also hearing of savings of \$66,000 annual from Calvert County compared to a school of comparable size and building technology.

TREASURER KOPP: That's great.

DR. LEVER: So --

GOVERNOR O'MALLEY: Let's quantify and promote. And maybe we can standardize them. Mr. Comptroller?

COMPTROLLER FRANCHOT: I would -- if you could help us get that data, because obviously the more data we have the more people will be responsive and pay you premium in order to move this process forward. But

it also might have lessons for us in other state buildings that are not school buildings.

DR. LEVER: Correct.

GOVERNOR O'MALLEY: And speaking of moving the process forward, let's call up Frederick County, over the meadows gold with corn. Cool on a crisp September morn.

MS. MCDONALD: And ---

GOVERNOR O'MALLEY: The clustered spires of Frederick stand green walled by the hills of Maryland.

MS. GROTH: Very good.

GOVERNOR O'MALLEY: Thank you. This is a high powered delegation too. High power delegation.

MS. GROTH: I'm totally in awe of being in --

GOVERNOR O'MALLEY: With the minority leader and the president.

MS. GROTH: Good. Good morning, Governor, Comptroller, Treasurer. I bring you greetings from beautiful, fast-growing, and green Frederick County.

I am Kathryn Groth, president of the Board of Education of Frederick County. Accompanying me today

are the members of the Frederick County Delegation led by Delegate Weldon.

DELEGATE WELDON: Good morning.

MS. GROTH: Dr. Linda Burgee, superintendent of schools; Jan Gardner, president of the Frederick County Board of County Commissioners; Janice Shepper of the Frederick County PTA County Council; and Ray Barnes, Frederick County Public School Executive Director of Facility Services.

I have a few opening remarks to make and then I'll turn it over to Dr. Burgee for a short presentation of the specifics.

We are here to appeal several school construction projects all of which are very important to the Board of Education and to the parents and students, 40,000 of them in Frederick County Public Schools. As you know Frederick County has been growing rapidly and enrollment increases in the school system since 1990 have been great than at any time in our history.

Even though we have with the state's help engaged in an aggressive school construction program many of our schools are over 100 percent capacity. And the latest information I have is that 35 percent of our schools are in fact over 100 percent capacity.

Due to this overcrowding, we are providing instruction in 159 portable classrooms. We also have older schools in need of renovation. Over half of these older schools are older than 30 years of age and many are even over 50.

We cannot forget the needs of students in our older schools while we build new ones to address overcrowding. We are committed to educational equity. Making sure there is a balanced program of school construction and renovation that takes into account the needs of all of our students.

At the local level, we believe we are doing our part to address many issues associated with rapid growth and development. The county commissioners and the Board of Education have jointly supported a six-

year program of school construction that will help reduce the number of overcrowded schools.

The county commissioners have adopted an adequate public facilities ordinance to regulate new development. Impact fees have been instituted to raise local revenues for school construction and the county commissioners regularly forward fund projects so that they can stay on schedule.

Recently, we also completed an agreement with a residential developer to provide 100 percent of the funding needed to put an addition on one of our high schools.

We believe we are a leader in the state in the effort to leverage private dollars for school construction. I also want to add here, and I am responding to the Comptroller's interest in alternative energy sources and energy conservation. We have been in all of the discussions we've had concerning architect and design work for any of our new schools and/or renovations, one of the main questions that I always ask is tell me about energy conservation. How

are you going to make use of passive solar site planning. All the things that go into making our buildings the most energy efficient we can make them.

We are talking about geothermal in many of our schools and also in our -- one of our main renovations that's going to be undertaken soon to talk about putting a geothermal field in.

We are also working in partnership with BP Solar, which is a company in Frederick, to work on lots of solar energy opportunities in our school system. So I just wanted you to know we are making an effort in that regard. We also have a cut the electricity bill by five percent effort. And on the wall next to every light switch is turn it off when you're not in the room.

So we do think we're making a good effort in that direction. We feel strongly that our ability to provide a proper academic and instructional program and our students ability to achieve high standards depend on adequate school facilities. We are doing our part. The state needs to continue as an active partner with

us towards providing new classroom space and school renovations we sorely need.

As a testimony to the priority our county places on school construction, we present a joint letter signed by the Board of Education, the Board of County Commissioners, the Frederick County Delegation, the PTA County Council and the Chamber of Commerce. And you'll see a copy of this letter in your packets.

Just wanted you to know that the support in our community is strong. Thank you for your time and consideration and Dr. Burgee will now present our specific project appeals. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

DR. BURGEE: Good afternoon. I appreciate the opportunity to meet with you and request additional reimbursement of construction funds for Urbana Middle School; the remainder of construction funds for the New Oakdale High School; several systemic projects; and planning approval for Emmitsburg Elementary School and Brunswick High School addition. I also wanted to thank you for the funding that we have received thus far.

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I really do want to urge the state to continue being an active partner with Frederick County Public Schools in meeting our school new seats and renovation needs. And specifically to request that you fully fund as soon as possible the projects you've committed to in the past.

As Mrs. Groth said, since 1996 enrollments in Frederick County Public Schools have increased by nearly 7,500 students or a 23 percent increase. And over the next ten years the Maryland Department of Planning's projections anticipate that Frederick County will have the second largest enrollment growth of any system in the state. Clearly, we need seats now and we'll need them in the future.

At all school levels we're faced with the challenging of making investment in new buildings to match that enrollment growth while addressing the renovation needs of many older schools. Both of these are critical to really providing our students with a quality education. And that's why we're all in this room today.

Forward funding by our County Commissioners as well as the developer funding mentioned Ms. Groth has allowed us in recent years to address capacity needs through three new schools in addition to four schools.

We realize that our funding request that we submitted is very substantial, but a close look at each project is going to reflect real needs at different schools in the county. We also understand that you are faced with limited funding, but our needs will not go away.

We've submitted our request in priority order and I will briefly review those. The details are in your packet.

Number one priority, Urbana Middle School, the repayment of those funds. Construction funds are requested in fiscal year 2008. The IAC's recommending about \$1.8 million and we're requesting the balance of \$5.3 million in state funds approved for this project.

Approval of this site was granted by the state in 2003. The school has been constructed. It

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opened in August of 2006. It's located in the Urbana PUD, which contains over 3,500 housing units and is currently only about 60 percent complete, provided relief to Windsor Knolls Middle School, which was operating over 120 percent capacity.

Our second order of priority is Oakdale High School. The IAC is recommending five million dollars towards this project. In addition to this we're requesting the remainder of construction funds to the tune of about \$15 million. Again, planning approval was granted in 2004. The design is underway. The bulldozer's are on-site. We hope to have it August in 2008. Again, it's located in another large PUD, 4,300 homes.

When Oakdale High School is open it will temporarily house Linganore High School while that facility is being demolished and replaced. Linganore High School is operating at about 140 percent capacity. Last count I think there are about 27 portables on-site.

We're also requesting two systemic improvements. A roof replacement at New Market Middle and a boiler replacement at Walkersville Elementary. And our last request are two planning approval requests for Emmitsburg Elementary mostly due to full day K implementation and Brunswick High School.

The simple fact is we need to make more progress toward addressing our school construction needs. Our Board of County Commissioners have assumed a substantial financial burden in forward funding the construction projects to keep them on track. However, we also need the state to maintain a balanced partnership by increasing the financial commitment to Frederick County in 2008.

Thank you so much for your time and your consideration of the request.

MS. GARDNER: Good morning. I'm County Commissioner Jan Gardner. I'll just make a few brief comments. First I want to thank you Governor O'Malley for the four hundred million in school construction in

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your budget. It's greatly needed. The counties can spend it. And our school children need it as well.

The County Commissioners unanimously support the Board of Education's request. We have been a good partner with our school system. We have forward funded a significant number of school projects. Right now we are trying to build two high schools back to back. In our CIP those schools are two years apart. We need to close that gap. We need state funding support to make that happen.

In addition, I don't want you to forget that Frederick County has a two billion dollar investment coming to Fort Deitrich it's part of BRAC. We need to keep up with our schools including our renovations. And we ask for your support and for your serious funding consideration of our needs.

Thank you very much.

GOVERNOR O'MALLEY: Thank you. Anyone else?  
Minority leader?

DELEGATE WELDON: Governor, Mr. Comptroller, Madam Treasurer, thank you for this opportunity.

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Delegate Weldon, Chair of the Frederick County  
Delegation.

I'd like to reiterate Commissioner Gardner's appreciation to you, Governor, for your commitment of the \$400 million. You're going to hear all day today how this money is so desperately needed. We appreciate your courage in putting up that number and then working with the legislature to see that it's funded. And we look forward to your favorable consideration of this request. Thank you.

GOVERNOR O'MALLEY: Thank you. Well we need to be -- we need to do a lot more on school construction. So, so far you know this year it looks like we can. Tougher things coming down the road, but I really do appreciate all of you coming in here. You have a terrific delegation. And we will try to do our very, very best.

DELEGATE WELDON: Thank you, sir.

TREASURER KOPP: Governor, could I just say, it's terrific to see all of my constituents here, but also you have spoken before of the taskforce on school

construction. And I just want you to know that Jan Gardner was a very important part of that taskforce and a great contributor on behalf of the counties.

GOVERNOR O'MALLEY: Our state is served by strong women.

(Laughter.)

DELEGATE WELDON: Smart man.

(Laughter.)

GOVERNOR O'MALLEY: I thank you,  
Treasurer Kopp --

DELEGATE WELDON: Thank you.

GOVERNOR O'MALLEY: -- for your leadership on that as well. Thank you.

TREASURER KOPP: Thank you.

GOVERNOR O'MALLEY: Good seeing you. Okay.  
Next up, Anne Arundel County.

MS. MCDONALD: Governor, if you would --

GOVERNOR O'MALLEY: Yes?

MS. MCDONALD: -- maybe if you want I take it you want to stick to the ten minute time limit per county?

GOVERNOR O'MALLEY: Sure.

MS. MCDONALD: And so then I do have --

GOVERNOR O'MALLEY: I'll announce -- we'll  
let them change --

MS. MCDONALD: Okay.

GOVERNOR O'MALLEY: -- and then we'll come  
back to the --

MS. MCDONALD: Okay.

GOVERNOR O'MALLEY: -- ground rules. That  
one went a little longer than ten minutes.  
Delegate Clagett, good to see you.

Moving right along here. And Ms. McDonald  
the Secretary of the -- attention, please. All right,  
here we go.

We did not follow our own rules and Frederick  
as you all readily saw. I'm told that we are to  
attempt to stay to a ten minute time limit, which  
sounds -- which is incredulous. And it's hard to  
believe as important as this is to all of us.

So this is not -- this a process that was not  
of this Board's making, but we're going to do our very

best to learn from it. And we appreciate your  
patience.

And we now turn it over to you and Secretary

--

MS. MCDONALD: So that the people know, I do  
have a time keeping card.

GOVERNOR O'MALLEY: Okay. Will be our time  
keeper. Anne Arundel County.

DR. MAXWELL: We will do our best to stay  
with the process, too, Governor.

Good morning Governor O'Malley,  
Comptroller Franchot, Treasurer Kopp. I am  
Kevin Maxwell, Superintendent of Anne Arundel County  
Public Schools. I'm pleased to be joined this morning  
by the vast majority of the members of our Anne Arundel  
County Delegation, the County Executive, the County  
Council Members, Board of Education Members, and other  
valued supporters of education in Maryland and Anne  
Arundel County.

An adequate physical plan is vital to providing safe and functional facilities where teachers can teach and our students can learn.

I would like to thank this Board and the IAC for your valued support of our Capital Improvement Program and the Aging Schools Program. These projects have provided many needed upgrades for our building infrastructure and helped us to replace outdated and functionally inadequate facilities.

I would also like to make the Board and the IAC aware of the tremendous support and leadership being provided by many individuals. I have partnered with County Executive Leopold, Speaker Busch, and our Board, in particular Ned Carey, to address a long standing cash-flow timing issue.

Just this past Wednesday evening, our Board approved a capital budget adjustment reflecting this agreement. This commitment and modification will allow a more orderly planning and design process for our public school construction projects.

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We are extremely grateful for your support of the fiscal year 2008 projects that have already been recommended for approval by the IAC. The \$19 million allocated toward these critical projects will allow us to continue the good work that has started in Anne Arundel County and help us move our school system from good to great.

As our number one priority, we are requesting local planning and construction funds for the Gambrills Area Elementary School. This school is needed to address overcrowding in seven elementary schools resulting from the continued growth of the Crofton, Piney Orchard, which by the way that elementary school is one of the first geothermal schools on the Western Shore of Maryland. Four Seasons, Gambrills and Waugh Chapel areas. It is also a critical step in addressing the needs of the communities included in BRAC, the Fort Meade Residential Community Initiative, the West County Initiative, and the Arundel Mills area developments.

We are also requesting construction funding to modernize and expand the science department at

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Arundel High School. The States' Look to the Future Program has been extremely successful in providing our high school students with modern science facilities.

As a society, we must continue to do so if we are to address critical shortages in science and engineering. We appreciate the state's continuing support of this program and request funding of this project.

Finally, we are requesting local planning approval for Severna Park Middle School. This school is over 40 years old and at capacity. This approval will allow us to plan and in future years fund a fully renovated and educationally proficient middle school.

On behalf of our 73,000 students, their parents, and the Board of Education of Anne Arundel County, I thank you for the opportunity today to discuss our fiscal 2008 capital improvement program and how it supports our educational goals in Anne Arundel County.

And one other note I'd like to add with the earlier comments, 90 percent of our schools have a

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computer environmental management system -- computer run environmental management system to help us with those needs in our system.

Following remarks from our County Executive and the County Delegation, we would be pleased to answer any questions that you may have.

GOVERNOR O'MALLEY: Mr. County Executive.

MR. LEOPOLD: I'm pleased to be here today to strongly support the recommendations of the Superintendent and urge the Board's favorable consideration.

GOVERNOR O'MALLEY: Anyone else from the delegation?

MR. LEOPOLD: Senator Astle.

SENATOR ASTLE: Governor, Mr. Comptroller, Madam Treasurer. The Anne Arundel County Senate Delegation stands solidly behind Dr. Maxwell's request. And we request favorable consideration on your part. Thank you.

GOVERNOR O'MALLEY: Thank you.

DELEGATE CLAGGETT: Make a quick ditto for the delegation the house delegation.

(Laughter.)

DELEGATE CLAGGETT: And we appreciate all of your consideration of what we've asked.

GOVERNOR O'MALLEY: We appreciate the leadership in Anne Arundel County and we we will do our very, very best. And we thank you all for coming in today.

Comptroller Franchot?

COMPTROLLER FRANCHOT: I would be remiss if I didn't note that former Delegate Leopold was a member of my subcommittee. And it's good to see him in his new capacity and everybody else. And Dr. Maxwell, the data that I have on the energy efficiency it -- when people are polled as to why a school will be energy efficient and save money and save oil, it comes 80 percent of the people who were polled said it's the superintendents decision. And so I applaud you for having a focus on this and I hope that --

DR. MAXWELL: And in future years I assure you we will do more.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: Thank you very, very much. Moving on to Baltimore City.

All right. We are -- all right.

MS. MCDONALD: What order do you want to say it in?

GOVERNOR O'MALLEY: No, I can say it. As you come to the microphones to accommodate the recording of these proceedings, we ask when you step up to the microphone that you identify yourself. Who you are and what you do. And we welcome now the representatives and administrators and citizens of the greatest city in America, the City of Baltimore.

(Applause.)

DR. BOSTON: Thank you, Governor. I have to get used to that. Governor O'Malley, we appreciate your inviting us to this Public Works meeting. And you're right, we have our delegation here with us to support us, but we also have citizens of Baltimore City

who are very interested in this issue with us today; parents, community leaders and citizens of Baltimore City who are here supporting our efforts to get more resources for the students of Baltimore City.

So thank you parents and come right in and we will make our presentation.

On behalf of Baltimore City Public School I say to Comptroller Franchot.

COMPTROLLER FRANCHOT: Franchot.

DR. BOSTON: Franchot?

GOVERNOR O'MALLEY: Franchot.

DR. BOSTON: Franchot. Franchot.

GOVERNOR O'MALLEY: I'm still going to vote for you.

(Laughter.)

DR. BOSTON: Thank you. Welcome to the Public Works arena. Treasurer Kopp and to all of you. Baltimore City is here requesting that you increase our funding for our projects. We are we were grateful last year for almost \$40 million that was given to Baltimore City and that money was put to good use.

We are grateful for the IAC recommendation of \$27 million, but we're trying to reach the target of \$145 million for the capital projects needed in Baltimore.

We have decided that we will give priority to the renovation of Dunbar High School. The Governor knows of that. And we will use the renovations for Carver Vocational Technical High School. But there are other extensive projects that are in need. For example, we have given you a list of our high priority areas listing as "A."

For example, in that grouping you will find schools that are converting from K-5 to K-8. And in order to prepare the students to receive the middle school aged students there are renovations that are required. Waverly is an example of that.

GOVERNOR O'MALLEY: And you created an additional what 20 to 30 of those this year, correct?

DR. BOSTON: Right. Yes, we have. Yes, we have. And what we are doing, Governor and others, we are doing what we said we would do. That is to reduce

the square footage so that we are more efficient and effective in the utilization of our buildings and that we are doing.

And in the process we are formulating K-8 structures that will keep the students in their neighborhoods, have a connection with the teachers and with the families. And we find that is a great organizational model for us. But we still will have middle schools stand alone middle schools as well. And of course we still will have stand alone elementary.

GOVERNOR O'MALLEY: And you have the data that would say that the attendance and the achievement at those --

DR. BOSTON: Yes, we do.

GOVERNOR O'MALLEY: -- you know higher grades

--

DR. BOSTON: For Baltimore --

GOVERNOR O'MALLEY: -- neighborhoods?

DR. BOSTON: Yes, we do. We've looked at that and found that the middle school students who are in our K-8 structures and in our elementary/middle

school buildings do far better than they do in the stand alone middle schools. And we could have a great discussion and I could share with you later why we think that is so.

Part of it is because usually in the K-8 they're smaller. And so the smaller learning communities aspect kicks in and we fine that's great.

I will not reiterate all the programs, but I do say that we needs systemic money for systemic renovations. We used the capital improvements last summer. I came during the summer and we were busy utilizing the money to renovate those schools; put in new windows, put in new bathrooms, putting in roofs. Whatever we needed to do so that closing school students could have a good place to learn and to grow and we accomplished that.

We are asking for money for some of the schools like Violetville, Leith Walk. We need an addition. Those of you from Baltimore City know that that is a booming area of the city. And so we are

moving hard to make sure that we get the renovations to some of our buildings.

GOVERNOR O'MALLEY: Ms. Greir.

DR. BOSTON: Let me -- yes. Yes, it is. So he knows. You know I'm telling the truth.

Right. Let me say in my closing remarks that I want to say why it's important for you to give us additional funding. I think we've shown through the preventive maintenance program that we said we would implement; we are doing that. We are reducing square footage as we need to in hopes later that we'll get money for new schools. And we are asking for planning for that. We are delivering on the capital projects. We are utilizing capital money for the children and for the citizens of Baltimore City.

I do want to let my Mayor come in, Shiela Dixon is our Mayor. And I'd like for her --

(Applause.)

MAYOR DIXON: Good morning, Governor O'Malley

--

GOVERNOR O'MALLEY: Good morning, Mayor.

MAYOR DIXON: -- Comptroller Franchot and Treasurer Kopp. I appreciate this opportunity. As I stand here, Governor, I was hoping you had on one of my ties.

(Laughter.)

MAYOR DIXON: But as you know and as everyone in this room knows the importance of Baltimore City and that we have the oldest schools in the State of Maryland with a one billion dollar tag where we need to really deal with all of our schools. And so I just want to reemphasize the importance of having the \$145 million in addition and we're appreciative of the \$27.7 to really maximize our efforts.

Many parents and individuals are here the advocates for our school, but you know that if we put our children first and if they have an environment that is conducive for learning to the fullest ability and so that we are competing with other counties in this state to maximize the use of our schools and to really utilize to the fullest so that all of our schools have the adequate space and environments to increase and

motivate our young people to learn. You know the difference that it makes.

And I know I'm preaching to the choir. And so we make this plea today so that we can continue to build on the progress that we've done over the years. And, Governor, as you know and you've just changed hats. Over your seven years as Mayor of this City of Baltimore you made a significant sacrifice along with the council and other of us to make a difference and taking money from our City to help the schools in ways that it never happened before. And so in your new role, I -- we plead that we can continue to build on that momentum.

Thank you.

GOVERNOR O'MALLEY: Thank you.

(Applause.)

SENATOR MCFADDEN: Honorable Board, Dr. Grasmick, Dr. Lever. I just want to echo the comments of our distinguished Mayor as well as CEO.

Governor, while you were mayor you instituted our accountability system. And that flows into our

school system to make sure that the dollars that the state sends to us are spent judicially and prudently. The children of Baltimore City who reside in the hub of the metropolitan area in this great state deserve quality education in a quality facility. Baltimore City was the preeminent when I was in school. School system in this state it will return to that status.

Thank you for your cooperation and respect.

GOVERNOR O'MALLEY: Thank you.

MR. ANDERSON: Good morning, Mr. Governor, Mr. Comptroller, Madam Treasurer. My name is Kurt Anderson and I'm the chairman of the city delegation. And I'm just here to tell you, I want you to hear what we have to -- what you see every day. I know you see folks coming in here, but we've got some folks who are very dedicated.

Is there anybody in this room that thinks that Baltimore City needs this money?

(Applause.)

MR. ANDERSON: Is there anybody in this room that thinks Baltimore City will spend this money wisely?

(Applause.)

MR. ANDERSON: Is there anybody in this room who will work hard to make sure our children get a great education?

(Applause.)

MR. ANDERSON: It's the spirit of Baltimore. I know Montgomery County is well represented up here in the Board of Public Works. This is the spirit of the Baltimore. We need your help and we think we'll get it from you, but we'll make sure it's used wisely. Thank you.

GOVERNOR O'MALLEY: Thank you.

(Applause.)

GOVERNOR O'MALLEY: We thank all of you. That concludes -- we really want to thank all of you for coming down here. Also want to applaud Baltimore City and Keith Strogans, Dr. Cooper Boston who does such a terrific job on your facilities. He did a

terrific job at our Department of General Services in the City of Baltimore. And Keith, keep up the good work, the openness, the transparency. The fact that principals and teachers can actually get light bulbs fixed in a timely fashion is a big improvement now.

So Madam President of the city council, Stephanie Rawlings-Blake, good to see you freshly minted.

(Applause.)

GOVERNOR O'MALLEY: And Mayor Dixon we're very, very proud of the kids in Baltimore City. The progress that you're making. Keep up the progress. To be able to add another grade every year to the ranks of kids scoring majority proficient in reading and math is a huge, huge accomplishment. We're very, very proud of all of you. You have a terrific delegation, a school system that's on the move. I think the highest graduation rate last year since 1984.

DR. BOSTON: Yes.

GOVERNOR O'MALLEY: We're very proud also the kids at Dunbar, 89 percent graduation rate, I do believe last year.

(Applause.)

GOVERNOR O'MALLEY: Welcome back -- welcome back to your Governor's Office. As a special treat I'm going to ask chief-of-staff Michael Enright to give you a tour of the Governor's Office back there on your way out. Thank you all very, very much.

DR. BOSTON: Thank you.

(Applause.)

GOVERNOR O'MALLEY: Follow the bouncing chief-of-staff if you would.

We now move on to Baltimore County, led by County Executive of Baltimore County, the distinguished, the effective leader, Jim Smith.

MR. SMITH: Thank you very much, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. Congratulations to those who were recently elected and looking forward to the certain re-

election of Treasurer Kopp and to her treasurer position.

TREASURER KOPP: Thank you, Mr. Executive.

MR. SMITH: Absolutely. Appreciate this opportunity. We got to get all -- we got a whole raft of people. We have every senator and every delegate in our delegation is here. We have Eric Bromwell who's the chair of our House Delegation. Norman Stone is chair of our Senate Delegation. We have the Superintendent Hairston of the school system. The Board -- our Board Chairman of the school Don Arnold is here. Board members are here and many, many interested citizens of Baltimore County are here. And we very much appreciate this opportunity to speak about the school construction renovation needs of Baltimore County.

I want to thank you, Governor, for your commitment and follow-through with the \$400 million that you've committed to school renovation and construction this year. We got to pick up the short change of prior years. It's very, very much

appreciated. I think everybody knows that across the state school renovation and construction has -- is the number one priority. You know it from everybody that's been in here already. And there's a hoard waiting to get in here to again reinforce the --

GOVERNOR O'MALLEY: Well your leadership was a big part of that, County Executive --

MR. SMITH: Well --

GOVERNOR O'MALLEY: -- and pulling all of us together and insisting that we do this. So thank you as well.

MR. SMITH: Well we have the second oldest school stock in the state in Baltimore County behind Baltimore City. And Treasurer Kopp I thank you for your multiple visits to Baltimore County to really look at the needs that we have up close and personal. It's very much appreciated.

TREASURER KOPP: Look forward to the next one.

MR. SMITH: And we will have you back. There's no question about that.

And you know we've got 3.3 million square feet of space that's been built prior to 1960 and so we really have to get on with renovating our school system. You know beginning back in the late 1990's Baltimore County began a systemic renovation program to renovate all our older buildings. We've done the elementary schools; we've done the special schools; we've done some of the middle schools. And we're in this budget requesting -- the School Board is requesting \$95 million so that we can complete our middle school renovations to get on to our high school renovations.

Twenty-five of our 27 high school facilities are older than 30 years; ten are prior to 1960 and some date to the 1940's. And Comptroller Franchot, I think you asked about geothermal design being included. I want you to know that in our new elementary that we are building in the Northeast the Vincent Farm Elementary geothermal design is part of that project.

In addition the renovations that we are requesting will increase an estimated like 30 percent

efficiency of our buildings. So that what we're doing is in line with at least the statements that I heard you made prior to other presentations. I just want you to know we're on board.

COMPTROLLER FRANCHOT: I applaud you.

MR. SMITH: Pardon me?

COMPTROLLER FRANCHOT: I applaud you. That's terrific.

MR. SMITH: At this point we've received \$27.9 million of the \$242 million that has been allocated by the Inter Agency Committee for school construction. And we really it's critical that we get additional funding. We need to complete our six remaining middle schools so that we can get on to those high schools.

We've got to have an adequate environment for teachers to teach and students to learn. And it's even more critical, I think now in light of the BRAC process that is going to bring new people to Baltimore County as well as Harford and Anne Arundel and other jurisdictions.

We need to have facilities that will educate our -- the people who are to take those good jobs that are going to be coming with the BRAC realignment and closure process.

So I don't think it can be any more timely that we move forward with education as the priority and our facilities to be updated.

So I want to thank you for your consideration. I want to thank you for our opportunity. And I'd like to yield now to the Superintendent of Schools, Dr. Joe Hairston.

DR. HAIRSTON: Thank you. Good morning, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. As our County Executive shared with you our state request for the public construction funds this is \$95 million.

And we're here today to advocate for that funding and ask consideration of change and procedures to help us address those capital needs. Joining me today are Board Members, Board President, Don Arnold, Frances Harris, Meg O'Hare, Joy Shillman, and members

of our community. We enjoy a very, very productive and high profile relationship, certainly me, and with the county executive and our state delegates and our county councilman. But more importantly the support that we share and enjoy from the community itself. We have many parents who are here and we're very, very proud to have her show up for us today.

But I want to speak to something that is very unique in concept and I want to go on the record in supporting. And we are aware that the Interagency Committee on School Construction is considering perhaps a creation of a limited renovation program. And I'd like to go on the record to inform you, Mr. Governor, Comptroller, and certainly Mr. Franchot that I support this proposed rule adjustment and there's a particular reason for that.

A limited renovation program will provide a practical mechanism for us to replace our failing infrastructure and antiquated safety systems such as HVAC, electrical and fire code items. And at many of our schools in a much more expedite way. And forcing

this potential delay brings on a sense of urgency within our projects.

Regarding the FY '02 -- '08 budget we find that you committed \$27.9 million for Vincent Farm and partial renovations for three of our middle schools and roof projects. And we thank you for that support. We also once again in conjunction with the County Executive we urge your consideration for the \$95 million in appropriation.

MR. SMITH: Okay. We have our Senate Chair and our House Chair of our Delegations. Eric you want to -- or no, Norman you're closer.

SENATOR STONE: Thank you very much. Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, I'm just here -- I think the County Executive explained our needs very well. I think we've been here year after year as many others. Actually Baltimore County actually started this under Dutch Ruppertsberger. And we appreciate your consideration. We ask that you give serious consideration to our needs and they are critical. And

having the proper environment is I mean having the qualified teachers is one thing, but having the proper facilities to be able to teach is critical to our county. Thank you very much.

GOVERNOR O'MALLEY: Thank you, Senator.

MR. SMITH: And Delegate Bromwell, Chair of our House Delegation.

DELEGATE BROMWELL: Thank you very much Mr. County Executive. Can't tell you what a pleasure it is to look across and see the three of you sitting here.

I can't -- just to reiterate everything that you've heard so far and as a product of schools that have gone through this renovation program. I just look forward to the funding that we're going to get and thank you very much for your time for being here today.

MR. SMITH: I think we made it. Did we make it?

MS. MCDONALD: You did good.

MR. SMITH: Okay.

MS. MCDONALD: You have a minute. You have one more minute.

MR. SMITH: We have one more minute.

TREASURER KOPP: You don't have to use it.

(Laughter.)

MR. SMITH: Mr. Comptroller, don't you have a question?

(Laughter.)

COMPTROLLER FRANCHOT: Let me ask you, Frederick County asked uses private money for some additions or renovations. Is that -- do you have any access to private capital or?

MR. SMITH: You mean the private sector funds?

COMPTROLLER FRANCHOT: Well, yeah.

GOVERNOR O'MALLEY: I believe impact fees and things.

MR. SMITH: No. That's because they have a military base in Frederick County. That's where they get that. That's federal money that comes. It'll come with BRAC. Actually it's already Harford County gets that kind of impact aide as does Anne Arundel County. But Frederick County has Fort -- somebody help me out.

Fort Deitrich in their jurisdiction and that's the basis for that funding.

COMPTROLLER FRANCHOT: Thank you.

MR. SMITH: Okay.

GOVERNOR O'MALLEY: Madam Treasurer, anything?

TREASURER KOPP: Yeah. The Comptroller raises the question of public/private partnerships in terms of school construction; alternative financing. Have you all looked at -- I think you have.

MR. SMITH: We have looked at it and we don't think it works for us. We don't think it -- the bottom line works for us. And so we're moving toward --

GOVERNOR O'MALLEY: It could be like a lease back, Madam Treasurer, that sort of thing --

TREASURER KOPP: Yeah.

GOVERNOR O'MALLEY: -- where a company builds it and leases it back?

MR. SMITH: You lease it and then you have the option to purchase it at the end of a period of time. It does increase the cost of the facility, but

what it lets you do is it lets you stretch it over a longer period of time at a lower overhead for your jurisdiction. But for Baltimore County bottom line it's going to cost more for the schools if we go that way.

So it works for -- it may work for some jurisdictions, for us we've just decided to keep the costs of our schools as reasonable as we can as opposed to you know having the benefit of paying for it over a longer period of time. Ultimately you have to pay for it and we're just -- we did look at it, but we decided not to go that way at least at this point.

GOVERNOR O'MALLEY: Kopp Commission too.

TREASURER KOPP: Yeah.

(Laughter.)

TREASURER KOPP: Well, I think I mean it does change with the market, but my recollection is in fact we looked at a number of different areas and at least at this point in the market really was there was a significantly greater expanse; greater cost.

MR. SMITH: Well there is and we may have to look at it, because I know I'd said --

TREASURER KOPP: I think for each and there are examples of areas as you know where it just such a particular a special configuration, a special place. People talk about a school in the District of Columbia where a builder came in and just because of the particular things about that particular place it was possible to do a deal where he essentially paid for the building of the school. But that was, I think, a very unusual situation.

MR. SMITH: Well we have got --

TREASURER KOPP: But one that ought to be examined.

MR. SMITH: We have gotten some private development to contribute significantly to school -- schools. Miramar Landing is a good example of a contribution by a private developer to enhance --

TREASURER KOPP: Uh huh.

MR. SMITH: -- the school. But we haven't gotten in to where they've actually built a school. I

mean we may have to look at it. The cost, you know, delaying things not only does the condition of the buildings deteriorate, but the cost to repair it escalate. And we're in to that with prices in Baltimore County above our original estimates to do these renovations is anywhere from 25 to 70 percent increases that we're getting in our bids above what the estimates were.

So I mean that's another reason that it's so critical to do it as soon as we can, because those costs are going up as well as the buildings are they're condition is worsening as you know with time. And particularly when you have schools as old as we do.

GOVERNOR O'MALLEY: When your famous commission made their recommendation you had not anticipated this sort of world demand, you know --

TREASURER KOPP: Twenty percent a year increase.

GOVERNOR O'MALLEY: -- the juice and the materials.

TREASURER KOPP: Right.

MR. SMITH: I think, Treasurer Kopp, you're \$250 million really needs to be now like \$320 million to be getting the same --

TREASURER KOPP: Right.

MR. SMITH: -- bounce for the buck that you envisioned --

TREASURER KOPP: That's right.

MR. SMITH: -- when your taskforce made their recommendations.

GOVERNOR O'MALLEY: And I know you've been talking with your colleagues at MACO about standard designs and things like that --

MR. SMITH: Yes.

GOVERNOR O'MALLEY: -- that we might be able to, you know --

MR. SMITH: So that we can cut the architectural costs of buildings and -- we've been doing some prototype stuff ourselves in Baltimore County so that we're not reinventing the wheel or reinventing --

TREASURER KOPP: Right.

MR. SMITH: -- the facility every time that we go out to do one.

GOVERNOR O'MALLEY: It'd be nice to do it statewide and we have the geothermal --

MR. SMITH: That would a good --

GOVERNOR O'MALLEY: -- and all of that sort of stuff.

MR. SMITH: There you go. Yeah, that would be --

GOVERNOR O'MALLEY: Well you have a terrific delegation, County Executive, and I know that regardless of party that your delegations committed to the what you've identified for all of us the big need we have in school renovations and school construction. So hopefully and in this year we were able to put it in in the budget. Hopefully next year we'll be able to do it as well, but we're all in this together. And the sooner we straighten out our long term finances the more confidence, I think, all of the people that we work for will have in our ability to come up to that \$320 in subsequent years.

So we really do appreciate all of your leadership.

TREASURER KOPP: Of course the \$320 will be growing.

(Laughter.)

GOVERNOR O'MALLEY: Right. We also --

MR. SMITH: Madam Treasurer. Madam Treasurer, we'll take baby steps.

(Laughter.)

GOVERNOR O'MALLEY: We also appreciate the leadership of your teachers union in Baltimore County; Cheryl Bost. It's always good to see you Ms. Bost. Thank you for your leadership as well.

Might I suggest since you have such a distinguished and large group that maybe it might be easier for all of you to exit out this way as the next group comes in --

MR. SMITH: Okay.

GOVERNOR O'MALLEY: -- behind you. So if you would follow Sasha raise your hand please. If you

would follow the bouncing Sosha through there. And we thank you all very, very much for your leadership.

MR. SMITH: Thank you.

GOVERNOR O'MALLEY: And thanks for coming down.

MR. SMITH: Thank you.

GOVERNOR O'MALLEY: Thank you. Would you let Calvert County know that they are --

Representatives from Calvert County come right in and gather around the podium. I saw that President Miller was here earlier.

TREASURER KOPP: I was going to say, I thought I saw the Senator from Calvert County.

MR. PARRAN: You threw Baltimore County out the back door. I don't know what you did here.

(Laughter.)

GOVERNOR O'MALLEY: We wanted to clear the way for Calvert County.

(Laughter.)

MR. PARRAN: We appreciate that.

GOVERNOR O'MALLEY: Mr. Minority Leader, good seeing you, sir.

MR. O'DONNELL: Governor, good to see you.

MR. PARRAN: The President of the Senate is here.

GOVERNOR O'MALLEY: Commissioner.

TREASURER KOPP: He's shaking a lot of hands out there.

MR. PARRAN: They're ready. It's like church, Governor.

GOVERNOR O'MALLEY: Mr. Chairman, good to see you, sir.

TREASURER KOPP: Nice to see you.

SENATOR DYSON: Nice to see you.

MR. PARRAN: Mike, they're ready.

GOVERNOR O'MALLEY: Mr. President, sir, good to see you as always.

SENATOR MILLER: Good to see you.

GOVERNOR O'MALLEY: Calvert County.

MR. SMITH: Good morning, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. My name is

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Jack Smith and I am Superintendent of Calvert County Public Schools.

I want to extend greetings and a Happy New Year to you from the citizens of Calvert County. We also want to acknowledge our delegation. The President of the Senate, Mike Miller; Senator Roy Dyson; Delegate Sue Kullen; Anothony J. O'Donnell; Joseph Vallario; and James Proctor.

I cannot express to you personally or professionally how much these -- this lady and these gentleman do for our county and for our school system.

Representing our county government we have with Mr. Wilson Parran, he's President of our Board of Commissioners. I must say the same about them. The commissioners fund our operating budget and our construction program very well and support our school system.

We also have Mr. Frank Parish the Vice President of our Board of Education; Mr. Bill Phalen our Board Member and President of the Maryland Association of Boards' of Education; Ms. Robin Welsh,

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Assistant Superintendent; and Mr. George Leah our Director of School Construction.

The appeal we're making today is targeted on four projects, but before I outline them very briefly, these projects, I want to extend my sincere appreciation to the IAC and the designees. They provide so much technical assistance and support to all of us in Calvert County in our construction Program. Furthermore, I want to express on behalf of our school system our very sincere thanks to the Board of Public Works for the past decade or more. They have supported our construction and systemic maintenance program. And Calvert County would not have been able to keep pace with our student growth which has been tremendous and our subsequent need for additional capacity without the help of the Board of Public Works.

As I know you're aware, the IAC has recommended approval of \$19.9 million of state construction funds for FY 2008. These recommendations include \$12.75 million for the construction of Barstow Elementary School; \$6.7 million of the \$15 million

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requested for the first phase of the new Calvert Middle School; \$100,000 for a systemic repair project at Huntingtown Elementary; \$98,000 for a systemic repair project at Mt. Harmney Elementary; and \$321,000 for a re-roof project at Huntingtown Elementary. The Huntingtown Elementary re-roof project has been allocated and we want to say thank you for that. It's desperately needed.

The Barstow Elementary project is our number one project in the whole CIP program. It's essential that this new elementary school be ready for the 2008-2009 school year to relieve five overcrowded schools in the center of our county where we have absolutely a huge number of portable classrooms surrounding these elementary schools. Planning is underway and we would like to move forward with the construction bid for this July. We are asking that the \$12.75 million be allocated so we can do that and allow us to move ahead.

The second project being appealed today is for the construction funds for Calvert Middle School. The replacement of the school is critical to our school

system. If you've been to Calvert County you see it when you get to the middle of Prince Frederick at the stop light. It's a very old school, it's 65 years old. The systemic and the structural issues are so great that it must be replaced. And we're very, very concerned about this school. We have schematic drawings have been submitted and reviewed. We're well prepared to move ahead. It's a 20-month construction schedule. And we ask that it be funded so that we can move ahead to be ready to open in the 2008, excuse me, in the 2009-2010 school year. It's critical to our county.

The last two projects I wish to appeal today are systemic projects. The fire alarm system at Huntingtown Elementary. It's getting a new roof, thank you, we also need a new fire alarm system. It's 35 years old. We promised the State Fire Marshall we'd replace it. And Huntington Elementary School needs the replacement of roof top units. They're 25 years old and they're very, excuse me, 26 years old and they're very problematic.

I would be remiss if I did not once again thank this Board for the past many years and Dr. Grasmick and the IAC of supporting our school construction. Calvert County is known, we are known for taking excellent care of our buildings, being good stewards when we build them and good stewards of them when they're built. We commit to you that we will continue to do that if these projects are funded. And we'll continue to do it for the ones that are already there and have been funded.

We very much appreciate this opportunity.  
Thank you.

MR. PARISH: Good morning. There is little that I could add to Jack's words, except to say that the state red capacity of our school system is under stress. It is very -- at the elementary level. It's very important for us to get this Barstow School. It will alleviate that problem considerably to say nothing of the fact that it will all but eliminate the problem of portables in our school system.

Last but not least the -- it's so important for us to keep up with our school with the school plans that we have technologically. And this will be a big boom to doing just that. We really need to keep up with the times. Thank you.

MR. PHALEN: Good morning.

GOVERNOR O'MALLEY: Mr. President.

MR. PHALEN: Governor, Treasurer, Comptroller. It's good to be here and I'm very proud of the school system that we have in Calvert County. We have one of the school systems that we have strong support from our state delegation; strong support from our citizens to maintain a really good school system.

And I'm here this morning, first of all, to thank you for your support on all -- over all those years when we were building one school per year. And we're now at the point where we have effectively managed growth, but we still have not completely controlled it, if you will. And that's a challenge for a lot of us in the state.

However, we do I'm here this morning to ask your support for our 13th elementary school which is the Barstow Elementary School. And the Superintendent spoke about that. This is the \$12.7 million that we would like to be able to proceed with the construction of that school so that we can stay ahead of the increases in our school system as we go forward.

Also the Calvert Middle School construction. The only school we have in the county that's actually 65 years old and it's in need of replacement. The systemic problems that we're having with it, just if you can imagine you can't do a lot of things with technology in the school that old. So we would like to be able to as scheduled to move ahead with that school.

We thank you also for supporting the Calvert High School renovation. That was one that we submitted and you have indicated support for that. And I ask that you also support some of the systemic projects that we have here. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

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MALE VOICE: Governor, teachers call them "learning shacks." We want to get those kids out of those learning shacks. And thank you for the amount of money that you have put in to the budget for the capital improvement of our schools. It's going to be money well spent. And I thank you and each member of the Board for that. Thank you.

GOVERNOR O'MALLEY: Thank you. Stretch every dollar, because, you know, with the rising cost of materials that we're hearing from everybody, you know, it's not -- there's no telling whether we will be able to do this in future years. We're going to have to really get our fiscal house in order in order to do that.

This year we're able to do -- we're able to take a chunk out of that backlog that's been built up in recent years. But, you know, the future is something that's still a question mark for us to fill in. Not a bad segway to the leader of the Senate.

SENATOR MILLER: Just very briefly, Governor. This is a this county has the largest percentage of

school aged children of any county in the state. It's very important that these decisions be made on the merits. And it would follow up with something that I've thought for a long time but this is a waste of your time, it's a waste of our time, and as you start the StateStat review I think this is one of the items in state government that could be eliminated and that these decisions should be made on merits not when the President of the Senate comes forward or not who has the largest delegation, but who is the most deserving. Whether it's a "R" or a "V" it doesn't matter it's just it's the school children.

So you know this morning Nancy and I should be at Brian Foster's dad's funeral.

GOVERNOR O'MALLEY: Yeah, me too.

SENATOR MILLER: You know. And, you know, we had to make a choice between my constituents and being at the funeral but somebody I care very much about. And we really shouldn't have to be -- these people should be running schools. These people should be

running county government. And we should be doing our business down on the floor of the Senate.

So I would hope as you evaluate the process is that maybe by next year we can eliminate this process all together. Thank you.

GOVERNOR O'MALLEY: I'm with you.

(Applause.)

GOVERNOR O'MALLEY: Well it's been moved, is there a second?

(Laughter.)

MR. PARRAN: He has his hand up.

GOVERNOR O'MALLEY: Is there a second?

TREASURER KOPP: However, let me just because I don't think we can let this just -- I happen to agree with a lot of what the Senate President said. To go back for a moment, the question of the fire alarm. I mean I don't think we --

MR. PARRAN: The fire suppression system.

MR. SMITH: It's for those 35 year old fire alarm system. It works but there are no problems,

DELEGATE O'DONNELL: Governor, might I just add --

GOVERNOR O'MALLEY: Absolutely.

DELEGATE O'DONNELL: -- something if I may? Just as you all well know and we appreciate too, this county has had a very high growth rate for a very sustained period of time. The Board of County Commissioners has done a tremendous job to try to manage that and rain that in so it minimizes the strain on the resources. But we're still a high growth rate area. We have a lot of (inaudible) infrastructure. And you know including Patuxent River Naval Air Station in St. Mary's County, but our residents and our kids live there; nuclear power facility, energy facilities. And this is vital part of our state and we hope that you'll look upon this request and this appeal with some favor. Thank you.

GOVERNOR O'MALLEY: Thank you, Mr. Minority Leader.

DELEGATE PROCTOR: Governor?

GOVERNOR O'MALLEY: Delegate.

DELEGATE PROCTOR: You and I have talked any number of times about schools, particularly when you were Mayor of Baltimore City. But the problems we talked about with Baltimore City and the aging schools and so forth, you know, we just talked about some of those situations. We have to do something about our aging schools. You know we have a fund that has to have money in it to help with aging schools over the past years. I'm hoping that that will still hold true and we'll have special money in it for -- especially systemic problems. But you and I have talked about those aging schools and I don't have to repeat any of that. You know where I'm coming from as far as education is concerned.

SENATOR DYSON: All I want to add is one thing. Like to see two members of the former members of the House of Delegates assisting you in how to spend this money and both of them were on appropriations committee and they didn't know how to spend the money. Maybe they'll do the right thing.

GOVERNOR O'MALLEY: I'm well served and well aided. Well guided. All right.

MR. PARRAN: Thank you, Governor.

GOVERNOR O'MALLEY: Sue. Okay. Thank you. Thank you all very, very much. Thank you Mr. President.

SENATOR MILLER: Thank you very much.

GOVERNOR O'MALLEY: Thank you. All right. Moving on we have Carroll County coming up next.

DR. ECKER: Governor O'Malley, Comptroller Franchot, Treasurer Kopp, pleasure to be here and thanks for having us at this annual -- I mean appeal. I want to thank the IAC for the projects they've approved to date. And I want to thank the Board of Public Works of the State of Maryland for what they've done for Carroll County over the years. And also I'd like to thank our County Commissioners, because they stepped up to the plate, they forward-fund a lot of projects. They've been very responsible.

We have our delegation with us today. Senator Haines is Chair. We have Senator Kittleman.

Senator Brinkley sends his regrets, he's in a committee meeting.

MALE VOICE: He was here earlier.

DR. ECKER: We have Delegate Krebbs, Delegate Stockdale and Shewell. We have a couple Board Members with us. We have Chair Gary Bauer. We have Board Member Barbara Shreeve and Board Member Trish Gadberry. And we have the Vice Chair Cindy Foley here. And we have our County Commissioners, Chair Commissioner Gouge; Vice Chair Dean Minnich; and Commissioner Mike Zimmer.

With that I'd like to have our ready protocol of our Director of Facilities highlight some of the things in our appeal. And let me say most of the testimony I've heard today from the City and other counties we could find that Carroll County got to say "Amen," for the projects in Carroll County.

MR. PROKOP: Good morning. I'd like reiterate, thank you very much for the designee's recommendation for construction funding for -- partial construction funding for Ebb Valley Elementary School.

Also planning approval and construction funding for a kindergarten addition at Freedom Elementary School. And also for planning approval for the South Carroll High School Fine Arts addition.

Today, we'd just like to go over quickly the three projects we're appealing. First is Ebb Valley, the remaining construction funding for Ebb Valley Elementary School. We have received planning approval in fiscal year '06. We received a little over three million in fiscal year '07 and a recommendation for \$5.6 million this year. We're only remaining about \$430,000 to finish out that project. It is a -- it's coming out of the ground. It's all been all the contracts have been let and we're on schedule.

It is our first geothermal project in the county. And we're excited to have that project that is also kicking off. We plan on also using geothermal for our new high school, new Northeast Area High School.

Westminster the next project is the Westminster High School HVAC, heating, ventilation, air conditioning replacement. This is a large project,

there's no question about that. But this is also a very extensive project. These systems are almost double their useful life at this point. It's also a completely electric system that we have in that school. Even though it's extremely large, we think it's going to be it's going to make that school a lot more efficient, it's not -- it's going to be a lot less of drain on our operating budget in terms of repairs. And it's also going to provide the proper indoor air quality and also the proper indoor environment for instructional purposes.

And lastly, Mt. Airy Middle School roof replacement is actually very similar reasons for doing this project. We do we have a great deal of concern for our roofing systems. We try to make sure we have one per year so that we can make sure the indoor -- the instructional environment is sound, make sure we don't get run into air quality problems. And also to reduce the operating and maintenance costs so for -- can be a result of deteriorating roofing systems.

And they are the three projects we're currently appealing.

DR. ECKER: Well I have the Chair of the Delegation Senator Haines.

SENATOR HAINES: Oh, okay. Well thank you Dr. Ecker and good afternoon Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. It's good to see you. I've had the good pleasure now I'll be serving with the 4th governor in my tenure here in the Maryland Senate. And Dr. Grasmick, good to see you today.

DR. GRASMICK: Thank you.

SENATOR HAINES: Carroll County is a very special place, of course, to me because I'm a seventh generation Carroll County-ian. But when it comes to public education I don't think there's any county in the State of Maryland that's had a higher performance record and a lower cost per pupil. We're doing an outstanding job and that's because of the leadership of Dr. Ecker, the School Board, our county government.

And these projects are projects where we really have a dire need. The Westminster High School was built in 1971. And prior to that, many of the schools didn't have heating and air conditioning, but that HVAC system there is 35 years of age. It does need to be replaced.

And then Louie Goldstein always would tell us, he said, "Keep a good roof on your school buildings." The Mt. Airy School needs a roof. And then the Ebb Valley Elementary School. Only those three projects.

We know the challenges that face us, Mr. Governor. And we know a lot about this budget and what we're facing in the future. We're grateful to you for the amount of public school funding for construction that you placed in the budget. We appreciate that very, very much.

When Senator Miller was speaking about the public Board of Public Works meetings and all the legislators coming out, I was probably the first one back there that said, "Amen," to the remarks that he

made. It's not that we don't want to be here, but we believe that as legislators that you know we all want to take money home for our districts. We support the projects. We could do that writing. We'd be happy to send you letters. I think it would be up to the superintendent of schools, the school board, the local government, the county commissioners to come before you as a Board of Public Works. We would stand behind them, of course.

So thank you very much that you'll give consideration to our request. We appreciate the opportunity to serve with you the next four years. Thank you and God Bless you.

GOVERNOR O'MALLEY: Senator, thank you.

DR. ECKER: Like to have Commissioner Chair  
Julia Gouge.

MS. GOUGE: Good morning.

GOVERNOR O'MALLEY: Good morning.

MS. GOUGE: Congratulations.

GOVERNOR O'MALLEY: Thank you, Madam Chair.

MS. GOUGE: I want to say, Mayor, but  
Governor.

GOVERNOR O'MALLEY: My metropolitan partner.

MS. GOUGE: That's right. That's right.  
We've worked together many years. And also  
congratulations to Comptroller Franchot. And Nancy,  
it's great to see you and I hope you're re-elected as  
well. It's good to have a women on there.

TREASURER KOPP: Thank you.

MS. GOUGE: I would just like to say again  
that we are hoping for some additional monies for these  
projects. We have many school projects, we actually  
four schools on our agenda to be built; a high school,  
two middle -- one middle school, and two elementaries.  
But right now the one that is moving the fastest is Ebb  
Valley. And we're looking more and more for  
environmental issues with all of our buildings. So I  
think that's going to be good in the future. It cost a  
little more to build right now, but it will be a  
positive for the future.

So it's good to be here. Again, congratulations to all of you. And I just hope that you can fund some of these projects for us. Thank you.

GOVERNOR O'MALLEY: Thank you.

DR. ECKER: That's it Board of Public Works. I don't envy. You have a difficult job. I know there are a lot of needs throughout the state. I was a member of Treasurer Kopp's committee a few years ago and at that time there was a \$3.8 billion, with a "B," backlog of school construction needs in the state. So I don't envy you.

Be glad to respond to any questions you may have.

GOVERNOR O'MALLEY: Comptroller Franchot?

COMPTROLLER FRANCHOT: I just wanted to compliment Carroll County because you were clearly one of the leading counties in the state as far as energy conservation and efficiency in your schools. And it, I think, is going to pay off with a lot of savings. But if you have data as you go through this process that

would be helpful to the rest of the state, please share it with the Board and --

DR. ECKER: Okay. Be glad to. We just went through a legislative audit and they complemented us on our energy management program that we have in our schools. Thank you.

COMPTROLLER FRANCHOT: Thank you.

MS. GOUGE: One of the things that we have done is when Ms. Johnson controls replacing lights throughout all of our buildings and our schools was the very first ones to start. So we can give you an update on that as well.

COMPTROLLER FRANCHOT: Well but I'm particularly interested in Ebb Valley Elementary I know and --

MS. GOUGE: Sure.

COMPTROLLER FRANCHOT: -- and Northeast --

MS. GOUGE: For the energy star.

COMPTROLLER FRANCHOT: -- I think you mentioned Northeast. Thank you.

GOVERNOR O'MALLEY: Thank you all very, very much.

DR. ECKER: Okay. Thank you. Thank you.

GOVERNOR O'MALLEY: Thank you.

MS. GOUGE: Thank you.

GOVERNOR O'MALLEY: Okay. We're moving on to Cecil County. Let me -- I'm taking a two second body break.

Cecil County, welcome.

DR. ROBERTS: Thank you very much, Governor O'Malley.

GOVERNOR O'MALLEY: Thank you, sir.

DR. ROBERTS: Comptroller Franchot and Treasurer Kopp. It's a pleasure to be here. I'm Carl Roberts, I'm the Superintendent of Schools. And with us today we have a member of our Board of Education is Donna Zane. We have the President of our County Commissioners, William Manlove. And we have Senator Pipkin, Senator Jacobs, Delegate Sossi and Delegate Rudolph and Economic Development Director Vernon Thompson with us today.

Cecil County is very proud of our school construction program and the way we take care of the state and local dollars. We appreciate the IAC's support of Cecil County over the years. A \$1.445 million has been proposed for completing the Perryville Middle state contribution. We appreciate that. And \$3.3 million is recommended for the expansion and renovation of Calvert Elementary School.

We're here to appeal three projects today. First of all the Calvert Elementary School. We're doubling the size of that school and it's to take care of increased enrollment in the Western portion of our county. This will be impacted by BRAC. And with that we're taking a school of 300 and making it a school of 600.

You'd be interested to know that it will be our third geothermal project. We are now burn oil in that school and we're switching over. We have had two great experiences with two other schools who have been operating on geothermal for years. So we are very pleased with that.

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We're asking for additional dollars to fund the construction for Calvert Elementary School. Perryville High School was constructed in 1977. Last year we replaced the chiller. We need to replace the rooftop units and also the roof of that school. We're going to do it over two years. It's a \$5.8 million project. We're asking for three million dollars this year.

The third and very significant project that we're asking for is approval for the construction of a new Career and Technology High School. Currently we deliver career and technology education in the center. Schools are -- children are bused from our five high schools. They start school at their home school and then they're bused during the day. We need a comprehensive high school that focuses on career and technology education.

It's about the future of Cecil County; it's about the filling workforce needs. It will be impacted by BRAC, but it's also impacted to prepare Cecil County for the future. We're in that Northeast section of

Maryland, it's critical that we be prepared and education is an important component of the infrastructure. And we want our students to be able to fill the workforce needs.

This Career and Technology High School will allow us to do this. Our County Commissioners have been extremely supportive of our school construction project. We're a low wealth county. We cannot front-fund school construction projects. And with that we do not have the ability so we're seeking approval. They have committed to the planning of this and the construction down the road. We need the state's help to get started on that project.

Now Dr. Lever and Dr. Grasmick and Treasurer Kopp know that we are good stewards of your money, because eight of the nine last years and now next fall you're going to see us before you again because in the State Inspection Program we have been in front of this body nine of the ten years, counting next year, for superior rank inspected schools. Rising Sun High School and Bayview Elementary School just received

superior ratings from the State Interagency for inspections that happened in October.

That's ten schools in the last ten years. No other jurisdiction can stand up to our record. We take care of your dollars. Our -- we invite you to come to Cecil County at any time, you'll walk in to beautiful schools, well maintained, conducive for learning for our students.

And with that, in summary, we're asking for additional dollars for the construction of Calvert Elementary. We need to start the systemic rooftop and roof repair at Perryville High School. And we seek your approval of a planning project to construct a new Career and Technology High School.

And with that -- with that I would be glad for members of the delegation if they'd like to make comments.

GOVERNOR O'MALLEY: Sir, what did you mean by the current center model?

DR. ROBERTS: We have a Career and Technology Center. And students -- we have five high schools

currently, Governor O'Malley. And students go to school for two hours in the morning at their home school and then they're bussed for their career and technology education. So they're on the road from 30 to 45 minutes to the Career. And they -- they're in auto tech or electronics --

GOVERNOR O'MALLEY: Uh huh.

DR. ROBERT: -- cosmetology whatever the career and technology program is. And then at the end of the day they're bused back to their school.

GOVERNOR O'MALLEY: And this is a Center exclusively for high school students?

DR. ROBERTS: High school students studying career and technology approved programs. They're approved through the Maryland State Department of Education.

GOVERNOR O'MALLEY: And so your proposal would be a new comprehensive high school --

DR. ROBERTS: Yes.

GOVERNOR O'MALLEY: -- that would -- so --

DR. ROBERTS: Grades nine through 12. It would be our sixth high school, which will also take care of our student population growth. It'll be a comprehensive school concentrating on career and technology education, but it'll have the full curriculum. Students will have their own athletic teams, their own student government, their own bands. They will come from all portions of the county. We will bus them directly from all portions of the county to this school --

GOVERNOR O'MALLEY: So it'll be a school of choice?

DR. ROBERTS: It will be a school of choice and selection.

GOVERNOR O'MALLEY: For students who wanted -- choice and selection.

TREASURER KOPP: Like a magnet.

DR. ROBERTS: They will apply.

GOVERNOR O'MALLEY: They will apply.

DR. ROBERTS: In their eighth grade year they will apply, during a middle school year they will

apply. They'll know what the criteria are and then we will fill up the enrollment -- we will fill up the enrollment school through a selection process.

They need to have the mathematics, the background of the science, and the language art skills to be able to be successful at that school.

GOVERNOR O'MALLEY: Now does that mean that that the kids in the other high schools will no longer be taking, you know, how will that change the course requirements for them or?

DR. ROBERTS: It will not change the course requirements for them. We have Career and Technology programs in the area of business and some other programs in all of our schools at this point.

GOVERNOR O'MALLEY: Mandated locally or is that a statewide thing?

DR. ROBERTS: That's statewide. Those are state approved career and technology programs throughout. There are several examples of career and technology high schools around the state; Charles

County it's North Point they just built that. Harford County has Harford Technical High School.

GOVERNOR O'MALLEY: Uh huh.

DR. ROBERTS: And Eastern Technical High School in Baltimore County. Those are comprehensive schools where students apply and they are selected. But we will run the entire curriculum at that school, but there will be a concentration.

Governor O'Malley, what it means is a person who completes a program Career and Technology program walks out of that school with a certification or a license where they can go right to work or they can go articulate with a community college or a four-year college, get a bachelor's degree or even more. And those are concentrated programs.

One of the new ones that we're starting just approved by the state is Cisco. And it's a technology where students can walk out of there and get high paying jobs.

GOVERNOR O'MALLEY: We need to be doing more that as a state, as a country. Kind of missing the boat on the vo-tech.

TREASURER KOPP: And these -- this will be a complete academic program, traditional academics as well as vocational technical?

DR. ROBERTS: Yes, ma'am. It will have all of the AP courses. Students will be able to go through. Now they will -- to be in that school though they must be in a --

TREASURER KOPP: Yeah.

DR. ROBERTS: -- career and technology program. But they will be able to take what you and I used to call the academic track, it's no longer called that. But they'll be able to take that high academic. The site we already own the site for the high school. We don't have to buy any land. And it's adjacent to Cecil Community College.

GOVERNOR O'MALLEY: Ahh.

DR. ROBERTS: We have articulated agreements with Cecil Community College in which students can dual

enroll and take high school course and community college courses. They also have now the community college has an articulation with UMBC the University of Maryland Baltimore County. And they will be established in Cecil County and that articulation will extend to them as well.

GOVERNOR O'MALLEY: You have a very dynamic community college.

DR. ROBERTS: Thank you. Dr. Pannal will be very pleased to hear that you said that.

GOVERNOR O'MALLEY: Yeah. Good plug.

DR. ROBERTS: Okay. Members of the delegation.

DELEGATE RUDOLPH: Governor O'Malley --

GOVERNOR O'MALLEY: Delegate.

DELEGATE RUDOLPH: -- Comptroller Franchot, Treasurer Kopp, it's a pleasure to be before you this morning -- this afternoon now. Indeed, the dialogue you just had fully explains or gives you a picture of what we're doing in Cecil County.

I am very, very pleased to represent the district where Calvert Elementary is and as well as Perryville High School. Makes Perryville High School even more significant, because I had the pleasure of (inaudible) in opening Perryville High School when the equipment was originally placed 30 years ago.

So I don't want to say how old we're getting, but that's an indication that I have to how well Cecil County and Perryville High School have taken care of the equipment, but it needs to be replaced.

The issue of the comprehensive high school is new direct -- important and a new direction for Cecil County. I believe it's crucial for your support and for the county support to move this project forward. And I appreciate your response and your support. And I know my time is one minute. So thank you very much. Senator.

SENATOR JACOBS: First off, I would like to say congratulations --

GOVERNOR O'MALLEY: Thank you.

SENATOR JACOBS: -- to you Governor and to you Mr. Comptroller. I had the privilege of serving with both of these people in the House of Delegates. So it's an honor to be here before my former colleagues.

As Delegate Rudolph said, these are important projects to Cecil County, both -- he and I represent the same area, both the first two projects are in our area and they are important. The schools need help. They need additional funding.

I might be able to speak a little bit towards the high school, the Vocational High School. I used to teach at Harford Technical High School. And I can tell you that we would have four and five times the number of students apply to get in that school --

GOVERNOR O'MALLEY: Uh-huh.

SENATOR JACOBS: -- then could be accepted. I mean it's gone to the point that they're writing to their senators and asking their senators and delegates to write letters of recommendation. No longer is it just a vocational school. I taught the highest levels

of English. And years ago it was strictly vocational. You went there to get a trade. Now it's all encompassing. It's putting these kids ready to go out in the community and to serve in positions in computer training. We have master chefs coming out of Harford Community College and I'm sure it'll be once we do this in Cecil County it'll be exactly the same. It's a very, very worthwhile program.

So again --

GOVERNOR O'MALLEY: There was an article in NewsWeek about three, four months ago that said the poor kids are the kids at risk are eight to ten times more likely to graduate and stay in high school if you give them the vocational technical training. It gives them a marketable skill when they come out the other side, which, you know is some big -- I think it was the University of Michigan that did the study. It took a lot of Ph.D.'s a long time to figure that one out.

(Laughter.)

SENATOR JACOBS: You're right. It's the motivation they need.

GOVERNOR O'MALLEY: Right.

SENATOR JACOBS: And their parents can say to them from middle school and lower, you know, you want to do this you're going to have to have the grades. It's extremely competitive to get in there. And it keeps these kids on track and motivated to do that.

So thank you all very much.

TREASURER KOPP: Could I just say, I know that Dr. Grasmick has been involved for a number of years in these programs where you integrate the academics in to something immediately productive. It's teaching something, but in a different way. And I think you're absolutely right, Governor. I mean when people come out with a skill and can see why they are learning what they are learning and how you put it to work year after year it's --

SENATOR JACOBS: And the fact that it's right next to Cecil Community College is perfect.

GOVERNOR O'MALLEY: Can the Community College use the space at night for classes?

SENATOR JACOBS: I'm sure.

DR. ROBERTS: They already do.

GOVERNOR O'MALLEY: Do they?

DR. ROBERTS: They use our laboratories for our career and technology programs at night for adult education.

GOVERNOR O'MALLEY: All right.

DR. ROBERTS: It's like it's all ready. We have the best articulated agreements with the community college in the State of Maryland, probably on the East Coast. They teach college courses in all five of our high schools during the day so students don't have to drive to campus, by their professors. They pay tuition and they get it. So it's an equity issue. Every student has the access where as before it was only those students who get transportation to the college.

We have the best agreement with our community college. We share all facilities now and it'll even be enhanced with this new facility.

TREASURER KOPP: How do they pay tuition?

DR. ROBERTS: They pay it like any other student who goes to college. They pay tuition, but

instead of driving to community college they get it in their regular schedule. So they go to --

TREASURER KOPP: Instead of high school courses?

DR. ROBERTS: They take them instead of a high school course. These are students who are --

TREASURER KOPP: Or which they didn't have (inaudible).

DR. ROBERTS: Well there are students that now many students across the state go on a partial waiver or a full time waiver --

TREASURER KOPP: Right.

DR. ROBERTS: -- during their junior and senior years --

TREASURER KOPP: Yes.

DR. ROBERTS: -- to take college courses.

TREASURER KOPP: But not --

DR. ROBERTS: Our students don't have to -- they can do that and many do, but they don't have to. They can take college courses on high school campuses. And it --

TREASURER KOPP: I think that's great. I think that's wonderful. I just am curious about the financial --

DR. ROBERTS: The finances with what the finance is is that parent's pay the tuition. But if there's a student who can't afford it, then we have scholarship programs and articulated agreements between the college and the school system where we make --

TREASURER KOPP: Because we are already paying --

DR. ROBERTS: -- no schools -- no student's denied.

TREASURER KOPP: -- under the (inaudible) formula right for those kids in the high school.

SENATOR JACOBS: They're high school.

DR. GRASMICK: I would just like to say that we do have through our pre-K to 16 relationship with higher ed. We have a committee working on this idea of dual enrollment and how we will advance it to students who want to participate in dual enrollment from the financial perspective.

This is a terrific model they have in Cecil County, but the final point is the one that you made Treasurer Kopp. And that is that they have a waiver process but in larger jurisdictions we're talking about more students. And what can we do so that no entity is disadvantaged; not the pre-K to 12 and not higher ed, and most of all not the students.

So we're looking at this idea of ratcheting up dual enrollment possibilities. Many of our students are ready to go on --

TREASURER KOPP: Oh, it's a wonderful thing.

DR. GRASMICK: -- and need the challenges. So we will come to you with a proposal relative to that.

TREASURER KOPP: Everybody to have an incentive that they give as appropriately and in deference to politics.

GOVERNOR O'MALLEY: And your point is that we're (inaudible) per capita. And then we're asking the parents to pay something additional.

SENATOR JACOBS: They're getting college credit too.

GOVERNOR O'MALLEY: They get college credit. So they still take the course that we're paying for on the per capita? This additional thing?

DR. ROBERTS: I'm not quite following the -- I'm not quite following the conversation. Okay. But students now can apply for and seek opportunity to take college courses while in high school. That's true --

GOVERNOR O'MALLEY: Right.

DR. ROBERTS: -- across the country not only in Maryland. What we tried to do was to make sure that it wasn't totally dependent upon the student having an automobile to be able to travel to the college. So what we did was for those students the college started offering courses -- now they're not our courses. They are not courses we teach.

TREASURER KOPP: Right.

DR. ROBERTS: And they are -- so they don't take a college course to satisfy English 12. They still have to take English 12. These are students who

have finished their credits and they want access to college which happens all across the state. But our college has now said, "We will offer courses." We fit them in to our schedule and then any student who is eligible can -- equity issues are no longer a consideration.

If they can't afford the tuition to get the credit from the community college, then there are scholarship programs to support that. So.

SENATOR JACOBS: Finish their credits is the operative word.

DR. JACOBS: Yeah, but these are not -- college credits do not fulfill high school credits. These are in addition. We have some students -- we have some students who complete upward to a semester to a year of college credits, you know, through extended programs and so forth.

TREASURER KOPP: That's great. No, I -- and it has nothing to do with how perfect your projects are. Not get me wrong. I'm just --

DR. ROBERTS: Well if it help then keep asking.

(Laughter.)

GOVERNOR O'MALLEY: Senator did you want to say something?

SENATOR PIPKIN: Just briefly Governor, Mr. Comptroller, Madam Treasurer. As you can tell I think it's incumbent upon us, the state elected officials, that when we come to you in a format like this that the counties that we represent make the sacrifices necessary at the county level before we come before you to ask for state money.

Let me just assure you from my perspective. This is my fifth year in front of this body for this particular exercise. That Cecil County has done an exemplary job in making the sacrifices back home and while we've had, I think, a great discussion here about this tech high school, this is a huge commitment for a rural county to be at the county level to make this kind of commitment today. The planning dollars get the

ball rolling, but down the line this is a significant commitment for the county.

All I can say is for the five years that I've been associated this school system under the direction of Dr. Roberts has done an exemplary job. And the county commissioners through multiple commissioners have stepped up to the plate. And the people of Cecil County have made the sacrifices back home. This tech school we hope will be a jewel for the whole entire upper shore region, but will require significant sacrifices back home and people are ready to make that sacrifice.

Thank you.

GOVERNOR O'MALLEY: Senator, thank you.  
Cecil County thank you very, very much.

DR. ROBERTS: Thank you.

SENATOR JACOBS: Thank you.

GOVERNOR O'MALLEY: Okay, Charles County waiting patiently. Good to see you.

COLONEL WADE: Good afternoon, Governor.

GOVERNOR O'MALLEY: Good afternoon.

COLONEL WADE: And before I start, the Charles County delegation has been in the room listening to some of the discussion that has taken place in the last twenty minutes or more. And I invite you to North Point High School for science, technology and energy. And I hope that it's on there, on the board.

Good afternoon Governor O'Malley, Comptroller Franchot and Treasurer Kopp. I'm Colonel Donald Wade and I am the Chairman of the Board of Education for Charles County. Before I begin I would like to recognize members of our legislative delegation. Joining us today are Senator Thomas "Mac" Middleton, Delegate Sally Jameson, Delegate Murray Levy, and Delegate Peter Murphy. Also with me today is our Superintendent of Charles County Public Schools Mr. James Richmond, and my fellow Board member Roberta Wise who is the Vice Chair, also Assistant Superintendent for Support Services Mr. Charles Wineland.

Today we ask this Committee to consider our appeal for funding several important construction projects. Charles County is one of the fastest growing

counties and school systems in the State. The Charles County Commissioners have committed to funding the local share of building one school a year for the next fifteen years. Our schools are being used beyond capacity and we have been balancing the need to renovate our older schools and building new ones. Charles County Public Schools has the highest percentage of students attending class in relocatables than any other Maryland county. Twenty-three of our thirty-three schools are over state rated capacity.

We ask you to consider complete funding for Davis Middle School, which opens in August, and increasing funding for Mary Burgess Neal Elementary School, and for full-time kindergarten projects at T.C. Martin and Mt. Hope/Nanjemoy Elementary Schools; planning approval for the next new elementary school, which will be located in Waldorf in order to reduce overcrowding; and funding for a number of systemic renovations of schools including rooftop units, boilers, and temperature control units.

We are also seeking approval to begin planning for our next high school, which will be open in 2011. Our need for a new high school is already evident and we will be well above existing school capacity by 2011.

On behalf of the entire Board, we pledge our commitment to supporting, to working with you to successfully complete these projects. Further, we applaud our wisdom in recognizing that education is more than a priority. It is a key to the economic vitality of the schools.

Before I ask Senator Middleton to speak I wanted to let Comptroller Franchot know that Charles County Public Schools has a strong energy management program that is producing favorable results.

I now ask Senator Middleton to speak on our behalf. Senator Middleton?

SENATOR MIDDLETON: Governor O'Malley, shall I call you Peter or Comptroller Franchot? Treasurer Kopp, it's a pleasure for me to stand here with our Board of Education, our elected Board of Education.

Our County Commissioners aren't here today because they are in session but they stand firmly behind the Board of Education's request that has gone before the IAC. Also to stand here with my delegates, Murray Levy, Sally Jameson, and Peter Murphy.

We stand before you together and we're real, real proud of what that has meant for Charles County. We have seen a school system that has changed, has made vast improvement. But Colonel Wade didn't tell you that Charles County was recognized by the National NAACP for its achievements and minority achievements, national recognition. We just heard from Cecil County and their plan for a comprehensive high school. Well, Charles County sort of broke the water there. Our North Point High School, which is a comprehensive high school where students can go to a regular academic school as well as get the career and technology there both on the same campus. If you want to learn a little bit more about North Point you can visit New Yorker's Magazine, March edition, where North Point High School was featured as the School of Tomorrow.

Cecil County also mentioned about their partnership with Cisco. Well, Cisco, we have just been told, is looking at using North Point as their national flagship model. In addition to the national recognition, it has gotten international recognition by schools outside of the United States wanting to visit because it is such a model school. We are very, very proud of it.

One of the other things that you should know about North Point, you know what you don't see in the request that comes before you is all the in ground work that's got to go and costs that go with the school: running water and sewer, road improvements, fitting it into the neighborhoods. What we have at North Point, it's a large campus that we have the water and sewer lines and roads that serve not one but will serve three schools when they're finally built on the campus. We're looking for the third one to be built on the campus. We have two of them there now. So we're trying to be as efficient as we possibly can.

We believe in education. We believe in what our Board of Education and County Commissioners have sent up to us to support. I will tell you that Charles County when you look at the state share, and I hope it's part of your consideration in who gets awarded the projects, will look at how the locals have stepped up for their match to school construction, how seriously they take it. Therefore, while Charles County had the highest excise fee, \$10,000 per unit that's built in Charles County, to make way for the new capacity that's needed. I think there are other counties now that have stepped up, have followed the lead of Charles County. But we have been very, very aggressive at making sure that as students come into Charles County, that we have the classrooms. And as Chairman of the Board Donald Wade has just said, Charles County has more portable units per percent of the population than any other jurisdiction in the State.

There is definitely the need there. There is definitely the local commitment by the Board of Education, the County Commissioners, and the State

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Delegation. So I would appreciate immensely any consideration and hopefully full support for the projects that we have appealed before you today.

And we'll be happy to answer any other questions.

DELEGATE LEVY: But before you do --

SENATOR MIDDLETON: But before you do, Murray's time to say something. We all want offer our sincerest congratulations.

DELEGATE LEVY: He still can't reconcile that four of the delegation are delegates and not senators.

SENATOR MIDDLETON: I have to remind him, it takes three to do one.

DELEGATE LEVY: Right. Governor, Mr. Comptroller, Madame Treasurer, congratulations. And an early congratulations to the Treasurer. And Peter, on a personal note, if I had known you were actually going to win I would have certainly been more supportive.

(Laughter.)

DELEGATE LEVY: The doors of opportunity close quickly. You have probably heard from many

school systems with very justifiable needs in their construction program. And my message is simple. If we are going to fund these schools we must fix the problems in our capital budgets. They are every bit as challenging as the General Fund Operating Budget. And if we don't come to terms with our resources there, we are not going to be able to address the school needs, the Chesapeake Bay needs, or our transportation needs. So I certainly stand ready to work with you in reaching that goal. And thank you for what you've already done.

COLONEL WADE: We're open to questions.

TREASURER KOPP: Can I just ask one question? Do you have any idea how many students in the county are being educated in portables?

VOICE: Approximately 5,000.

TREASURER KOPP: Five thousand students.

GOVERNOR O'MALLEY: Out of a total population of?

VOICE: Twenty-seven thousand.

GOVERNOR O'MALLEY: Twenty-seven, so five thousand, so about one in five, huh?

TREASURER KOPP: Thank you.

GOVERNOR O'MALLEY: We are going to do our very best and we appreciate how much you do. You have a terrific group of County Commissioners and I know that they have been very determined to make as much progress, even during some of these last few very tough years, on school construction. And they're really to be applauded. So we understand that they have to be about their local government business, but they're a entrepreneurial and self-reliant and, you know, hard working group of people. So please give Commissioner Cooper our best and thank you all for your patience and for your perseverance.

COLONEL WADE: Thank you.

GOVERNOR O'MALLEY: Okay, Dorchester County. Thanks for your patience, Dorchester County.

DR. MALKUS: Thank you, sir. Good morning Governor O'Malley, Treasurer Kopp, and Mr. Comptroller Franchot. I'm Dr. Mark Malkus, President of the Dorchester County Board of Education. Accompanying me today are Senator Richard Colburn, Delegate Rudy Cane,

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Delegate Addie Eckardt, and Delegate Jeannie Haddaway. In addition, here with us today are Councilman Ricky Travers from the Dorchester County Council and Councilman Rick Price.

TREASURER KOPP: Who is that lady over there?

DR. MALKUS: Delegate Eckardt. I think I did introduce her.

Also, Vice President of the Board of Education Lorraine Henry, and Board Member Michelle Jackson, and Superintendent Dr. Frederic Hildenbrand, Facilities Engineer Chris Haig, and Assistant Superintendent of Administration Gary McCabe.

Thank you for the opportunity to present our appeal for funding several projects that are critical to supporting the school district's mission, vision, and bridge to excellence master plan. As you know, Dorchester, like much of the Eastern Shore, is experiencing a level of growth not seen in generations. While this is creating a renaissance in many aspects of life in Dorchester, it also puts an obligation on leadership to plan for the future. To this end, the

Board of Education has worked in concert with County Council and engaged the local community over the last three years to evaluate the current and future facility needs, analyze the educational adequacy of our current facilities when compared to the curriculum, investigate the potential impact of current and ongoing development in the County, communicate options to stake holders, and to collect and analyze feedback.

The result of this effort is a ten-year strategic capital improvement plan that attempts to address in a prioritized approach the needs at all levels and in all facilities: elementary, middle and high, as well as career and technology. This strategic plan is already being implemented with last year's planning approval for the replacement of North Dorchester Middle School, which will be out to bid this spring; completion of a feasibility study and education specs to explore options for the future of the Dorchester County School of Technology; and the preliminary planning to renovate the first of several open space facilities at Warwick Elementary School.

The projects that are being appealed are both exciting new facilities to support modern, technology intensive instruction as well as renovations to neighborhood schools that will preserve previous investments.

Dr. Hildenbrand will speak more about these projects.

DR. HILDENBRAND: Thank you. Good afternoon Governor O'Malley, Comptroller Franchot and Treasurer Kopp, and Dr. Grasmick. As Dr. Malkus mentioned, we are here to appeal three projects.

The first appealed project is the approved replacement of North Dorchester Middle School. The project was approved for planning for new construction last year. Currently bid documents are being finalized for issuance this spring. Currently the proposed state funding for fiscal year '08 is \$2.1 million. Our request to the State for first year funding is \$8.9 million, with a balance of \$6.4 million being provided in fiscal year '09 by the State. So the appeal is for

the full funding of \$8.9 million for this upcoming year.

Our second appeal is for the Dorchester School of Technology. Planning approval has been granted for renovation and addition to the current facility. It's the position of the Board of Education, the County Council, and the citizens of Dorchester County that the best choice is to build a new facility located adjacent to the Cambridge-South Dorchester High School. While there are many solid educational reasons for constructing a new facility, the most compelling rationale is that the renovated and expanded facility will in fact cost more than a new facility, a replacement facility. We respectfully request that the Board of Public Works approve this project for planning for a replacement facility so that the limited public resources can be used in the most effective ways possible.

The final appeal today is for planning approval to renovate and expand Warwick Elementary School. Warwick Elementary School is a community

anchor in the northern part of the County that is due for renovation and addition based on the age of the facility and the need to upgrade and replace major building systems. Warwick was built in the open space model and in fact next month will be its thirty-year anniversary. I was the principal when we opened the school, and the open space model has been a challenge for thirty years. And it doesn't meet the current instructional needs. The state rated capacity of the building is 249 students and currently there are 337 students in the facility. This project meets all state criteria for renovation and addition and we seek approval to begin planning the project. Presently the IAC has deferred consideration of this project and we're appealing for planning approval so that we can move into the next cycle and construction funding can be sought in the next go round.

I appreciate your time, and thank you for the opportunity to present to you today. Now I'd like to introduce Councilman Ricky Travers, of the Dorchester County Council.

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MR. TRAVERS: Good afternoon. Governor, Treasurer, Comptroller, I would be remiss if I did not say, Governor, Friday night was one excellent party in Baltimore City. We did, the ones that did come from Dorchester County, did really enjoy ourselves, I can tell you.

GOVERNOR O'MALLEY: Well, good.

MR. TRAVERS: And I'm glad to see that you have not lost that ability to, even though you haven't been on the stage for a little while playing music, you've been doing other things, you haven't lost that ability at all. You did an excellent job Friday night, there.

GOVERNOR O'MALLEY: That's kind of you, and my compliments to your terrific taste in music.

(Laughter.)

MR. TRAVERS: And I see that you left Kool and the Gang for last, you did the best first, right?

GOVERNOR O'MALLEY: You know when to play warm up.

MR. TRAVERS: But it was excellent.  
Congratulations to all of you.

I'm here, I'm Ricky Travers, I'm representing the Dorchester County Council. On behalf of the Council, I appear before you today to support these school construction things that we're working on here. The Council has reviewed the Board of Ed.'s ten-year plan, capital improvement plan, and we understand the significance of this huge plan that we need for these school improvements. The County Council has identified, we've stepped up to bat, we've identified revenue sources to assist the local share: directing transfer taxes to school construction and adopting an excise tax dedicated for school construction based on growth.

We're here today to appeal for the full state funding share for North Dorchester Middle, the planning approval for the new School of Technology, and the planning approval for the addition and renovation of Warwick Elementary. The County Council has conceptually approved the current year's funding and

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planning purposes and the ten-year CPI to implore you to meet the request for to complete these three projects.

Governor, I know you are aware of the huge amount of jobs that we are in possibility of losing. I think we're anticipating about 500 jobs losing this year.

GOVERNOR O'MALLEY: Icelandic?

MR. TRAVERS: Icelandic is one of them, and we've lost a couple other companies prior to that. But Icelandic is the main hit on us this year. So we are very concerned. This Vo-Tech School, we're feeling that this will help us, as you've heard through other counties. We feel like it is a key part to our County to train these students. Some of the students who are coming out of this Vo-Tech School are, as you said Treasurer Kopp, they are academically but they are also under the auspices of the Vo-Tech Center. So they are writing honor roll under the Vo-Tech Center and they are writing honor roll under the academic side. We have double honor roll students coming out of that. It

used to be when you thought of Vo-Tech, you thought of a school that you said, "Well, I don't, you don't want to go to college, you've got this choice to go." That's not the way it is anymore. We are finally turning that corner and convincing these guidance counselors and teachers to say, "This person that wants to do, he needs his heavy algebra, his college prep algebras and things like this, to move on to be the engineering degree." You know, or to lay block, or the business side of the things to run a business, to run a heating and air conditioning business. So these are very crucial and we feel like the funding can move forward with this new Vo-Tech Center that we have is crucial in our County because, like you also said, it helps keep these people off the street. Not everybody is college bound. You know, they can certainly have opportunities arise to them.

I have a personal testimony and I have had one student go through the Vo-Tech Center. I've got four boys and I've got another one that's in the Vo-Tech Center right now. And one of them is moving on,

he'll be graduating this fall or this spring from the University of Maryland with a Fire Engineering Degree. And, you know, just helps to what the Vo-Tech Center can do or give the student guidance.

So we, the Dorchester County Council feels it's imperative that we do move forward with the funding. And on behalf of us, we would appreciate any consideration you would give to these projects. And if you have any more questions for the Council, don't hesitate to contact us. And please do come back and see us. I know you were down visiting us not too long ago at MACO and I hope you enjoyed yourself, but please do come back. Thank you.

GOVERNOR O'MALLEY: Look forward to it. You should be applauded for the Vo-Tech effort.

MR. PRICE: Good afternoon Honorable Governor O'Malley, Treasurer Kopp, and Comptroller Franchot. I, too, want to offer my congratulations to you all on your new positions and wish you all the best.

My name is Rick Price. I'm also a County Councilman from Dorchester County, from the northern

end of the County. And I, too, want to support the Board of Education's request for full funding for the school construction projects we've proposed: full state share funding for the North Dorchester Middle School, planning approval for a new School of Technology, and the addition and renovation of Warwick Elementary in Secretary.

As my colleague stated, the County Council has met with the Board of Education to review its ten-year capital improvement plan and has given its conceptual approval pending budget adoption to the single year funding, which includes these projects. The Council is committed to continued improvements for our local education system, recognizing that we must provide the tools to our youth to ensure that our local school environment is conducive to the best education possible and that we are offering our young people training opportunities to become a productive member of our local community. I, too, implore you to look favorably upon our local School Board request for the

full funding of these much need projects and I'd like to reiterate, also, the jobs issue.

The County has experienced a number of job losses this past year through 2006. We feel very strongly that these projects will offer new job opportunities, including the addition of the Vo-Tech Center which will help train our people to go into the workplace.

Thank you all very much.

MR. CANE: Mr. Governor?

GOVERNOR O'MALLEY: Delegate, good to see you, sir.

MR. CANE: Comptroller, and the Treasurer, it is a pleasure to be here. And I'd like to give a different slant. I know the importance of education, but the community needs a leg up in improving their economic status and we can do that with education.

Now, I heard other counties talk about education and how that they've had mixed. I have two children and they both graduated from college in three years, because of the advantage of being able to take

college courses, and finish their professional degree so everything was done in seven years. Saved money.

So I've been assisting the County by giving scholarships to those who need to the tune of about \$280,000. And the criteria for my scholarships is that if the school will accept you in the State of Maryland I will not challenge you any further because I want you to be in school. If the school accepts you then you qualify for our scholarship. And I've been giving scholarships, based at the end of the year, equally to everyone who has applied before the first of April. So this has given a lot of students an opportunity to further their education that would not have that opportunity.

And once again, in school, they take work scholarships in order to stay. And I tell them that they must apply each year but if they do apply I give them the scholarship. So I hope that the State of Maryland will help the counties to improve their educational status and give them the opportunity to see the best of things in education so that when they

complete their degrees they would want to be the best in the State of Maryland, giving back a nice tax base to the State of Maryland. And then help their children to meet the goals by paying all the way.

So I hope that you will give Dorchester County great consideration in improving their educational system. Thank you.

VOICE: Thank you very much. It's an honor to be here. Governor, congratulations. Comptroller Franchot, congratulations to you and to Treasurer Kopp. It's always a pleasure to be here. And congratulations on your inaugural Board of Public Works meeting. I believe this is your first one together, so we look forward to working with you.

I, too, am here to say amen to the request that was proposed to you. We have tremendous needs in Dorchester County. And I have to say, it's taken a while to overcome some hurdles because it's important that we work together as a community to proceed whatever the long range plan is and how we develop our students, what options we offer to them to be able to

meet the needs of the work force in the future and our economic profile across the County.

So it is critical. I know these programs are all coming in kind of at a simultaneous time. But that is because we've been a little bit behind on some of these. So I hope you would take that into consideration and help us in these endeavors. Thank you so much for your support.

GOVERNOR O'MALLEY: Thank you.

VOICE: Good afternoon. And thank you for the opportunity to come before you and speak about one of the counties in my district. As has been discussed throughout the day today, America is faced with a serious shortage of skilled laborers. And I believe that if we're ever going to turn that around we have to give our students and our children the tools and the proper learning environments so that we can give them the skills to graduate with.

I do believe that Dorchester County is an example of a county that has been trying very hard to move in that direction and that they're right on the

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brink of something really great. A little assistance from the State with the requests that you've heard today I think would be just what they need to push them over the edge, and to help them be successful in their endeavors.

So, thank you again for this opportunity and I fully support their request.

GOVERNOR O'MALLEY: Thank you.

VOICE: Governor, Mr. Comptroller, Madame Treasurer, I, too, congratulate you and future congratulations to you, Nancy, on your future election.

TREASURER KOPP: Thank you, sir.

VOICE: I shouldn't say this with Andy here, but my wife and I, too, had an excellent time at your inaugural celebration. I guess it's all on the record, here.

But I'm here obviously to support the three projects, the appeal, on behalf of Dr. Hildenbrand, the Board of Education. Dr. Hildenbrand's done an excellent job as Superintendent, Acting Superintendent and now Superintendent, in a short period of time. As

was mentioned, Dorchester County has been hit economically hard. We've lost another company and this Vo-Tech School will particularly help us out in that avenue. We're hoping that you'll help us, Governor, at Dorchester. I'm a resident of Dorchester. We like to be a leader in Dorchester. Obviously, in a few weeks or a couple months we could be a leader in Maryland in unemployment. So we're hoping that you'll help us with your Department of Business and Economic Development.

And, again, I've had quite a history at these Board of Public Works meetings. And I know that brevity is good. The shorter my remarks here the better the chances of you approving these three appeals. Thank you.

GOVERNOR O'MALLEY: Thank you.

VOICE: Congratulations again.

GOVERNOR O'MALLEY: Thank you. Okay. Well, Dorchester, thank you very, very much for your patience.

DR. HILDENBRAND: Thank you, sir.

GOVERNOR O'MALLEY: And I understand that you're hurting on the economic front and we want to be as helpful as we can in this One Maryland. You know, we're very much aware of it and we thank you for coming in here today and for your presentation, and for hanging in there with us. And we'll do everything we can to help you.

We're going to take a brief fifteen-minute recess, I think.

(Short recess taken)

GOVERNOR O'MALLEY: Next up is Garrett County. We really appreciate your patience. So folks from Garrett County if you would step up and thank you for coming all this way. Senator, good to see you.

DR. TEETS: Thank you. Honorable Governor O'Malley, Treasurer Kopp, Comptroller Franchot. I'm Wendell Teets, Superintendent of Schools in Garrett County. I have with me Senator George Edwards and Delegate Wendell Beitzel, and Jim Thomas our Director of Facilities.

TREASURER KOPP: It sounds good, Senator George Edwards.

SENATOR EDWARDS: Thank you.

DR. TEETS: Yes, it does. That's the first time I've introduced him that way.

Thank you for the opportunity to appeal our funding for Northern Middle School renovation. We are no longer appealing our funding for Grantsville Elementary addition since that project can be completed in FY '09 and the funding is in place for that. We'd like to thank the IAC staff for their support for this project and all the help in the past.

Northern Middle School is an open space school that some walls have been added, and it's currently over one hundred percent utilized. Classes are currently being held in storage areas, on the stage, and in other non-instructional spaces. With the additional 13,362 square feet that we're requesting, we will be able to provide a quality instructional space for every program and teacher. By only renovating the current building footprint this will not be possible.

A community space area of 3000 square feet is also included in our funding request. And in most cases, these have been funded beyond the approved instructional space. In your handout you will find letters of support for this project. The total additional funding we are requesting is approximately \$2.9 million for a total of a little over 16,000 square feet.

Northern Middle School is a 2005 Maryland Blue Ribbon School. It has met AYP every year. It is high performing even though it has forty-four percent free and reduced lunch students. Our commitment to lower student-teacher ratios and to provide an additional program, such as a separate reading class for each grade, related arts classes taught to all students annually, and special needs programs have resulted in the need for the additional space for the building. The renovation and additional construction space will enable all existing programs and staff to be based in suitable instructional spaces.

I know economic growth is not a factor in this, but the Garrett County and Lake Area is having tremendous growth. There is a letter from our Economic Development Director supporting this. We have two major manufacturing companies, ClosetMaid and American Wood Products, that are, will be building or are building construction for new plants in that area. And there are a minimum of 2400 homes projected for the Deep Creek Lake area. All of this is in Northern Middle School attendance area.

We have a vital need for community space areas to serve our business community, college, civic and volunteer organizations, and citizens. We cannot eliminate our current instructional program space in order to provide this community space.

We request the additional state funding for the additional space added to our current building footprint in order to provide a quality instructional program for the students and entire northern area of Garrett County. This school serves the entire area of the County.

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So we realize you have many requests and limited funding. But in the total scope of things, our request for \$2.9 million is not very large but it's vital to the needs of our students.

Thank you for your support. I'll now turn this over to Doctor, or to Senator Edwards.

SENATOR EDWARDS: Thank you, Dr. Teets. Governor O'Malley, congratulations. I look forward to working with you over the next four years.

GOVERNOR O'MALLEY: And I with you, Senator, thank you.

SENATOR EDWARDS: Thank you. Comptroller, look forward to working with you in your new capacity over the next four years, and Treasurer Kopp same to you.

COMPTROLLER FRANCHOT: I have to interrupt, because Senator Edwards was a long time member of the subcommittee that I chaired.

SENATOR EDWARDS: Yes.

COMPTROLLER FRANCHOT: And it was a good subcommittee.

SENATOR EDWARDS: It was. Probably the best here.

COMPTROLLER FRANCHOT: A new county executive, a new comptroller and a new senator, so.

SENATOR EDWARDS: Yeah. Well, is that graduation or something?

COMPTROLLER FRANCHOT: Yeah.

(Laughter.)

SENATOR EDWARDS: Okay. As Dr. Teets mentioned, this is an open space school. And most of the schools built back in that time were, and I think most people, some may disagree, feel that they aren't the right way to do them anymore. We're trying to close it in, and sometimes when you close them in you might have to add some space to be able to do what you want to do. And this is what we're here for, to get that extra space to do it.

One other thing, I have this sheet here of allocations from '72 to 2008. And this doesn't mean a whole lot, but it says something. We're the third lowest in the amount of money given out since that

period of time in the State, and that could say one of two things. We don't ask for a whole lot. Our student population has not grown a lot. We've only built one new school probably in the last twenty or thirty years and when we did that we consolidated two schools into it. So most of our projects are remodeling projects, at least until some of these plants Dr. Teets mentioned get in and student enrollment starts going back up.

So this is very important and we hope that you can see your way to give us this extra money so we can do what really needs to be done as we look down the road to the future. So if anybody has any questions, we'd be happy to answer them.

Just one other quick thing, the Commissioners who aren't here, the other thing is now we're asking for something, they are in a position because of the good economic stuff going on in our County to be able to fund some of these, which they didn't ask for in the past because they couldn't come up with the local share. Now they're in a position that they can come up with the local share and they're starting to try to

move forward on some of these. And that's the other reason we're seeing some projects in there now. Thank you very much.

GOVERNOR O'MALLEY: Senator, do you all do something creative with regard to community college and kids who graduate from high school? Isn't there some guarantee in the County that every child who graduates high school is guaranteed --

SENATOR EDWARDS: Yes Governor, we, the Commissioners just this past year instituted a program that every student that -- we have two high schools. Every student that graduates from Northern and Southern can go to Garrett College free of charge for tuition. And, they don't pay for the books I don't think, it's tuition and fees. I think we're the second county in the country that has done this. I believe there's one in Tennessee.

GOVERNOR O'MALLEY: For two years or one year?

SENATOR EDWARDS: Two year college, two years at Garrett College, and they're looking at expanding that program. And I can't speak for them, but I think

they're looking at it for people who might want to go to, like, technical schools if they can't get it at Garrett College. Great program, they had a huge number, I say huge, for us it was. A considerable number of these students are going there who probably would not even go to college if it wasn't for this program. It's going to get them a start, hopefully they can then go on and get their degree. Dr. Teets might know a little bit more about it. It's a great program.

GOVERNOR O'MALLEY: Yeah, it's terrific.

DR. TEETS: I'd like to add we also have students that their senior year can also go part-time down there, and their tuition is also paid. So it's the senior year, plus sixty-four hours or the first two years of college. It's a wonderful program.

GOVERNOR O'MALLEY: It sure is. Well, we will do our very best. And we really thank you all for your patience, and thank you for the good job that you do.

DR. TEETS: Thank you very much.

SENATOR EDWARDS: Thank you very much.

GOVERNOR O'MALLEY: Thank you.

SENATOR EDWARDS: Take care.

GOVERNOR O'MALLEY: Next up is Harford County.  
Welcome.

MS. HAAS: Well, thank you. Good afternoon to  
all of you.

GOVERNOR O'MALLEY: Good afternoon.

MS. HAAS: Thank you for having us. My name  
is Jackie Haas. I'm the Superintendent of Schools for  
Harford County. Good afternoon to the new governor,  
Comptroller Schaeffer, Treasurer Kopp -- Comptroller  
Franchot, I'm sorry. Old habits, old habits. My  
apologies.

GOVERNOR O'MALLEY: Good afternoon to him as  
well.

MS. HAAS: Not a good start, not a good start.  
Back that one up. My apologies. We are here this  
afternoon to appeal several projects. And because  
there is a long list of information we've passed out to  
each of you a chart. I believe you have that chart in  
front of you. And you also have a summary document

that addresses each of our priorities as well as some information about the energy conservation which we understand you're also interested in.

Rather than go through each of those projects separately I will just inform you that Harford County at this point is a school system of just under 40,000 students. We were just over 40,000 students about a year ago, and with the change over in Aberdeen Proving Ground, some of the troops leaving to prepare for the BRAC transition, we're seeing some of those families decline. And we know that as BRAC comes in, that we'll see that increase again as the transition occurs.

This afternoon our first speaker is going to be the County Executive David Craig, followed by Senator Jacobs and Delegate Glassman. And we hope that Delegate Dulaney James will also be able to say her greetings to you this afternoon.

But we'll transition quickly to our County Executive David Craig. We brought pens for you that have Harford County on them and we hope that you find them to be very good pens, and as you write with them

you'll see our name over and over again and keep us in your thoughts. So with that I'll turn this over to County Executive Craig.

MR. CRAIG: Good afternoon. I'll let you get your cookie in there. Congratulations to all the new winners. Governor, as former mayor of Havre de Grace I want to thank you first, before we get on the school subject, for the \$27 million you put in for the wastewater treatment plant for the city of Havre de Grace for the ENR project. Only mayors hold wastewater treatment near and dear to their hearts.

GOVERNOR O'MALLEY: Absolutely.

MR. CRAIG: So we thank you for that. We do have a long list of projects. I want to emphasize that we did just build an administrative building in the County that is, achieved the highest level for LEED. We were out front in trying to make sure, so we got gold level on that. And the newest high school that we built, North Harford High School, we did a geothermal system on that. And the second project on your list, which is Joppatowne Elementary School, will be our

first attempt for a school for a LEED project. So we're trying to make sure that we're energy efficient and save in operational expenses later on.

A couple things, I emphasize that we did forward fund Patterson Mill High School, which is our top request. So anything you can do to fully fund the rest of that, it was about \$4 million, we would appreciate that. As I said, Joppatowne Elementary School which is in the Route 40 corridor will be a LEED project. And if you could finish the funding on that, and we have a few HVAC and roof replacements that are near and dear to my heart of the nineteen projects that we have.

SENATOR JACOBS: It's good to see you all again. Thank you for having us. All three of these projects are extremely important to Harford County. And I don't have to tell you, Governor, about BRAC and what it's going to do for our area and how important it is. Not only do we have transportation issues, now we have school issues. And we need to enlarge our schools, we need to build new schools, we need to be up

to date to take this influx of over 50,000 jobs and people that may be coming to the County. So we're looking forward to that, but in the meantime not only looking forward to it, we have to prepare for it. And that preparation comes with a lot of these requests that we have.

I represent the Joppatowne area, which is the Route 40 corridor located right next to Aberdeen Proving Ground. The County Executive went over the other two projects very well. As he did mention, the Joppatowne Elementary modernization project will be our first silver certified LEED school in the County. And one of the big things about why we need to do this is in regards to what we passed with Thornton a few years ago as far as the all day kindergarten. We don't have that facility available to go all day in Joppatowne Elementary School and this will allow that construction to take place.

So, you know, we just thank you for this opportunity to be before you and it's nice to see you all again, twice in one day.

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GOVERNOR O'MALLEY: Thank you.

SENATOR JACOBS: Thank you.

DELEGATE GLASSMAN: Governor, how are you?

GOVERNOR O'MALLEY: Good.

DELEGATE GLASSMAN: Congratulations. My former colleagues Treasurer Kopp and Comptroller Franchot, it's good to be with you. And good to be with some familiar faces here in the Board of Public Works room.

GOVERNOR O'MALLEY: Congratulations to you on your reward from MACO.

DELEGATE GLASSMAN: Thank you very much. I'm just, we were just having a hearing on environmental matters on House Bill 1141, Annexations and Good Planning. And I think that's good way for me to start off. Harford County historically has been a great leader in smart growth and responsible planning with its PFA land preservation and controlling our building and so forth. The delegation has taken a lead over the last term. We enabled the County to have an impact for the first time, to have it pay for new school

construction, an impact fee on new housing. We also have a one percent transfer tax, half of which goes to school construction the other half to land preservation. So I think the delegation has begun to give the County the tools to help pay its way for school construction.

But as we head to BRAC we need to make sure we tread water. These projects are needed just to tread water for what we have before we look at the anticipated new enrollments from BRAC. So I would just ask you to take a look at that. We have a long responsible record of growth and management in funding our schools. And we just look forward to you helping us out as we begin to prepare for those next steps as BRAC approaches us.

On behalf of my fellow delegates, Delegate Riley, McComas, Jennings, Impallario, McDonough and Stifler, and Delegate James is in committee I believe, but we look forward to working with you. We're excited about your sub-cabinet on BRAC and we look forward to working with you the next four years. Thank you.

GOVERNOR O'MALLEY: Thank you.

MS. HAAS: I'll just conclude by saying that we've tried very hard to make sure that schools are renovated in an equitable fashion across our system. That schools that have more significant challenges in terms of their student population have the same high quality buildings as our schools that are in more affluent areas. And our County Government and others have supported us in that effort so we truly appreciate that support. And it's important for the program of our students. Okay? Thank you for having us, and if you have any questions.

GOVERNOR O'MALLEY: Comptroller Franchot?

COMPTROLLER FRANCHOT: Just, I heard David, I think you said, you have a couple of schools with LEED?

MR. CRAIG: The administrative building we just built was a LEEDS gold. We just built that, opened it up a year ago. A high school, we have a geothermal, and the elementary school that's on your list will be, we're going to open this summer.

COMPTROLLER FRANCHOT: And is that a special classification for schools? Or is it the one that applies to all of them?

GOVERNOR O'MALLEY: That's pretty hard to get, isn't it?

MS. HAAS: Yeah, it has certain criteria and you work through what you're able to do and what you aren't able to do. And we have worked with some firms that have helped us walk through that process. And there are criteria set forth for schools and what you have to do.

MR. CRAIG: It's not easy.

MS. HAAS: No, it is not.

COMPTROLLER FRANCHOT: You know, I just have to note for the record that the three jurisdictions that are the leaders in energy conservation are Carroll County, Dorchester and Harford in the presentations today. It's just so impressive to me that you have been able to do it. Because you have to, obviously, have a political will and some extra money because it's

not cheap to do this. But I think, I applaud you on your leadership.

MS. HAAS: Well, and we began in performance contracting with Johnson Control a number of years ago and we had -- our board support for that and local government support for that and that really got us into this whole energy conservation area and we just expanded it from there. But we do appreciate the support we've gotten.

COMPTROLLER FRANCHOT: Some of the bigger counties are going to be following your lead, I mean.

GOVERNOR O'MALLEY: Do you have numbers on when you recoup? I mean, whatever the additional cost is you, I imagine, over time recoup it by lower energy costs. Do you --

MS. HAAS: We do keep track of that, and we report to our Board twice a year on those statistics. And if you would like to see those I would be glad to have them sent down to you.

COMPTROLLER FRANCHOT: Terrific.

GOVERNOR O'MALLEY: That would be great.

MS. HAAS: Great, then I'll do that.

GOVERNOR O'MALLEY: Thank you all.

MS. HAAS: Again, thank you very much for having us.

GOVERNOR O'MALLEY: Thank you for your hard work and your patience. You are bearing the brunt of Maryland's opportunity.

(Short recess taken)

GOVERNOR O'MALLEY: We welcome now Howard County, one of the strongest, greatest counties in all of Maryland lead ably by their new County Executive Ken Ulman. Mr. Executive, welcome.

MR. ULMAN: Thank you, Mr. Governor. Where Maryland comes together, in Howard County. It is truly an honor to see you all up here. And congratulations to you, Comptroller, Treasurer and Governor. It's really a great day to see you all sitting there. Let me briefly just recognize all the wonderful State Senators, Delegates, County Council Members and Board of Education Members that we have with us today. Actually, our entire state delegation is here. No

particular order, Delegate Guy Guzzone, Delegate Warren Miller, Delegate Frank Turner, Delegate Steve DeBoy, Delegate Jimmy Malone, Delegate Gail Bates, Delegate Liz Bobo, Delegate Shane Pendergrass, and our State Senators, Senator Jim Robey, Senator Ed Kasemeyer, and Senator Allan Kittleman. Everyone is here from our state delegation and glad to be here. From our County Council, the Chairman Calvin Ball is here, Council Member Courtney Watson, Council Member Mary Kay Sigaty, and Council Member Jen Terrasa. And from our Board of Education, the Chair Diane Mikulis, who you'll hear from in just a moment, Frank Aquino, Larry Cohen and Ellen Giles are here as well.

And before you hear from our Chair, Diane Mikulis, and our Superintendent Dr. Cousin who is here, you'll hear from him in a moment, let me just say that as a proud product of the Howard County Public School system, certainly this administration is committed to maintaining our high quality schools. And the taxpayers of Howard County have demonstrated their commitment year after year in forward funding projects.

Howard County has the second highest bonded debt per capita ratio in the State of Maryland so clearly we've demonstrated the ability and willingness to do our part. And we're here again asking for the State to continue to be a partner in those efforts. We do have significant needs. We do have significant needs around a growing jurisdiction, also around a jurisdiction that has needs to renovate and improve older schools.

Also, I would suggest to you that this administration will be making it a priority to be looking at green technology, alternative energy sources, across county-wide and obviously the Board of Education will be doing their part as well.

And with that, again it's been an honor to be here. It is an honor to be here and our Chair, Diane Mikulis, has some comments.

MS. MIKULIS: Good afternoon. I am going to be brief. I just want to mention that in addition to our current County Executive we also have two former County Executives with us, too. We like to recycle

people. And two members of our County Council are former members of the Board of Education.

So, you talk about the size of our delegation here, we in Howard County are committed to making education the best it can be for every one of our students. And as you're probably all aware, Howard County has experienced tremendous growth. In 1986 we had 25,000 students. This year we have 48,000. We have opened thirty new schools in the last twenty years. Our enrollment growth has slowed, but it hasn't stopped. And now we're really turning our attention toward some of our older facilities, renovations that probably should have happened but didn't because we were busy adding seats. And while we're still continuing to add some seats, primarily for full day kindergarten, we really are looking at our older schools, renovations, additions, repairs, upgrades to accommodate technology, and things like that. So I'm going to turn it over to Dr. Sydney Cousin, our Superintendent, who is going to give some of the details on our needs for this year. Thank you.

TREASURER KOPP: Can I just say, you speak extremely well, extremely quickly.

(Laughter.)

MS. MIKULIS: Should I go slower?

COMPTROLLER FRANCHOT: No.

MS. MIKULIS: I'm trying to save your time.

COMPTROLLER FRANCHOT: That's probably an asset today. Others could emulate it.

DR. COUSIN: Good afternoon, Mayor O'Malley, Comptroller. Governor, Governor O'Malley.

GOVERNOR O'MALLEY: That's all right. Once a mayor.

DR. COUSIN: Right. Comptroller Franchot and Ms. Kopp, Dr. Grasmick. It's my pleasure to be here today. I've been coming here since 1972 in one capacity or another, and so that's thirty-five years just about.

COMPTROLLER FRANCHOT: You'll get it right sooner or later.

DR. COUSIN: And we're here to appeal several projects. You have a list of them, I'm not going to go

over the list of projects, but they account for \$37 million in projects. We requested a total of \$52 million from the State and we received about \$15 million so far in this process. And we're very pleased with that allocation so far, but it only represents about twenty-nine percent of our overall request.

Howard County has been rich and has funded and forward funded many projects over the years. It was mentioned that we built thirty new schools over the last twenty years but we've also made additions and renovations to schools as well that the County has supported. For this current fiscal year, for example, the County provided about \$70 million in funding for school projects in the County while the State contributed about \$18 million. And we're thankful for that contribution but we want to continue this partnership into the future. The partnership has been based on mutual understanding and respect for the needs of students.

We have about \$42 million worth of renovations and additions simply to meet the all day

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kindergarten requirement, building new kindergarten classroom spaces or renovating existing spaces to house all day kindergarten. The State has contributed towards this overall need along with local funds, about \$18 million between the State and the County revenues in funding, but we still have a long ways to go to fund all of these projects.

I just want to say that the request that we are making is based on our needs, not only for now but for the future so that we can continue to have excellent curriculum offerings as well as excellent facilities in Howard County. We talked about energy conservation. We have thirteen schools right now that are using a state energy grant to demonstrate how we can save energy but also save dollars. We have contracted energy management systems in place and we know that those contracted energy incentives and initiatives that we have already will save \$600,000 for this current year. And we know that in the future that with rising energy costs we need to find ways to not

only address the rising costs but also the consumption of energy.

So again, thank you for considering these projects and we'll wait to hear your faithful support.

MR. ULMAN: Any questions?

GOVERNOR O'MALLEY: Questions, Treasurer, Comptroller? You have a very, very strong county and we're going to do all we can to help you. And we know that you're under a lot of pressures and we all are. But, you know, one great thing about Howard County folks is that they make their own future. And so I really do appreciate you all coming down here. And I appreciate what you do to make Maryland such a strong place by making Howard County strong, and thanks.

MR. ULMAN: Thank you. We look forward to being part of it. Thank you.

GOVERNOR O'MALLEY: Thanks. Calling forward Montgomery County. Mr. County Executive, good to see you, sir.

MR. LEGGETT: Good seeing you, and I'm delighted to see this panel.

GOVERNOR O'MALLEY: Thank you. The floor is yours'.

MR. LEGGETT: Yes, thank you. We're here today to make a very strong plea for the needs of Montgomery County public education. As you know in Montgomery County, we value education quite, quite highly in our prioritization of how we spend our revenues. Given the overwhelming need for school construction throughout the state, first of all I would like to commend the governor's decision to set aside \$400 million for this purpose for the FY 2008 state budget. We are really in a very strong position, I think, to address the concerns of our students in Montgomery County with an effort that was started by our former County Executive and others to ensure that we provide adequate space to respond to our overwhelming needs in the County for schools that are really at the very, very basis of construction, that really need repair. You're talking about roofs, you're talking about space, relocatables. Montgomery County has a very, very strong need.

When you look very carefully at our needs and you consider the request that we've made, and what we are putting in Montgomery County itself, we are at a point now that we really need continued state support. We've done our part in Montgomery County, and we need the assistance and support of the State. I have a number of people here with me who would make that case even more forcefully. I would now turn to our head of the Board of Education, now, Nancy Navarro, and will follow by members of our delegation and our Council President Marilyn Praisner.

MS. NAVARRO: Good afternoon. Congratulations Governor O'Malley, Comptroller Franchot, and welcome back Treasurer Kopp. I just want to just share with you very briefly that as you know Montgomery County has 16.31 percent of the State's enrollment in our public schools. But of course, we don't receive anywhere near that amount as a percentage of the State's funding for public school construction. The IAC recommendation is to provide just \$29.3 million, more than \$104 million

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less than the amount requested for our County, \$133.9 million.

We need and should receive at least \$67 million for FY 2008, half of what we're eligible for. As you know, state funding has never been sufficient, forcing our County to use our own local funding for new classrooms and facility improvements. And as you are well aware, we do have a high percentage of ESOL students. We also have seen an increase in our poverty as students who qualify for free and reduced meals. We have a lot of needs that our local funding requires more support for and therefore we're asking that at the state level you consider us.

And I want to thank you, Governor O'Malley, for putting in those \$400 million. But please be aware that our local funding base has come time and time again to offer funding for our local needs and as those needs increase we really do look forward to the State to help us with that. Thank you very much.

MS. PRAISNER: Belated happy birthday,  
Governor.

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GOVERNOR O'MALLEY: Thank you very much.

MS. PRAISNER: You don't look older.

GOVERNOR O'MALLEY: I feel older.

(Laughter.)

MR. LEGGETT: Not yet.

MS. PRAISNER: We're here united, Members of the Board of Education, the County Executive, the County Council, all of us together, Superintendent, to ask for the level of funding to be increased for Montgomery County given the significant needs, given the fact that we are the largest school system in the state by population. And when you look at the infrastructure needs that we have from the school perspective they continue to grow and keeping pace with that it becomes a challenge for local government.

We share and support the Maryland Association of Counties position and thank you for your efforts in the budget for the \$400 million but we would like our fair share of that, obviously. Thank you. I'll turn it over to P.J. and Charlie.

SENATOR HOGAN: Thank you. Governor, Mr. Comptroller, Madame Treasurer, on behalf of Senators Frosh, Forehand, Garagiola, Kramer, Madaleno, Raskin, and myself, thank you for this opportunity. You've sat here patiently and attentively listened to every jurisdiction talk about their CIPs, talk about their specific projects, talk about their needs in their counties. I'm going to take a little different approach. I'm going to ask you to please, please forget about the county or the city, the local jurisdiction, the name. Do it based on the child. Fund the schools based on the kids, where they are. Do not penalize, or do not allow a kid to be penalized because he or she happens to sit in a classroom or a portable classroom and they just so happen to live in the largest jurisdiction or the smallest jurisdiction or the wealthiest jurisdiction or the poorest jurisdiction. They all read, we all read the same constitution of this State that talks about every child should receive a thorough and efficient, free public school education. So fund it based on the kids, where

the kids are and what they need. That's all I ask. I think that's fair.

People argue about, if you give one jurisdiction, you know, it's a wealthy jurisdiction, you give them more money. We deal with the wealth issue. We deal with the wealth issue in the matching formula of the State versus the County's match. So please, just fund the child. Thank you.

VOICE: Governor, good to see you, Mr. Comptroller, and I'll see you later this week. And Treasurer Kopp, it's good to see you. My subcommittee does Peter's budget on Thursday, so I'm waiting to see him.

VOICE: I have his budget next week.

VOICE: Okay. It's good to be here. Senator Hogan listed all of the eight senators. I'm not going to read the names of the twenty-four delegates that are with me today, but you know we are the largest jurisdiction in the State.

I think they gave you good reasons why Montgomery County should be getting a bigger share than

what we've already received. I'm going to give you another little reason, Governor. I would ask you to go back and just review the capital budget that we received. And if you look at the capital budget in Montgomery County's request, it doesn't look so good for us. One of the biggest projects we had was \$62 million for the courthouse and there was house intent language and senate intent language that that would be done this year, and of course it's zero in the budget. So I know you need money to make up the \$400 million for school construction, so maybe since you didn't give us the \$62 million for the courthouse you'll give us another \$62 million in school construction. So that's kind of how I think you can balance it out and save us a little bit and make it look a little bit better that we got more than what we did in the capital budget. Thank you.

GOVERNOR O'MALLEY: Thank you.

MR. LEGGETT: It's called Montgomery County math. Finally, we appreciate the State's past support for school construction funding in Montgomery County.

And thank you for your consideration of our appeal today. We would not have the quality of facilities that we have today but for the State's support. However, we do need and continue to need to ensure that our students, all of our students, would have the functional budget and buildings in order to accommodate our growing needs. Thank you very much.

GOVERNOR O'MALLEY: Thank you, Mr. Executive. Questions? Comments?

TREASURER KOPP: I actually do have a question about something here. You mention, and I don't know who this is addressed to, maybe you, actually. If the forward funded projects are not approved this year, the opportunity to use state bond funding for reimbursement will be jeopardized. Is this the last year that bond funding can legally be used for these projects?

MR. LEGGETT: I think so, and you may recall some years ago in the early nineties, the late nineties and 2000, we really had that problem in Montgomery County.

TREASURER KOPP: Right, oh I remember it well, yes.

MR. LEGGETT: And I think this is the last year --

VOICE: It is the last year.

MR. LEGGETT: -- that this is now in jeopardy for us. And I think that's in the testimony to outline the projects, that we need the funding on those projects to ensure that we're doing (inaudible) to fund it.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: I just wanted to say how proud I am to live in Montgomery County and proud I've been to have worked with many of you. And I look forward to helping you out. If you run into some static downstairs please try to get something upstairs and where I can be helpful.

But Dr. Weast I wanted to ask you, I know that you make a lot of the decisions as far as energy conservation in these new buildings. And I know

Montgomery's got four schools, I think, with geothermal energy.

DR. WEAST: We're dark green to light green.

COMPTROLLER FRANCHOT: Good.

DR. WEAST: But we're going dark green all over.

COMPTROLLER FRANCHOT: Well, that's terrific.

DR. WEAST: And we would hope that there would be some recognition of that in the capital, or some sort of funding. Because it costs about eight or nine percent more.

COMPTROLLER FRANCHOT: Right.

DR. WEAST: And our community is willing to do that. But the payback comes back in four or five years in energy efficiency as well as you're teaching the children about conservation.

COMPTROLLER FRANCHOT: That's what I was going to ask you, because knowing you I know you have data on the payback.

DR. WEAST: Every bit of it.

COMPTROLLER FRANCHOT: And if you could get us, I mean, preliminary figures that would be very helpful.

DR. WEAST: We have your only silver level award winner green school in the State of Maryland. And we have its sister, and then we have bunches of them on the way. Now, if we could just get rid of these mobile classrooms we'd do better. We have 14,000 kids in mobile classrooms. Most of the systems do not even have 14,000 kids in the State.

COMPTROLLER FRANCHOT: I'm particularly interested if you see any change in the contracting prices that are coming to you for energy conservation after you've done it a couple of times and the contractors get adjusted to what your requests are.

DR. WEAST: Yeah. The windows have to be more expensive because they only let in the light that is proper and we like a lot of light in our schools. The wood is not wood, it's pressed wheat. It's wheat board. The floors and all of the fixtures and all of the carpet was put down with types of materials that

emit no odors or are biodegradable. The recycling, we use about ninety percent recycled materials. And the heat and the cooling comes from the ground with 500 wells driven down about 500 feet. It's good stuff. The kids love it.

COMPTROLLER FRANCHOT: Good. Well, keep the momentum going.

DR. WEAST: You bet.

COMPTROLLER FRANCHOT: And send us some data if you can, because that can help us as we look at other buildings.

MR. LEGGETT: Mr. Comptroller, we are very proud of you as well. And I hope at the end of this session we'll continue to be proud of you.

(Laughter.)

COMPTROLLER FRANCHOT: Thank you. Thank you all very, very much.

GOVERNOR O'

MALLEY: Mr. County Executive, thank you. Impressive delegation.

(Short recess taken)

GOVERNOR O'MALLEY: We're running a little behind, not running a lot behind. But we do appreciate your patience. And Mr. County Executive, it's great to see your dynamic delegation here from gorgeous Prince George's County. The floor is yours, sir.

MR. JOHNSON: Mr. Governor, how are you today, sir?

GOVERNOR O'MALLEY: I'm great.

MR. JOHNSON: We are so excited to see you here. Ms. Kopp, really wonderful to be back. I've had an opportunity to appear before you for four years.

TREASURER KOPP: It's a pleasure to have you here.

MR. JOHNSON: Thank you. And then we have a new man on the table here, yeah we are really proud of you also. We're real pleased to see you.

COMPTROLLER FRANCHOT: The last speaker said that they want to make sure they're real proud of me in a couple months, too.

MR. JOHNSON: Hey, we'll let you know in a few months how proud we are of you also. But we just, Mr.

Franchot, it's really nice to see you and congratulations. And then I see Nancy Grasmick here, and Nancy, it's so nice to, thank you so much for all of the help you've given us over the last four years. And I really appreciate working with you, you've been excellent with our school system.

We have President Miller here, and also Chairman Frush, the chair of the delegation. And we have --

MR. JOHNSON: Oh, I didn't even see you, Britt, she came right up next to me and I didn't see her, new Chair of the Senate, Chairman Britt. And then we have all of our senators, do we have time for introductions or how do they do this? Okay. And then the, all of the delegates from Prince George's County that are here. Our Superintendent, Mr. Deasy, Dr. Deasy is here. And the Chairman of our School Board, Mr. Johnson is here, and they will also be speaking.

I'm not going to get into a lot of details. The, our Superintendent will do that and also the School Board officials will do that. Let me say that

it's really, we're pleased to be here. We have basically two categories of issues. The first one is the capital cost of making certain that we take care of the issue of high school. As you know, our numbers say that we are going to need 6,000 new seats very shortly. We have opened a new high school just recently, a 2,600 seat. And then in addition to that we have four schools where we are doing additions, and we will be asking for money to carry those programs out. In addition to those schools, we have plans for the renovation, actually the rebuilding, of the Oxon Hill High School and the construction of a new school in the Bowie area. And we absolutely need those school facilities if we are going to have room for our students. It's not bringing class size down. It's that the population growth on the high school level tells us that we need 6,000 seats. And we have moved the ball along and we really need your help on that. We know that you have allocated \$29 million. That's less than we got last year and our needs are so much greater.

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On the other side of the equation, school renovation. We have 135-plus thousand students in our system. For many, many years we had no renovation at all. We put together a plan last year where we allocated \$126 million for renovation. Of the \$126 million, \$118 million was internally generated by Prince George's County. We went to the bond market, and forward funded, and other things, but we ourselves allocated \$118 million. I think \$27 million of that amount came from the State. We have huge renovation needs. The plan that we have in effect now will replace all of the boilers, the air conditioning systems, and the core structural, roofs and things like that. But that's just the beginning. And we need a substantial amount of resources to move us in that direction.

And then I must say that I was at the tail end of the Montgomery County and one of the issues that they talked about was students studying in trailers. And that's a big concern for us as well. And so those are the three huge concerns that we have. Making

certain that we satisfy the need for high schools, the renovation programs that's absolutely critical so that our young people can learn in a safe, wonderful environment, and then the third item is to remove our young people from the trailers so that they can, again, join their classmates and their friends and share what we shared when we were in elementary school. Running around, and talking to each other, and learning in an environment where all of us had the same opportunities to learn.

That's my testimony, and I guess the next speaker will be our Superintendent, Dr. Deasy. Okay, I'm sorry, I always get it wrong, the Chair of the School Board, Mr. Johnson. No relation, but a great friend. Thank you.

MR. JOHNSON: Thank you. Good afternoon, Governor O'Malley, and members of the Board of Public Works. My name is Owen Johnson, I'm the Chair of the Prince George's County School Board. And I'm here this afternoon to appeal the recommendations of the Interagency Committee. While acknowledging the

approval of a number of projects, we are requesting additional funds for several initiatives that will be later explained by Dr. Deasy, the Superintendent.

Our need for additional school construction continues as a critical result of increasing enrollment and reassignment of our students back to neighborhood schools and the infrastructure of aging facilities. We continue to rely on transportables, 476 structures that equate to approximately sixteen elementary schools. So we are requesting funding so that we can move out of those portables into structures, permanent structures with the other colleagues, as the County Executive said.

Right now I'll turn over the mike to Dr. Deasy who will further explain some of the initiatives that he has on the table and where this money will go. Thank you for this time. We appreciate it.

GOVERNOR O'MALLEY: Thank you.

DR. DEASY: Good afternoon, Governor O'Malley. What a pleasure it is to be in front of you, and an honor. Congratulations and we are thrilled to be here

today. One of the great things about your tenure is you'll be able to witness the renaissance of the Prince George's County public schools and we look forward to being able to have you be part of that. And Mr. Franchot also, congratulations. Dr. Grasmick, nice to see you again as well. I am John Deasy -- and the Treasurer, I apologize. Congratulations. A very important person not to forget.

I do want to thank all of you for letting me say a couple of words. I am John Deasy. I am the Superintendent of the Schools of Prince George's County. And joining me is my staff, our entire delegation, our Chief Financial Officer, and our Chief Administrator of Supporting Services. I'll submit you a full text of my comments so that we don't take up all of your time on the specifics. But we are extremely appreciative of the \$29.267 million in funding recommended by the staff that has come to us in the letter of December 12 on capital improvement projects. However, we in Prince George's County really need full state funding.

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In our revised CIP submission dated December 1, we requested \$137.4 million in state funding. This revised request is a result of the joint decisions made by the Board of Education and our very, very supportive and generous County Council in adjusting project priorities and funding that support new initiatives for additional seats, we have numerous students in overcrowded buildings and in aged buildings; renovations, more than forty percent of our buildings are over forty-five years old; initiatives for additional seats, which the County Exec and the Board President spoke about quite clearly; and forward funded reimbursement for completed projects.

This year's program includes important new initiatives for alternative education for youth who are struggling, career and technical centers for students who deserve that right and that opportunity in education, and new schools and increased funding from both the State and the County are necessary to support these initiatives.

We have a large number of growing populations that also need additional support: special education, students who do not speak English as their first language, students who are currently not succeeding in traditional settings, as well as numerous students who are in less than satisfactory conditions in buildings. We, too, are working on having our schools become energy efficient. We, too, are working on having our schools become places that students have the privilege and the right to be in, such as this building, a safe, well-constructed, fabulous place to do business, is also the same thing that we believe every child has the right to in Prince George's County as well.

We make continued progress on our current projects and have three high school additional projects and one elementary school currently under construction, four science and open space renovation projects in design and construction, and several other new and replacement projects in design, and over thirty systemic projects. And all of you on the committee should be so proud of that because you have helped us

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get that under way and the students of Prince George's County are exceedingly grateful for that.

We will submit to you all of the specific projects and I'm sure you can read them. Once again, our need is not the adults in back of you but the 134,600 youth that we represent and that we all have the moral obligation to provide a top notch education for. Thank you for the consideration, and once again congratulations and we look forward to working together. Thank you.

SENATOR BRITT: Good afternoon, Governor O'Malley, Comptroller Franchot, Treasurer Kopp and Dr. Grasmick. What a pleasure to be here before such an all gust body. I don't think that anything that I could say could add to what has been articulated before you this afternoon. Speaking on behalf of my colleagues in the Senate, we more than embellish those remarks and fully support the vision, the needs that have been laid out for you this afternoon by County Exec Johnson, who is committed to fully funding education for our students, by Dr. Deasy, whose vision

for our schools, who lives, eats, sleeps, walks and talks education and the model that he will make for education in this country. Thank you.

DELEGATE FRUSH: Thank you very much, Governor O'Malley. It is a pleasure to say that, Governor O'Malley. And the Board of Public Works, Dr. Grasmick.

GOVERNOR O'MALLEY: Sounds good to hear.

DELEGATE FRUSH: I want you to know we in Prince George's County are very good beggars. We are here so that you will know that we have a great need in our County. We thank you for your unprecedented support for education this year and the financing that you have provided. But we have a precious commodity on our County, our children. We need to take care of that. And hopefully, you will look kindly upon the requests that have been made to you and we appreciate whatever you do for us, Governor O'Malley.

GOVERNOR O'MALLEY: Congratulations to you.

DELEGATE FRUSH: Thank you. Also, we are represented by the Members of the House of Delegates who have all felt that it's necessary to be here to

support the children of our County, and the State Senators. And perhaps President Miller would like to say a word?

SENATOR MILLER: I'd like to shut the trailers down and get the kids in classrooms.

VOICES: Amen.

SENATOR MILLER: If the politicians had to go to work in trailers they wouldn't be there very long. Students are still there, we have got to get rid of them, believe me.

GOVERNOR O'MALLEY: Amen. We're going to be some years digging out of the cuts that we saw over the last few, but, you know, this is a good year. We've got a, and you all are one of the strongest delegations down here. You know, together --

VOICE: (Inaudible) the Governor.

GOVERNOR O'MALLEY: No, I mean it. You all are one of the strongest delegations down here if not the strongest in terms of your commitment, your passion for your kids and the future, and your understanding of the challenges that we face and that we're all in this

together. I've really enjoyed working with you over these last seven years and looking forward to working with you into the years ahead, which will be difficult. But, you know, this year we put a fairly decent amount into school construction on a leap of faith that we're going to be able to figure out how to get our fiscal house in order in the years ahead. It's not going to be easy. But I do appreciate how passionate you are about your county and for good reason, Mr. County Executive, it's a very strong, dynamic and great county.

Comptroller, Treasurer, any words for this impressive group?

TREASURER KOPP: I just think it's important, Mr. Executive, that everybody hear the story of what the County has done in this last little while, including going to the bond market in order to support its schools. That story hasn't gotten out across the State as well as it should. And I really congratulate you.

MR. JOHNSON: Okay, thank you. Thank you very much.

COMPTROLLER FRANCHOT: This is very clearly one of the best turn outs of the whole day. And Mr. County Executive, I applaud your leadership and I second the Governor. This is a tremendously strong and great delegation. Thank you all for being here.

MR. JOHNSON: Thank you.

GOVERNOR O'MALLEY: Queen Anne's County, come on down.

(Short recess taken)

GOVERNOR O'MALLEY: Thank you all very, very much for your patience. And Queen Anne's County now has the floor. Introduce yourself.

DR. SADUSKY: Thank you very much. First of all, I'm Bernie Sadusky, Superintendent for Queen Anne's County.

GOVERNOR O'MALLEY: I'm sorry. I thought we had died down. That's what the troopers are for. All right, I think we're back.

DR. SADUSKY: Governor, congratulations. I'm Bernie Sadusky, Superintendent in Queen Anne's County. And these folks aren't borrowed, they're all Queen Anne's County folks. And I remember when we started this, I guess thirteen, fourteen years ago as Superintendent, we used to have two or three folks. So we are a growing county, we're small, we have a number of needs. And I'm very pleased to have, number one, our entire five Commissioners from Queen Anne's County. And I'm going to start with Dr. Eric Wargotz, Carol Fordonski and Gene Ransom, and I'm looking around here, Courtney Billups and Paul Gunther. And that's great, and we're very fortunate to have all five people come and support us today. And we're also very fortunate to have continued support from our Senator, E.J. Pipkin, and our Representative, Rick Sossi. And of course, if you're looking to see who else is here, my bosses are Vice President of the Board who is Joan Hozik, and Mr. Joe Gannon who is a Board Member also, and we have Thad Kalmanowicz, she's the Director of Operations. Toni Schelts, who really is the brains of the outfit because

she does the day to day work with school construction. And I would say that Frank Kroutable (phonetic) unfortunately can't make it today, but Queen Anne's County is home to Frank and he actually, very dear to his heart is the first project that we're appealing and we're appealing three.

The first one is Kent Island Elementary School. That's the school where Frank's students, children, do go to school. We don't want to put any pressure on you, Governor, we don't want to put any pressure on you, but it might -- anyway.

This is an approved project. The reason we're appealing it is it's an approved project for 445 students. We're asking for consideration to move the capacity to 600, that's the first line of the appeal. The second line of the appeal, it's been approved for \$800,000 for the first year. We're asking the Board of Public Works to increase the funding level on that, the State's commitment during the first year. This is an approved project. It's a project that needs to be done. It will be the third geothermal building. Our

buildings are energy efficient in Queen Anne's County. We've had over \$100 million in the last twelve years of state, or excuse me, local money for school construction. Our buildings are modern, but we still have fifty relocatables because of growth and we have other issues so we're here each year.

The first appeal is move the capacity, look at the funding level for the first year. The second appeal we have is Sudlersville Middle School, opposite end of the County. This is a middle school that needs to be renovated. The desire of the County Commissioners is to build a new school. We are asking you, we have done a feasibility study, we are asking you for permission to plan, asking you for permission to use our own money to proceed with the planning process.

And our third appeal is, basically, we're asking to be repaid for an addition that we did to Centreville Elementary School when the building was renovated several years ago and the addition was added as part of the construction project to accommodate full

day kindergarten. So we are asking to be repaid for an addition we put on during the construction project several years ago. And at, when that project was built, the factors indicate that the repayment would be \$490,000. So we're a small county, but we have a lot of needs. That money will be directed to another local construction project.

So at this time I'm going to ask, anyone from, Dr. Wargotz or anyone from the Commissioners who may want to make a comment, and then any of the representatives or senators, if you wish to speak, so feel free.

DR. WARGOTZ: Eric Wargotz, President of the Queen Anne's County Commission. Congratulations Governor O'Malley, and hello and congratulations to all of you. I couldn't speak strongly enough in favor of the appeals Dr. Sadusky has made today. We are a growing county. We are in essence a bedroom community. We need help, and I would ask to please award us according to Dr. Sadusky's requests. Thank you.

GOVERNOR O'MALLEY: Thank you.

SENATOR PIPKIN: Always after E.J. Bipartisan cooperation in Queen Anne's County, "You go first, no, you go first." Well, while the, we don't have the numbers of Prince George's County, Mr. Governor, at least from the state delegation our average weight far exceeds anything from the Prince George's County delegation, which if that has any note may help in the deliberations.

I'm going to say as I mentioned this morning about one of the other counties in the 36th district, we have four: Cecil, Kent, Queen Anne's and Caroline counties. I mentioned this morning the idea that the counties keep their end of the deal. And let me just say, in my own district, in the 36th district, if we were to take the County's contribution as far as for maintenance of effort and the idea that they are well above the maintenance of effort consistently year after year. This County has a deep commitment to the education process. They have asked the citizens of Queen Anne's County to come forward with their own cash and the requests that they have made over the period of

years that I have been here have been certainly reasonable. So I hope, again, the County is keeping its end of the bargain and would ask for your favorable consideration. Thank you.

GOVERNOR O'MALLEY: Thank you.

DELEGATE SOSSI: Treasurer Kopp, Comptroller Franchot and Governor O'Malley, I just want to add to Senator Pipkin's and Commissioner Wargotz' comments. These are very important projects to Queen Anne's County. Specifically Sudlersville and Kent Island Elementary will take kids out of portables. Both schools are very old and are desperately in need of renovation or new facilities, as in the case of Sudlersville, and I would strongly urge you to help out Queen Anne's County. Let's get as many of those kids out of portables as we can so they can have the highest quality education possible. I appreciate all of your commitments throughout the course of your career to education and I look forward to working with this new Board of Public Works as we move forward. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

DR. SADUSKY: I just want to say thank you for your past support for Queen Anne's County, and we look forward to your future support.

GOVERNOR O'MALLEY: Thank you. We'll do our very best. Thank you all very much. Next up is Somerset County. Mr. Boston, how are you sir?

MR. BOSTON: I'm fine, Governor, how are you?

GOVERNOR O'MALLEY: Good. It was good seeing you the other night.

VOICE: Governor O'Malley, and Comptroller Franchot, and Treasurer Kopp. It's good to be here today before you all. Somerset County certainly appreciates the great effort you all have made in the past for our public school system. We appreciate it, and with me today I have the Chairman of the County Commissioners, Sam Boston, Governor whom I believe you know very well. Senator Stoltzfus, Mr. Rodger Daugherty, who is the Transportation and Facilities Director. And I have standing Superintendent Dr.

Karen-Lee Brofee. And she will, with your permission allow her to give you the information.

GOVERNOR O'MALLEY: There is a gentleman standing behind you, too.

VOICE: Come up here. And our distinguished Chairman of Appropriations.

GOVERNOR O'MALLEY: Welcome.

VOICE: Mr. (Inaudible).

GOVERNOR O'MALLEY: Good to see you, sir.

VOICE: Yes.

DR. BROFEE: Thank you. Good afternoon Governor O'Malley, Treasurer Kopp, Comptroller Franchot. I very much appreciate the opportunity to be here today and one of the benefits of Somerset County is having a very close relationship with our delegates and legislators. It's really helpful to us to have that. I'm very, very grateful to the State for the support that has been given to Somerset the last four years. It's resulted in a full renovation of Woodson Elementary School, the closing of two schools, a third one will close at the end of this project. Our

buildings are much more efficient, much more educationally successful and we're very pleased.

I'm here today to appeal the Somerset Intermediate School, which is a sixth/seventh grade center. And I'm asking for the complete allocation for this year. We requested \$3.48 million. We were allocated \$1.675. And we need the remaining amount, the \$1.85, to complete this project for opening we had hoped September this year. Most likely it's going to be October before we get done, but we're working to make up those days and it's moving along.

Our students are currently housed in an elementary school that's going to close. So we have middle school bodies in a small building that's inefficient and we don't want to put any money into continuing because we are going to close it. The County will have an effective way for using that. It's working but it's not working well. We planned to have this building ready in two years but we were delayed so the costs went up. We have an excellent contract management firm. We're working very hard on value

engineering. And it's going to be a school that you're going to be very, very proud of in the State of Maryland for its efficiency and its message of quality for 21st century education. Eastern Shore children deserve as good an education as anybody else and we're bound and determined to give it.

The new building that we just finished renovating is an excellent building with geothermal heat. The new building will be also. We made great advantages of the daylight in the design. We've worked, SHW has done our design. We have an extractor system that fascinates our kids and me too because you can take thirteen bags of garbage and reduce it to a little pile like this. So that's real exciting to us.

I do believe this is a building that the children deserve. And I cannot ask our Commissioners to forward fund in this because they have been extremely supportive. When the costs of this building escalated, across the whole United States, when we had that year's delay, our Commissioners stepped forward to the plate and said, "We will take our fair share. We

will do what we can." And you'll see the numbers there before you. That means about a \$5 million, over a \$5 million contribution from our local funds. It doesn't sound like great money in the whole picture, but it's huge money for Somerset. So I'm asking for you to provide for us that full funding. That's my first priority.

My second priority is \$97,000, just about \$100,000, to move two relocatables over to Washington High School, one of the two high schools in the County. Because we will be doing some systemic renovations in that building and we need to begin staging how we're going to be sure not to interrupt education for that. So I would ask your consideration for that piece. But again, my first priority is that Somerset Intermediate School because that is so important to our County.

And I would ask if you have any questions that I can answer?

GOVERNOR O'MALLEY: Treasurer? Mr.  
Comptroller?

COMPTROLLER FRANCHOT: What's the, what's your total population?

DR. BROFEE: Our total population is under 3,000. And this year we've gone up just a slight amount, which is a difference in our trend. And I think it's a credit to the work that our teachers and our community are doing for education among our children.

GOVERNOR O'MALLEY: And you've seen that increase in what, the early grades? Elementary or kind of across the board?

DR. BROFEE: It's elementary school mostly, yeah, mostly elementary.

GOVERNOR O'MALLEY: Uh-huh. That's great.

COMPTROLLER FRANCHOT: I just want to recognize the Eastern Shore. I don't know how you guys got yourselves to do it but you have, by putting these geothermal facilities in it's allowed the rest of the State to get bold enough to do it. And you heard today that the Western Shore is putting the first one in.

DR. BROFEE: That's great.

COMPTROLLER FRANCHOT: For years, though, they have resisted it until you all showed that it could be done.

DR. BROFEE: That's my favorite room in that school, just about. It's beautiful. You have to come see all the pipes, it's wonderful.

COMPTROLLER FRANCHOT: Yeah, and it's small though, right?

DR. BROFEE: It's small. Very small, mm-hmm, very small. So we're real pleased and we want to get this other building up and running with it.

GOVERNOR O'MALLEY: Well, thank you all very, very much for coming all this way.

DR. BROFEE: Okay.

GOVERNOR O'MALLEY: We appreciate it.

DR. BROFEE: Thank you for your time.

GOVERNOR O'MALLEY: Thank you for your --

TREASURER KOPP: I have one quick --

GOVERNOR O'MALLEY: Sorry, Madame Treasurer.

TREASURER KOPP: Are you going to be able to put the health facility?

DR. BROFEE: The school-based health center?

TREASURER KOPP: Yeah.

DR. BROFEE: That's going to go into Washington High. The two relocatables, if we can get those over there, that will help us next year to go forward. We see that next year will be a major planning year for that. Thank you so much for asking, because that's such an important thing to our community as a whole.

TREASURER KOPP: I think it's a great idea. Thank you.

GOVERNOR O'MALLEY: Thanks. Thanks, Mr. Commissioner. See you Senator, good-bye. Thank you.

VOICE: Thank you, Governor.

GOVERNOR O'MALLEY: Thank you, sir. Okay, St. Mary's County, St. Mary's today.

SENATOR DYSON: Quite a paper, isn't it? The first to endorse you?

GOVERNOR O'MALLEY: First in war, first in peace.

SENATOR DYSON: Governor, when you get to St. Mary's you know there are not many left. We just hope there's some money left. And in our case, lots of money left. We're here to appeal a little over, I think it's \$5.3 million. I'm Senator Roy Dyson, and I'm going to introduce Dr. Michael Martirano who is our Superintendent.

I listened to Queen Anne's County and they talked about their fifty relocatables. We have, according to Dr. Grasmick's office, I think 116, a letter she sent to every member of the General Assembly just sometime in the fall, last fall. And she listed all the jurisdictions and how many, I'm going to call them a trailer, I mean that's what they were when I was in school. My twin brother and I graduated from a school called Great Mills High School. And it was a long, long time ago and I can still remember when they brought the first two relocatables to Great Mills. It was a thrill. We had all hoped we'd get in there. And there was a geometry class and I think a civics class in the two relocatables. And I was taking geometry so

I got to be in the relocatable. And it was exciting, until winter rolled around and it got to be pretty cold in the damn thing. And, you know, you had to run outside in the rain, there was no bathroom, and we thought, "This is the pits." And I can just imagine what it must be like for 116 classrooms in a little place like St. Mary's County. Well, that's what our Superintendent is here to talk about today. Primarily another elementary school, and to ask in this appeal if you will grant the \$5.3 million. And I want to turn it over to Dr. Martirano at this point.

TREASURER KOPP: Roy, could I just point something out also?

SENATOR DYSON: Sure.

TREASURER KOPP: As someone who comes from an area with a lot of portables in which my kids were educated. That after it rains a few years like that, stuff starts growing behind the walls of the portable, too. And that's as serious an issue as the discomfort. Because I know when we did the survey of the state schools, there are health issues involved, too.

SENATOR DYSON: It's not an ideal location, and I heard our new governor refer to them as something different. And earlier when he was in Solomon's a couple of weeks ago --

GOVERNOR O'MALLEY: Learning shacks.

SENATOR DYSON: In fact I think that's the term I used for the relocatables. You know, it's a great way, I mean, if it has to be done it's a way we can meet the need. But it's not a permanent solution.

DR. MARTIRANO: Good afternoon, Governor O'Malley, Comptroller Franchot, and Treasurer Kopp. St. Mary's County is a great county with a great school system. We have set our goals high for our schools and we are getting results for our children. We are poised for levels of greatness never experienced before. Our vision plan is entitled, "Charting a Course to Excellence," and we truly believe that all children can and will learn.

As Senator Dyson said, we are joined by a very collaborative and supportive delegation of elected officials. And I'd like to take moment to introduce

all of these fine individuals to you. I'm joined, obviously, by our great Senator Roy Dyson, Delegate Johnny Wood, Delegate John Bohanan, Delegate O'Donnell, Francis Jack Russell, President of the Board of County Commissioners for St. Mary's County, Thomas Mattingly, member of the Board of County Commissioners, and Mr. Bill Mattingly, who is the Vice-Chairman of the Board of Education for St. Mary's County.

Our project appeals, I'm going to get right to the point. We have a real need in our County. We are a growing County. We have 16,667 students and we are growing. We are fortunate that we have secured a new school site. So this year what we are asking for is the multi funding in the amount of \$5,000,232 in state funds being requested for the first year of construction of our first of our three new elementary schools. We are most proud of the design of this school because we are taking into account all of the energy conservation, sustained building, green school features that support the LEED certification. We are setting the standard very high and we want this to be a

model school. All of this will work together for our students and our community around the whole aspect of environmental and energy conservation.

We're taking into account daylighting features, water conservation by harvesting rainwater, we are looking at an energy monitoring system to educate our children. We want this to be a part of changing behaviors when we start talking about energy conservation. We are looking at a green roof, a vegetated roof in that sense, and the whole aspect of geothermal heat as well.

These funds are required in FY 2008 to meet the cash flow requirements for the construction time line of nineteen months. This project is a crucial component in meeting the capacity needs in both our county development district and providing for additional opportunities for full day kindergarten. So this is our top priority of what we are appealing today.

Secondly, we are requesting consideration for construction funding for the HVAC systemic renovation

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project at Greenview Knolls Elementary School. This project is crucial in maintaining our investment in our existing infrastructure and providing for comfortable learning environments for our students.

As I started by saying, St. Mary's County is a wonderful place. It is a school system that we are defining. It is on the move in a positive direction. We are getting tremendous academic results, but we have challenges and one of our challenges is the fact that we are growing and we need very much your support in providing the funding necessary for our new school.

At this time I'd like to ask if there's any members of the delegation or elected officials who would like to say some words? Delegate Bohanan?

DELEGATE BOHANAN: Thank you. Members of the Board, good afternoon. Let me get right to the point. Treasurer Kopp headed an effort a couple of years ago, and initiative report, on the adequacy of our public schools across the State. And unfortunately we ended up in the number one position in terms of need. Twenty-one of our twenty-four schools, eighty-eight

percent of them, would be at ninety-five percent capacity or greater by the school year 2008. This is our first new request, net new request for an elementary school and it is very important that we get this school approved. We took a little while to find a location. We have that location now, and we are ready to go. So we would ask for your approval of this appeal. You've always been good to us in the past and we would ask for that continued support. Thank you.

MR. RUSSELL: Greeting, neighbors. My name is Jack Russell and on behalf of the Board of County Commissioners of St. Mary's County we sincerely want to thank you for your time. We know you're very busy. We have a great school system in St. Mary's County. We have tremendous administrators. So we certainly support their request and thank you very much for having us up here today.

SENATOR DYSON: Do you want to hear from anybody else?

COMPTROLLER FRANCHOT: Yeah, how about O'Donnell. We want to hear from O'Donnell.

DELEGATE O'DONNELL: Thank you.

GOVERNOR O'MALLEY: Treasurer Kopp has a question? No?

TREASURER KOPP: I said that was an unfair question.

GOVERNOR O'MALLEY: Oh. Well, we appreciate you all coming down here. We appreciate what you do to make your County so strong.

TREASURER KOPP: I do thank you for providing this sheet. We've heard about LEED school all day and this is the first time we've actually seen something that tells us what they are.

DR. MARTIRANO: And we are very, very proud of the design. We are taking the lead for the development of the LEED school in our County. And because we view the educational component as critical for changing behaviors for our children. We think of energy conservation. So this is -- we're absolutely excited about this.

VOICE: Just one special note that I would like to make.

GOVERNOR O'MALLEY: Sure, step right up Commissioner.

VOICE: Just one special note, just to let you know, the capacity issues that we're experiencing in the County, we're very proud of the fact that we implemented the full day K one year in advance of the Thornton requirements. And that's created some of our demand, but at the same time we've met that challenge and we're very proud of that.

GOVERNOR O'MALLEY: Have you been, have you seen, so you're, I guess what, your second grade class was the first one that had full day kindergarten? How does that work then?

DR. MARTIRANO: We've accelerated the agenda. Currently, all of our students right now in St. Mary's County are experiencing full day K.

GOVERNOR O'MALLEY: And how long has that been true?

DR. MARTIRANO: And that has been five years in existence.

GOVERNOR O'MALLEY: But you ramped up into that? And you hit it a year in advance of the mandate?

DR. MARTIRANO: Absolutely.

GOVERNOR O'MALLEY: Are you seeing the results?

DR. MARTIRANO: Oh my goodness, Governor, if you had the time I would love to take you around to see our kindergarten students interacting with our kindergarten teachers. And the bottom line is, we want all children reading.

GOVERNOR O'MALLEY: Right.

DR. MARTIRANO: And so our children are coming out of full day K, our cohort, with basically ninety-five to ninety-eight percent, in some cases one hundred percent, children are emerging readers and they are reading. And when we think about all children reading as they engage with a more rigorous curriculum, advanced placement classes to high school level, all of it backtracks to the elementary level. And we are

absolutely delighted with what we are seeing as a result of full day kindergarten. Because as one kindergarten teacher said to me, "Think about it. The children are getting twice as much of instruction." A half day program, they were only getting ninety days of instruction. Now they're getting an additional ninety days of instruction, which is absolutely phenomenal and the data speaks for itself. So you should see our young children performing at such great levels. It's tremendous.

GOVERNOR O'MALLEY: We saw the same thing in the City. I mean it's just way, we reached it about five years in advance of the state mandate. And immediately the first graders scored high, the next year first and second, so there's this wave coming through.

DR. MARTIRANO: And you've got to keep that. It's just tremendous the whole way through. It is, and we're seeing results. And we recognize that reading is a gatekeeper. And we started those early interventions and we're looking at targeted interventions of the

children who aren't reading. And as a result of the full day K program, we are seeing results.

GOVERNOR O'MALLEY: And rather than slipping, that first class of ours' is actually, you know, has grown a bit in terms of its, you know, when you rate them with other kids taking the same tests. So.

TREASURER KOPP: It's hard to remember that it was a big fight to get people to agree to kindergarten, particularly to full day kindergarten. But to be able to see measurable, positive impact is --

DR. MARTIRANO: Absolutely. And we're looking at everything vertically, the whole way across. So as I said, the curriculum is becoming more rigorous. And if you want children prepared for college, you have to backtrack that to the early interventions at the elementary level. It's all connected vertically.

GOVERNOR O'MALLEY: Well, we're going to try to do our very, very best. We're proposing to the General Assembly \$400 million this year in school construction, so, you know, the real action that's before us today is the recommendations for seventy-five

percent, I guess, of the original \$320 million. So take that, I think it adds up to the neighborhood of about \$157 million more that we need to appropriate in some kind of way, with IAC or legislature, however that dance step (inaudible).

SENATOR DYSON: Governor, you have to add it. You know, we can't --

GOVERNOR O'MALLEY: Yeah, so.

SENATOR DYSON: (Inaudible).

GOVERNOR O'MALLEY: And we also, this year is the biggest year of Thornton as well. So, in addition to five hundred and eighty million some on that. Not to mention the additional dollars coming in for teacher pensions and those sorts of things. So keep up your good work and together we'll keep making progress. And I really appreciate you all coming down.

DR. MARTIRANO: Thank you, sir.

GOVERNOR O'MALLEY: Thank you. (Inaudible)  
Washington County.

DELEGATE MYERS: Yes, sir.

GOVERNOR O'MALLEY: Come on down.

DELEGATE MYERS: Come on, folks.

GOVERNOR O'MALLEY: Thank you all for your patience. Sorry we're running a little bit behind.

DELEGATE MYERS: Governor, Comptroller.

GOVERNOR O'MALLEY: Next year we should start in reverse alphabetical order, huh?

DELEGATE MYERS: Well, it's always nice being

--

(Applause.)

GOVERNOR O'MALLEY: Yeah, but then you may have to wake up at five a.m. to get here, though.

VOICES: Fine. We'll do it.

DELEGATE MYERS: I'm Delegate Leroy Myers, the Chair of Washington County delegation. That wouldn't really benefit me much because I also serve in Allegany County.

(Laughter.)

DELEGATE MYERS: So that either way, I get up at five o'clock in the morning to do this. I'm joined here by the members of the delegation, Senator Edwards, Senator Munson, Delegate Donoghue and Delegate Shank.

And I just might say first of all as a contractor I want to applaud \$400 million into the budget for school construction because you know we have to attack these construction problems sooner than later with the rise in cost of construction. And so \$800 million would not be something that would be turned down, obviously. But we're joined here by members from the local school board and Dr. Morgan is going to present for the Washington County School Board.

DR. MORGAN: Good afternoon, Governor O'Malley, Dr. Grasmick, Ms. Kopp, Mr. Franchot and Dr. Lever. No doubt you all have many pressing issues for your immediate consideration and I am here today to discuss one of them with you. It is a vital issue concerning the future of the Washington County Public Schools and a fact that our school system is in dire need of additional state funding for school construction. The need is most immediate for the 2008 Capital Improvement Program, or CIP, but also in the long term as we look toward the future and hope for increased state funding for school construction.

For sake of time I won't detail all the projects but they are there in writing for you. I would just summarize to say that our request for Panghorn and Westfields Elementary Schools along with improvement requests for three other schools have totaled \$20.3 million and to date we've received \$6.7 million creating a gap of about \$13.6 million.

Without state increases for the FY '08 CIP Washington County school facilities will age yet another year without the critical modernizations and additional space needed. And new students will continue to impact school enrollments leading to overcrowding, particularly at our elementary schools. Approximately seventy-six percent, or nineteen out of twenty-five of our elementary schools are currently at Dr. Lever's state rated capacities, at or above. The County cannot approve additional housing due to school overcrowding and more portables will be necessary to accommodate students already enrolled in the system.

WCPS has entered a new era not predicted just four years ago with enrollment growth not witnessed

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since the 1970's in our County. This fact coupled with a large number of aging schools as well as the need for more physically secure buildings are presently challenges to our system. While the foregoing is not unique in the State, you've been hearing this all day long, what is unique about Washington County is the rapidity with which this has occurred in our County. While our CIP request to both the County and State have increased dramatically over the last three years, funding has not. We have adjusted staff, we have aligned local resources, we have changed the CIP focus to address all these challenges.

Some facts you should know about the Washington County Schools are that we are much lower than the state average in both per pupil expenditure and per pupil wealth. Approximately 13.2 percent of our students require special education services, and 40.5 percent of the elementary students qualify for free and reduced priced meals placing us above the state average, in some cases well above the state average for both. We rank 23rd out of 24 school

systems in what we spend per pupil, yet we are in the top 25 percent in achievement. And most of that has occurred in the last four to five years while our schools have gotten overcrowded. We are working hard toward our vision of world class public schools and admissions but we need your support and additional state funds to achieve our total vision.

I won't go into the detail here but Panghorn, a school built in 1955, has very high incidence of mobility, high free and reduced priced meals of student population and many English language learners, probably the highest population in our County. Those students really deserve the best and need the best. All students deserve the best but we're cognizant of the family backgrounds of these students.

Westfields will be a wholly new school to accommodate this rapid growth occurring in the I-70, Route 65 corridor. If any of you have ever gone to the Antietam Battlefield, you know, you turn off I-70 and you come down Sharpsburg Pike, that's where it is. We can't even redistrict because all of the feeder schools

that would feed into this wholly new school are in the 129 percent to 139 percent state rated capacity. So we have very, very limited to no ability to be able to even create a domino effect. But once that wholly new school is built it will relieve at least three schools and possibly four.

We also need the systemic renovation projects. We're dealing with infrastructures and HVAC systems that were built in the 1970's and all kinds of things which I know many of you have heard and are familiar with. And certainly anybody in the city jurisdictions are, during the years I worked in Baltimore City, the aging infrastructures were really a glaring problem and a glaring need.

Since the State has provided about \$4 million on average per year for the last ten years, and we have a chart to illustrate that to you. Good teacher technique, visual aids. For CIP funding, the County Commissioners' portion has increased dramatically. However, despite these increases our needs still

require increased state funding to ensure appropriate capacity for our students.

We're counting on you to support our needs and respectfully request full funding of these projects in the 2008 Capital Improvement Program. We are attempting to become a world class public school system despite the lower than average per pupil wealth. We're making progress on the academic side but with your help we can realize the total vision. Thank you for your time and attention.

GOVERNOR O'MALLEY: Anyone else? Senator? Delegate? Any?

SENATOR MUNSON: Governor, thank you. I can't say it any better than the Superintendent has said it. Governor, I look forward as a member of the Budget and Taxation to supporting your education budget. And thank you for your kindness in listening to us today. We do appreciate that.

GOVERNOR O'MALLEY: We appreciate how hard you all are working to keep Washington County strong.

Thank you, and we'll do all we can to live up to the state side of that partnership.

TREASURER KOPP: Now, I used to be active in another life with the Greater Washington Board of Trades, seven, eight years ago. They had a thing called the State of Potomac, which was Northern Virginia, the District, and the Maryland suburbs. And Washington County was the northern part of the State of Potomac. And I point that out only to say that even then the business community and folks were targeting your area for growth and investment. So I have a feeling this is just the leading edge of, come home to roost.

GOVERNOR O'MALLEY: Tell me again your enrollment numbers right now and where they were, say, ten years ago? Do you know?

DR. MORGAN: Well, when I took over in the school system in 2001 we were about 19,000. And the year before we'd actually had minus growth. And then just two years after that if you looked at a line graph it goes dramatically up. We're at 22,000 now.

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GOVERNOR O'MALLEY: So you've gone from 19,000 to 22,000 in just five years.

DR. MORGAN: Five years, almost.

GOVERNOR O'MALLEY: Wow.

DR. MORGAN: Rapid growth.

GOVERNOR O'MALLEY: Well, thank you all very, very much. We appreciate it. Thank you for being here.

DR. MORGAN: Thank you.

GOVERNOR O'MALLEY: Wicomico County. Rick, how are you? Mr. County Executive? This is a historic day. This is the first time that Wicomico County shows up for the "hope-a-thon" with a County Executive. Right?

(Applause.)

GOVERNOR O'MALLEY: The "hope-a-thon". The floor is yours.

MS. HOLLOWAY: Good afternoon, Governor O'Malley, Comptroller Franchot, Treasurer Kopp, Dr. Grasmick, Dr. Lever, others. We appreciate the opportunity to be here. First of all, I'm going to

start with Mr. Pollitt. He is not only wearing the hat of the newest County Executive, Mr. Pollitt was also most recently up until December 5th on the Wicomico County Board of Ed, as a memeber. He resigned at noon and took new office at 12:05.

GOVERNOR O'MALLEY: Wow.

MS. HOLLOWAY: So we are very pleased with that, and more importantly he and I are both graduates of the project that we want to talk to you about today. So I will come back to Mr. Pollitt. He is going to have an opportunity to speak. I want to introduce all of our coalition and supporters that are here today. I'm Robin Holloway. I'm President of the Wicomico County Board of Ed. I have a student at James M. Bennett High School that we want to talk to you about, and I'm a graduate as well. We have Senator Richard Colburn, the Honorable Richard Colburn. We have the Honorable Norm Conway, Honorable Addie Eckardt, Honorable Page Elmore, Honorable Jeannie Haddaway, Honorable Jim Mathias, and the Honorable J. Lowell

Stoltzfus with us today. And Rudy, the Honorable Rudy Stoltzfus, who --

(Applause.)

MS. HOLLOWAY: When we come to Annapolis we have to put our formal hats on and we don't do that as well. We enjoy life and enjoy each other, so we're -- sorry Rudy.

MR. STOLTZFUS: Not as sorry as I am.

(Laughter.)

MS. HOLLOWAY: I also want to introduce Stevie Prettyman, Vice President of the Wicomico County Council is with us today, Mark Thompson, Vice President of the Board of Education, Tom Field, our interim Superintendent, Clay Belgie, the principal of James M. Bennett High School, Brian Foret, our Director of Facilities, and Charlie Bounds our Assistant Superintendent. This is a community project, absolutely, and one that we're wholeheartedly to come here today.

I just want to thank you for the support that the State of Maryland has given to public school

construction for Wicomico County. We have very aggressively approached public school construction and we're very proud of our progress. We're very proud of the project that we have underway, which is the renovation of Prince Street Elementary School. And specifically today we're here to talk about James M. Bennett High School, which was built in 1963. I was not that early of a graduate but I'm very pleased to have the opportunity to speak with you about that today. And we're going to ask the Honorable Norm Conway. Chairman Conway?

DELEGATE CONWAY: Thank you. Well, you're almost at the end of the first one. And what a long day, and I know you've heard a great deal of support for public school construction from all of our subdivisions, which is very, very important. I'm very proud to have been the Chairman of the Appropriations Committee in the House that has put school construction foremost as one of our priority items for One Maryland. All twenty-four subdivisions.

Today, Wicomico County, James M. Bennett High School, you've heard this school was built 1963-64 period. I graduated from high school in 1960, so that tells you something about the age of the school. It's a state rated capacity of about 1,046 and its enrollment today is 1,300 plus. The facility conditions are poor, even with the maintenance that has been ongoing. There are code accommodation issues. There is cramped space. There is a failing heating system and no air conditioning, shortage of adequate ancillary support accommodations, limited technology and communication systems, lack of adequate parking and athletic fields. So this is a priority project in Wicomico County. It's one that's on the minds, it's in our paper repeatedly, and much discussion about the need. We've even had a time when part of the ceiling in the cafeteria dropped. So we're very cognizant of the need for this to be replaced. Cash flow estimates show a need of approximately \$10.8 million in state funds to meet cash demands. But the IAC recommendation is for \$6 million.

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Wicomico County originally had requested a three-year period of funding. IAC asked the County to consider extending that for a year, making it four. Wicomico County did that. So reorganizing the construction schedule reduced the annual funding request from the State from \$14 million to \$10.8 million, therefore Wicomico County requests the State to fully fund the \$10.8 million this year. And we know that there are projects across the State in need and we have appreciated the task force recommendations that kind of put us on track. We're going to do everything we can, as we did last year, to exceed that two-fifty and we put \$331, \$332 million in school construction.

Governor, we will do our best to meet the \$400 million this year. And we know full well that that's more money. But we will be buying less simply because of escalating costs at this time and time and materials and construction costs. So we ask your consideration of this request.

GOVERNOR O'MALLEY: Thank you, Mr. Chairman.  
Mr. Executive?

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MR. POLLITT: Good afternoon. I want to thank you for that very warm welcome. It's such an honor for me to be here on behalf of the residents of Wicomico County. And it's a very, very sincere honor to be in front of this panel in any setting. It's very gratifying to be welcomed so well.

I'm only here to tell you that Wicomico County supports this project as well. The County Council has already approved \$9.8 million as a county contribution to this project. I've asked for an additional \$12 million in the upcoming capital improvements project budget. Our community supports the project. We need the new school. As Ms. Holloway said, I'm a 1970 graduate. That was quite a while ago. I understand your new Secretary of State Planning is a Bennett graduate. So it's turning out good people. And we appreciate the --

GOVERNOR O'MALLEY: Salisbury native.

MR. POLLITT: Yes. So I figure I can do my best with you today by not holding you any longer. I just wanted to let you know that the County's behind

this. We want to do our part. But obviously, as you've heard all day, we need help too. And whatever you can do for us we certainly would appreciate. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

MS. HOLLOWAY: Thank you. Is there anything else that we can answer questions about? We appreciate the time today. We appreciate you hearing our concerns. We look forward to a cooperative relationship.

GOVERNOR O'MALLEY: Do you have any geothermal schools?

MS. HOLLOWAY: Absolutely. Mr. Foret?

GOVERNOR O'MALLEY: That's the theme for today. Come on, you don't want to be left out.

MS. HOLLOWAY: We're very proud of what we're doing.

MR. FORET: Wicomico County actually has several geothermal schools and this will be the next in the series that we're planning. It's one of our largest projects we will have undertaken. It's

probably one of the largest the County has ever undertaken in terms of sheer size and magnitude. We have also set out on a very aggressive course for this school to be what I consider to be LEED-like. We're taking a lot of the sustainable design concepts and incorporating them into the overall design for what we need to do for the economics but also what we need to do for the common good.

GOVERNOR O'MALLEY: Great. Well, thank you very, very much Wicomico County. And Mr. Chairman, I look forward to working with you in the years ahead also. And if we get to four hundred this year, there's a lot of need out there in the years ahead and you've got to straighten out our fiscal house to do that. So we're blessed in our State that we have such a good person from the Shore as our Chairman who can keep the common good and focus. So, thank you all very, very much for being here.

DELEGATE CONWAY: Looking forward to the partnership.

MS. HOLLOWAY: Thank you.

GOVERNOR O'MALLEY: See you, County Executive.  
Bye, bye, see you. Worcester County?

DR. ANDES: Good afternoon, Governor O'Malley,  
Comptroller Franchot, Treasurer Kopp. We thank you for  
your time today and we know that you have saved the  
best for last and we really appreciate that.

My name is Jon Andes. I'm the Superintendent  
of Worcester County Public Schools. Today it is my  
honor and pleasure to introduce some of the people who  
are with us today to support our request. We have the  
best state delegation in the entire State of Maryland.  
Today with us are Senator Stoltzfus, Delegate Conway,  
Delegate Mathias and Delegate Elmore. We have the best  
County Commissioners in the entire State of Maryland.  
Today representing our County Commissioners is the  
County Commissioner President, Mr. James Purnell,  
member of our County Commissioners, Linda Busick, Bud  
Church, and we have the best Chief County  
Administrative Officer in the State and that's Gerry  
Mason and he's with us today. We have the best Board  
of Education in the entire State of Maryland --

GOVERNOR O'MALLEY: It's a good thing you didn't subject all the other counties to this humiliation.

(Laughter.)

GOVERNOR O'MALLEY: Keep going, I like it.

DR. ANDES: What can we say? With us today is the best President of the Board of Education, Mr. Garry Mumford, the best Vice President Mr. Bob Hulburd, members of the Board of Education Mr. Doug Dryden, Ms. Sara Thompson. And staff here with me today are Mr. Ed Barber, the best Assistant Superintendent in the State of Maryland, and Mr. Joe Price, the best Facilities Planner in the entire State. And those are the individuals with us here today.

We're here to appeal two projects and only two projects. We thank the members of the Interagency Committee on School Construction for your strong support and guidance, and especially Dr. David Lever and his entire staff all the way along the wall. So thank you very much.

We appreciate the initial funding for the Worcester Career and Technology Center and Pocomoke High School projects, and we're here today asking for two things. One is more money for the Worcester Tech project and two is a little bit more money for the Pocomoke High School project.

So at this time I will introduce the best Senator in the State of Maryland, Senator Lowell Stoltzfus.

SENATOR STOLTZFUS: Governor, Mr. Comptroller Franchot, and Madame Treasurer, it's good to be here. And Superintendent, it's wonderful Nancy what you have done for us down on the lower Shore, we appreciate that. And by the way, all three of these projects are geothermal. And we want you to know that in spite of the reputation, occasionally environmentally the Shore does very well. And I would like everyone to hear that and make sure that's understood because I think we work hard on those issues.

GOVERNOR O'MALLEY: The Comptroller has been saying that all day.

SENATOR STOLTZFUS: Has he? That's wonderful. About the Shore? Or about other areas?

GOVERNOR O'MALLEY: No, about the Shore. You all have really been leaders, which is not that unusual, I mean given your love of place and planet and the beauty that is the Shore that you would be out there on energy conservation and taking, you know, taking the long view. It's actually in keeping with your character, I think. But we're really impressed at how many geothermal and sustainable buildings that they've been telling us about.

SENATOR STOLTZFUS: Thank you.

GOVERNOR O'MALLEY: But I'm taking away from your time.

SENATOR STOLTZFUS: No, thank you Governor, I appreciate that.

TREASURER KOPP: But Senator, could I just, I assume, knowing that the Shore is also very fiscally prudent, that you all have found that this investment in energy efficiency in fact is a very cost effective thing as well.

SENATOR STOLTZFUS: Absolutely. We know that from the private sector, too. I mean everywhere it's used it has been excellent. So, yeah, absolutely.

TREASURER KOPP: We've all been supporting it and pushing it all over.

SENATOR STOLTZFUS: For economic purposes as well as other. First of all, I want to say that I'm real pleased. And the Superintendent, Superintendent Andes was jesting a bit and calling everybody "the best." Which, no maybe it wasn't, maybe they really are. No, I'm not saying they're not. But Superintendent Andes really is one of the most outstanding in my opinion superintendents in the State of Maryland. And that's why. You see his positive attitude and that's why good things are happening in education in Worcester County.

Just, I'm going to be very brief because the details I think you need to hear, I think you're going to speak more specifically on the details. But I have a personal interest in Snow Hill, where I attended the whole way through high school, and Pocomoke where I

taught, Pocomoke High School where I taught. So they both need, I can personally tell you, they both need the renovations that are requested here today and I'm hoping you will see fit to do that.

The Career and Technology Center was promised -- I mean, was scheduled, the full funding of it for this year. It was agreed to delay it, or spread it out over two years and we're just asking to do what the, what was, what we thought was going to happen earlier. So --

GOVERNOR O'MALLEY: Tell me more about the Career and Technology Center?

SENATOR STOLTZFUS: Well, it's an old building, it's fifty-four years old I believe? It used to be the Worcester School, which before, which during segregation was the black school. And I remember it as that, built in '53. And then it was changed over and it was the Career and Technology Center and it's an old building. It has served well but it certainly needs renovation. And we are very interested on the lower Shore in Worcester County of doing the Career and

Technology education that we very much need in the rural areas.

GOVERNOR O'MALLEY: And where is it located?

SENATOR STOLTZFUS: It's between Snow Hill and Newark, between Snow Hill and Berlin on Route 113.

GOVERNOR O'MALLEY: Got you.

SENATOR STOLTZFUS: Yeah. So we help we can do that funding, and then \$400,000 for Pocomoke High School to finish that. That's where I taught school. It's a good place and we certainly hope you will support it. Thank you, Governor.

GOVERNOR O'MALLEY: What did you teach, Senator?

SENATOR STOLTZFUS: I taught English and Music.

GOVERNOR O'MALLEY: Which one did you like better?

SENATOR STOLTZFUS: I love to sing, and I --

GOVERNOR O'MALLEY: Well, which did you like best?

(Laughter.)

SENATOR STOLTZFUS: Why do you ask the question? No, I'm joking. I enjoyed both. I thoroughly enjoyed teaching and would love to be a teacher. But --

GOVERNOR O'MALLEY: What kind of music did you teach?

SENATOR STOLTZFUS: I had choral music.

GOVERNOR O'MALLEY: Choral?

SENATOR STOLTZFUS: I actually had the kids in Pocomoke High School --

GOVERNOR O'MALLEY: Can you teach Jim Mathias anything?

(Laughter.)

SENATOR STOLTZFUS: Unfortunately, if he couldn't sing, you know, I wouldn't even try. But I thoroughly enjoyed directing these kids that never sang and at Christmas they would be singing Messiah, the songs from Messiah. I mean Handel's stuff. And I thoroughly enjoyed that. That was a real pleasure. So I probably enjoyed that more than teaching English.

GOVERNOR O'MALLEY: That's neat.

SENATOR STOLTZFUS: Thank you.

GOVERNOR O'MALLEY: Thank you. Who's next?

DR. ANDES: Next is the best Chairman in the State of Maryland, Chairman Norm Conway.

DELEGATE CONWAY: Well, the Career and Technology Center, I was proud to be a part of the groundbreaking there this summer. Construction is underway. It has been mentioned, fifty-four years old. Time to phase out and something new to take its place. The local share of the entire project is \$29,384,000. That's the local share. The state share of the entire project is \$13,742,000 and agreed to be allocated over two years. The first year the State allocated \$3 million. IAC is recommended \$3 million instead of the \$6,870,000 which would be the full amount of the remaining state share, I think, so for the second year. Worcester is requesting the IAC to fully fund the remaining state share for this year, which is the \$6,870,000.

I know there's a lot of projects out here, and I am partial to those in my district as everybody

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else has been. So I ask you to give strong consideration to the two here. Pocomoke High School renovations that's underway too, and Snow Hill will be following that. So anything in consideration for completion as we originally agreed will be greatly appreciated.

DR. ANDES: At this time I would like to introduce the best new delegate to the Maryland General Assembly, our delegate Jim Mathias.

DELEGATE MATHIAS: Thank you, doctor. Governor O'Malley, Comptroller Franchot, and Treasurer Kopp, man that sounds good. I'm going to tell you. I'm looking for that page that says the best beach and the best boardwalk so the kids from the best State of Maryland can come and play.

Very quickly, I just want to say that both with our Career Vocational Center, that really supports tourism. It supports hospitality and supports our families in the area. I join our Chairman in supporting you Mr. Governor in your bright bid for the students of our State. And I'm very, very proud. As

well as Pocomoke, we are very happy to say to you today that all of our high schools in Worcester are blue ribbon schools of excellence. And in ten years as mayor, that really gave me something to brag about. I'm very proud to brag about our opportunity to continue to serve today and continue to serve the people of Maryland and Worcester County. Thank you very much.

GOVERNOR O'MALLEY: Thank you, Delegate.

DR. ANDES: And due to time, Delegate Page Elmore has deferred his time to the best President of the County Commissioners in the entire State of Maryland, our President Jimmy Purnell.

GOVERNOR O'MALLEY: Mr. President, welcome.

MR. PURNELL: Good afternoon to you and your staff. As you heard me say a while ago about the old Worcester Career and Tech Center, I graduated there in 1955. We entered that school in 1952. So that is a very old building. But I want to thank you and your committee and staff for allowing us the opportunity to

come before you today. And not for wants, but we're talking about things that we need.

We put our kids number one. And they're our future, and we're vested in our future. So at this time, Governor and members of the Board, I want to thank you for the opportunity to speak to you today about the importance of capital funding for two of our aging schools. We are asking for just a little more help. Raise the state funding for the fifty-two year old Worcester Career and Technology Center by an additional \$3,870,000 for fiscal year 2008. Secondly, raise the state funding for the fifty year old Pocomoke High School by an additional \$400,000 for fiscal year 2008.

We know your administration's focus will be on quality education and we are ready to step up with our match and hope you can give us, any help you can give us will be greatly appreciated. We thank the Interagency on school construction for both past and present support of our funding requests and partnering with us to give Maryland students the tools they need

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to be competitive in today's growing job market. We thank you for this opportunity to come before you.

GOVERNOR O'MALLEY: Thank you, Mr. President.

DR. ANDES: Our final speaker today is --

GOVERNOR O'MALLEY: Keep going.

DR. ANDES: Our final speaker today is the best Board of Education President in the State of Maryland, Mr. Garry Mumford. Mr. Mumford?

MR. MUMFORD: Thanks, Dr. Andes. Governor O'Malley, Comptroller, Treasurer, and good to see you Dr. Grasmick. I'm going to be brief because everything I was supposed to say has already been said by others. We're here today for an appeal of two projects. That is the Tech Center, we're asking for the additional \$3,870,000 for the full, state's full share of the second year funding of that Tech Center. I'm proud to say that the 300 wells for the geothermal system have been completed and we're working on trying to pour the footers for that school as we speak. So we're well on the way with that project. And we're just asking for your support on this project to give us the full state

share, full share of the second year funding for this school.

Also, we're trying to renovate and to add on to Pocomoke High School, which is also over fifty years old. We're asking for an additional \$400,000 to bring the total first year funding to \$3,526,000. So an additional \$4 million.

We're asking for an additional \$4,270,000 over what the IAC recommended for these two projects this year. We want to thank you for your past support. We want to thank you for your support of these projects and we look forward to your continued support because there will be more projects coming down the road. Because among our many responsibilities as educators and board members and commissioners is to provide those things necessary to provide the absolute best education for our students. And one of those things includes to be able to provide those environments that are conducive to good learning. And that's what we are attempting to do, to build the schools that have the best technology, the best space, and the best

environments so that our kids can be the best in the world. We thank you for your support, and we thank you for this consideration of providing us with the full state share of funding for these two projects. Thank you very much.

GOVERNOR O'MALLEY: Thank you, sir.

DR. ANDES: Any questions?

GOVERNOR O'MALLEY: Mr. Comptroller? Madame Treasurer? Thank you all so very, very much for what you're doing to make Maryland strong by keeping those blue ribbon schools. Thanks, Senator.

SENATOR STOLTZFUS: Thank you.

GOVERNOR O'MALLEY: Good seeing you.

VOICE: We need to return to one of the Secretary's agenda. Dr. Lever?

DR. LEVER: We have a motion to approve the recommendations of the IAC for a total of \$242.1 million in project funding, and thirty-two finding approvals which will leave a contingency balance of \$80.9 million based on the current estimated preliminary capital budget, and we'll be happy to

answer any questions you have about specific projects or specific issues.

GOVERNOR O'MALLEY: So the total amount that we're allocating here is the seventy-five percent that the IAC recommended?

DR. LEVER: Yes.

GOVERNOR O'MALLEY: And that comes to what amount?

DR. LEVER: \$242.1 million.

GOVERNOR O'MALLEY: And leaving a remainder of \$157 million that we still have to, I mean --

VOICE: Well, right now would be the remainder of --

DR. LEVER: \$80.9 million based on the preliminary budget.

GOVERNOR O'MALLEY: Preliminary budget.

DR. LEVER: Which is an estimate, but \$323 million. And of course the General Assembly, you can add to the budget to bring it to the four hundred.

GOVERNOR O'MALLEY: Well, I didn't hear anybody say that they didn't like what had been appropriated.

(Laughter.)

GOVERNOR O'MALLEY: Is there a motion to --

TREASURER KOPP: I have one question.

DR. LEVER: Yes?

GOVERNOR O'MALLEY: So, I'm sorry, Treasurer Kopp?

TREASURER KOPP: The difference between A and B, as I understand it, is sufficiency, is availability funds?

DR. LEVER: Well, A is recommended based on the availability of funds. B is an eligible project which is recommended for deferral at this time because of fiscal constraints. So with additional funding --

TREASURER KOPP: Constraints. So why would a planning project, which doesn't cost anything, be deferred when it's an A or a B. I mean, I guess the A, I only saw B, I don't know if there are any A's.

DR. LEVER: You're correct that the State does not participate in planning expenses themselves, the architectural, engineering things, and other planning expenses. But every planning approval becomes a commitment by the State which enters into our backlog. And there is a question of how much backlog the State should assume. Right now, we calculated it and it is an estimated number, about \$470 million. That number can only grow every time a planning approval is added unless there's also some level of concurrent funding for backlog projects.

TREASURER KOPP: So it's like a moral commitment?

DR. LEVER: Exactly. Yes.

TREASURER KOPP: Thank you. That was my question.

COMPTROLLER FRANCHOT: What is there, what do you have to say to Senator Hogan from Montgomery who says there are poor kids in rich counties who get penalized by this wonderful system we have. I may be

putting words in his mouth but that's kind of what he was --

DR. LEVER: It's one of the tensions that we experience, because we have the very, very large and ongoing needs of the large counties. And it's reflected in their requests. The majority of requests, the vast majority of these requests are legitimate, they're eligible, we recognize the need for them. At the same time, we have these one-of-a-kind projects, typically. Very visible, high profile projects in the smaller counties. They have often been deferred for a long time. What we try to do is to achieve some kind of balance where there's an adequate level of funding for the large counties, which will be spread across many projects, and then take care of these large projects in small counties.

COMPTROLLER FRANCHOT: Governor, I move favorable.

GOVERNOR O'MALLEY: Second by the Treasurer.  
All in favor signal by saying "Aye."

VOICES: Aye.

GOVERNOR O'MALLEY: All opposed? And the Aye's have it. Thank you all very, very much.

DR. LEVER: Thank you.

GOVERNOR O'MALLEY: A fine group of human beings and I enjoyed working with you today.

TREASURER KOPP: It's been a pleasure.

(Whereupon, at 4:15 p.m., the meeting was concluded.)