

MINUTES  
OF THE  
MEETING OF THE  
BOARD OF PUBLIC WORKS  
December 21, 2011

**BOARD OF PUBLIC WORKS**

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**DECEMBER 21, 2011**

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**MINUTES OF THE MEETING OF  
THE BOARD OF PUBLIC WORKS, DECEMBER 21, 2011**

The Board of Public Works met in the Governor's Reception Room, State House, Annapolis, Maryland, on Wednesday, December 21 2011.

Board Members present:

The Honorable Martin O'Malley, Governor  
The Honorable Nancy K. Kopp, Treasurer  
The Honorable Peter Franchot, Comptroller

Also present:

Al Collins, Secretary, Department of General Services  
T. Eloise Foster, Secretary, Department of Budget & Management

**CONSTRUCTION:**

General Construction Project Contingency Fund 1988  
Maryland Consolidated Capital Bond Loan of 2004  
Maryland Consolidated Capital Bond Loan of 2005  
Maryland Consolidated Capital Bond Loan of 2006  
Maryland Consolidated Capital Bond Loan of 2007  
Maryland Consolidated Capital Bond Loan of 2008  
Maryland Consolidated Capital Bond Loan of 2009  
Maryland Consolidated Capital Bond Loan of 2010  
Maryland Consolidated Capital Bond Loan of 2011

On items where payments are to be made from proceeds of the above listed bond issues, full regard is given to the provisions of each Act and its prospective amendments.

Except as otherwise provided in these Acts, before the State agency or institution responsible for an individual item may begin work with funds secured under the Act, the agency or institution shall provide satisfactory assurances to the Board of Public Works that the work described in the individual items can be completed with the funds specified for that item.

If federal funds are available to help accomplish any project identified in these Acts, the State agency or institution responsible for the project shall make efforts through proper administrative procedures to obtain these federal funds. Before spending any funds secured under these Acts, the agency or institution shall certify its efforts to the Board of Public Works and state the reason for any failure to obtain federal funds. If federal funds are obtained, they shall be used to defray the costs of the project described in these Acts, not to expand its scope.

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Norman Astle (410) 841-5864  
Astlene@mda.state.md.us

**1. DEPARTMENT OF AGRICULTURE  
*Maryland Agricultural Cost-Share Program Grant Requests***

**Recommendation:** That the Board of Public Works approve funding a total of 12 individual grants under the Maryland Agricultural Cost-Share Program.

Total submission amount: \$189,200.

| Agreement #  | Recipient              | County       | Amount |
|--------------|------------------------|--------------|--------|
| AT-2012-2000 | ROBERT P. JAMISON      | Montgomery   | 10,500 |
| AT-2012-2071 | NORBERT P. ABELL       | St. Mary's   | 4,100  |
| AT-2012-2072 | NORBERT P. ABELL       | St. Mary's   | 2,500  |
| AT-2012-2101 | KILBY'S, INC.          | Cecil        | 68,100 |
| AT-2012-2102 | KILBY'S, INC.          | Cecil        | 27,300 |
| AT-2012-2128 | HARTLEY W. JUSTICE, JR | Baltimore    | 22,500 |
| AT-2012-2130 | ROBERT E. WILSON       | Queen Anne's | 500    |
| AT-2012-2131 | JUSTIN S. CLOUGH       | Queen Anne's | 5,800  |
| MP-2012-2123 | JEREMY J. WAGERMAN     | Carroll      | 9,700  |
| MP-2012-2124 | DAVID A. SUMMERS       | Frederick    | 3,000  |
| PR-2012-2127 | ZAHID M KHAN           | Wicomico     | 30,100 |
| RS-2012-2125 | LIPPY BROTHERS, INC    | Baltimore    | 5,100  |

**Fund Source:** MCCBL of 2010/Item 10077: *Provide funds for assistance for the implementation of best management practices that reduce soil and nutrient runoff from Maryland farms.*

**Authority:** "Cost-Sharing - Water Pollution Control" Sections 8-701 to 8-705, Agricultural Article, Maryland Code; COMAR 15.01.05

**Remarks:** The Maryland Department of Agriculture has determined that each of these projects is eligible for cost-share funds. Each project has received technical certification from the appropriate Soil Conservation District Office. The farmer has signed the requisite cost-share agreement and accepts the grant conditions.

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**



**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Norman Astle (410) 841-5864  
[Astlene@mda.state.md.us](mailto:Astlene@mda.state.md.us)

**2. DEPARTMENT OF AGRICULTURE  
*Maryland Agricultural Cost-Share Program Additional Funding Requests***

**Recommendation:** That the Board of Public Works approve **ADDITIONAL FUNDING** of 1 individual grants under the Maryland Agricultural Cost-Share Program.

Total submission amount: \$1,257.30.

| <u>Agreement #</u> | <u>Recipient</u>   | <u>County</u> | <u>Amount \$</u> |
|--------------------|--------------------|---------------|------------------|
| RS-2012-2041       | PANORA ACRES, INC. | Carroll       | 1,257.30         |

**Fund Source:** MCCBL of 2010/Item 10077: *Provide funds for assistance for the implementation of best management practices that reduce soil and nutrient runoff from Maryland farms.*

**Authority:** "Cost-Sharing - Water Pollution Control" Sections 8-701 to 8-705, Agricultural Article, Maryland Code; COMAR 15.01.05

**Remarks:** The Maryland Department of Agriculture has determined that each of these projects is eligible for cost-share funds. Each project has received technical certification from the appropriate Soil Conservation District Office. The farmer has signed the requisite cost-share agreement and accepts the grant conditions.

Additional funds are requested for these projects to offset additional costs realized at the completion of the project. These additional costs are a result of design changes required based on site conditions encountered during construction, design changes to improve project effectiveness, or because the level of co-cost share funding originally anticipated was not available when the project was completed.

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**                      **DISAPPROVED**                      **DEFERRED**                      **WITHDRAWN**  
 **WITH DISCUSSION**                       **WITHOUT DISCUSSION**

BOARD OF PUBLIC WORKS

DECEMBER 21, 2011

SECRETARY'S AGENDA

Contacts: Jean Peterson (410) 5147358
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swoboda@mdhousing.org

3. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

RECOMMENDATION: That the Board of Public Works approve releasing the deeds of trust on two properties that received loans from DHCD's Down Payment and Settlement Expense Loan Program. In each case, the deed of trust is a second mortgage; the borrower is selling the property in lieu of foreclosure to pay off the first mortgage owed to DHCD, and the borrower has requested a release of the deed of trust securing the second mortgage on the basis of a hardship (e.g., loss of income due to unemployment or illness). Each borrower has/will sign a promissory note in the amount of the outstanding principal of the second mortgage.

LOAN AUTHORITY: Down Payment and Settlement Expense Loan Program
Housing and Community Development
Article §§ 4-301-4-309, Maryland Code

AUTHORITY TO RELEASE SECURITY INTEREST: State Finance and Procurement
Article §§ 10-305, Maryland Code

A. Loan Recipient: Cassidy Dougherty
107 Greenmount Avenue, Salisbury, MD 21804
Wicomico County
Original: \$3,500
Current Balance: \$3,500
Type: Second Mortgage

B. Loan Recipient: David Kemah
15829 Deer Creek Court, Laurel, MD 20707
Prince George's County
Original Loan: \$10,000
Current Balance: \$10,000
Type: Second Mortgage

BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

**BOARD OF PUBLIC WORKS**

DECEMBER 21, 2011

**SECRETARY'S AGENDA**

Contact: Tonna Phelps, (410) 514-7509  
phelps@dhcd.state.md.us

**4. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
***Maryland Affordable Housing Trust – Fiscal Year 2011***

**Recommendation:** The Department of Housing and Community Development recommends that the Board of Public Works approve the Maryland Affordable Housing Trust (MAHT) using general obligation bond proceeds to fund:

| <u>AWARDEE</u>                                  | <u>PROJECT DESCRIPTION</u>   | <u>GO Bond Award Amount</u> |
|---|--|-----------------------------|
| Habitat for Humanity of Washington County, Inc. | Portion of construction costs for four houses to be sold to low income families      | \$60,000                    |
| Habitat for Humanity Susquehanna, Inc.          | Portion of construction costs for one house that will be sold to a low-income family | \$15,000                    |
|   | TOTAL:   | \$75,000                    |

**Fund Source:** MCCBL 2010: Maryland Affordable Housing Trust. *To fund grants, loans, and other financial assistance in the acquisition, design, construction, rehabilitation or preservation of affordable housing.* Item SA25(E)

**Background:** MAHT makes affordable housing more available throughout the State. Funds are used for grants, loans, and other financial assistance in the acquisition, design, construction, rehabilitation, or preservation of affordable housing. Recipients include nonprofit organizations, local area governments, and public housing agencies. At a maximum allocation of \$150,000 per project, MAHT funding is a "gap-filler" that permits projects to move to completion.

Reference is made to Secretary's Agenda Item 8 (12/15/10) in which the Board of Public Works approved the use of MCCBL 2010 funds in the amount of \$1,711,283 for 24 MAHT awards. One of these awards (in the amount of \$75,000) was ultimately funded using other MAHT funds. Reference is further made to Secretary's Agenda Item 10 (6/15/11) in which the Board of Public Works approved seven awards totaling \$363,717 which, at the time, was the balance of the MCCBL 2010 \$2,000,000 allocated to MAHT. One of those awards (City of Salisbury) was subsequently declined. The grants recommended herein will substitute for the two previously-approved but not awarded grants.

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Contact: Catherine A. Kelly 410-576-6163  
catherine.a.kelly.ctr@us.army.mil

**5. MILITARY DEPARTMENT  
*Fairmount Volunteer Company, Incorporated***

**Recommendation:** The Adjutant General of Maryland recommends that the Board of Public Works authorize a grant in the amount shown from the Volunteer Company Assistance Fund.

**Authority:** Sections 8-203 – 8-204, Public Safety Article, Maryland Code.

**Background:** The Maryland State Firemen's Association has approved the request of the volunteer fire company and certifies that its recommendation complies with the requirements of the Volunteer Company Assistance Fund as set forth in the Public Safety Article. The Association and the volunteer company has entered into an agreement that the grant will be used as represented and that give the State appropriate and adequate security in the equipment or facilities purchased. The Military Department supports this recommendation and verifies that the funds are available in the Volunteer Company Assistance Fund for this grant.

| <u>Requestor</u>                                    | <u>Purpose</u> | <u>Reason</u> | <u>Grant Amount</u> | <u>Project Cost</u> |
|---|----------------|---------------|---------------------|---------------------|
| Fairmount Volunteer Company Inc.<br>Somerset County | New Engine     | Worn Out      | \$210,000.00        | \$301,977.00        |

**Fund Source:** Appropriation Code: D50H0106  
PCA: MISV3  
OBJ: 1433  
FUND: 3001

By approving this recommendation, the Board of Public Works authorizes the Treasurer to disburse money from the Volunteer Company Assistance Trust Fund (appropriated to the Department of the Military) to the Association in the name of the volunteer company.

**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**
 **DISAPPROVED**
 **DEFERRED**
 **WITHDRAWN**

**WITH DISCUSSION**
 **WITHOUT DISCUSSION**

BOARD OF PUBLIC WORKS

DECEMBER 21, 2011

SECRETARY'S AGENDA

Contact: Lisa Ward 410-260-8450  
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Nita Settina 410-260-8157  
nsettina@dnr.state.md.us

6. DEPARTMENT OF NATURAL RESOURCES  
*Naming of Lefty Kreh Fishing Trail*

**Recommendation:** The Secretary of Natural Resources recommends that the Board of Public Works approve re-naming the Gunpowder South Trail the **LEFTY KREH FISHING TRAIL** in honor of Bernard "Lefty" Kreh. The Gunpowder South Trail meanders over seven miles of the Big Gunpowder Falls River in the Hereford Area of Gunpowder Falls State Park. The river is a nationally-recognized blue-ribbon trout stream which DNR manages as a catch-and-release fishing area exclusive to artificial lures.

**Background:** Born in 1925 in Frederick, Lefty Kreh became well known from an early age for his outdoor skills in the wild fields and streams of Frederick and Washington Counties. After graduating from Frederick High School in 1942, he entered the U.S. Army. Five battle stars and a purple heart later, Kreh returned to Frederick and was hired to staff the new biological warfare lab at Fort Detrick. In 1955, Kreh became infected with anthrax. Kreh survived (two co-workers did not), as did the bacteria that researchers isolated in him. This anthrax strain is known as BVK-1, short for Bernard Victor Kreh.

Kreh became the outdoors columnist for the *Frederick News-Post*. By 1951, he was writing and providing photography for *Outdoor Life Magazine*, *Field & Stream Magazine* and a dozen newspapers. In 1974, he completed *Fly Fishing in Saltwaters*, the leading book on the sport, now in its third edition. He has written more than 30 books and produced numerous instructional videos on fishing and outdoor photography while serving as outdoor editor the *Baltimore Sun* and the *St. Petersburg Times*.

He received the Lifetime Achievement Award from the American Sportfishing Association and a Fishing Hall of Fame spot on the wall of the International Game Fish Association. In 1991, the U.S. Postal Service honored his invention of the *Lefty's Deceiver* – a fly pattern he designed to fool striped bass (the State fish) – with a commemorative stamp.

In view of Lefty Kreh's record of service and dedication to promoting conservation, clean water, and his commitment to giving back to the outdoors, the Secretary of Natural Resources recommends approval to rename the Gunpowder South Trail the **LEFTY KREH FISHING TRAIL**.

BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:

- APPROVED
- DISAPPROVED
- DEFERRED
- WITHDRAWN
- WITH DISCUSSION ✓
- WITHOUT DISCUSSION

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Contact: David Lever 410-767-0610  
[dlever@msde.state.md.us](mailto:dlever@msde.state.md.us)

7. **STATE PUBLIC SCHOOL CONSTRUCTION PROGRAM**  
*Amendment to the Public School Construction Capital Improvement Program –  
Fiscal Year 2012*

**Recommendation:** The Interagency Committee on School Construction recommends that the Board of Public Works approve amendments to the Fiscal Year 2012 Capital Improvement Program. The Board approved the FY 2012 CIP as Secretary's Item 18 (May 4, 2011).

**Specific Requests:** The following school system previously reverted to the contingency fund certain funds that could not be used as originally allocated; the school system now requests to have those funds applied to eligible projects in the fiscal year 2012 CIP:

Frederick County Public Schools

|   |                  |
|---|------------------|
| New Midway Elementary School: HVAC – Phase I          | \$145,000        |
| Thurmont Middle School: Structural, Windows and Doors | <u>\$171,000</u> |
| Total   | <u>\$316,000</u> |

**Authority:** Maryland Consolidated Capital Bond Loan of 2010 (Chapter 483, Acts of 2010) as amended by the MCCBL of 2011 (Chapter 396, Acts of 2011, at pages 66-67) specifies that if school construction funds provided to a county in one fiscal year Capital Improvement Program cannot be allocated to, or used for, eligible projects within two years of the initial authorization, the county may opt to have the funds: (1) applied to another eligible project in the current CIP or (2) reverted to and maintained in the contingency fund for eligible projects in the county in the next FY CIP. See also COMAR 23.03.02.03E.

**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**       **DISAPPROVED**       **DEFERRED**       **WITHDRAWN**  
 **WITH DISCUSSION**       **WITHOUT DISCUSSION**

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Contact: Doldon Moore 410-260-7791  
[dmoore@comp.state.md.us](mailto:dmoore@comp.state.md.us)

8. **BOARD OF PUBLIC WORKS**  
*Wetlands Licenses*

Approval is requested of the following applications for wetlands licenses for projects involving dredging or filling or both in the navigable waters of Maryland. The Board of Public Works' Wetlands Administrator recommends that a license be granted as indicated. The Department of the Environment fully concurs with this recommendation.

*Authority:* Title 16, Environment Article, Maryland Code; COMAR 23.02.04.

**ANNE ARUNDEL COUNTY**

12-0264                      **RANDY PITTMAN** - To maintenance dredge a spur channel and slip area, provide for a 6-year dredging period, remove/construct a timber pier, emplace two boatlift piles and install a boatlift – Duvall Creek, near Annapolis  
(Note: The main channel license (Anne Arundel County DPW, 10-0904, was approved by the Board on September 7, 2011, Secretary's Agenda, Item 3.)

11-0522                      **SMITHSONIAN ENVIRONMENTAL RESEARCH CENTER** – To emplace stone headland breakwaters and submerged stone breakwaters, to install osprey piles, and to fill an area with sand and plant with vegetation – Rhode River, Edgewater

**CHARLES COUNTY**

11-0596                      **NAVAL SUPPORT FACILITY INDIAN HEAD** – To dredge three areas and construct a timber pier – Potomac River, Indian Head

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

Contact: Doldon Moore 410-260-7791  
[dmoore@comp.state.md.us](mailto:dmoore@comp.state.md.us)

**9. BOARD OF PUBLIC WORKS  
Wetlands License 03-1084(R3)**

Approval is requested of the following application to renew a wetlands license for a project involving dredging or filling or both in the navigable waters of Maryland. The Board of Public Works Wetlands Administrator recommends that the renewal be granted as indicated.

Authority: Title 16, Environment Article, Maryland Code; COMAR 23.02.04.

**ANNE ARUNDEL COUNTY**

At the confluence of Fox Creek and the Severn River, near Crownsville

**03-1084(R3)                      MARK BATSON, et al.**

Three-year renewal term: To mechanically maintenance dredge two shoaled areas to a depth of 2.5 feet with 0.5 feet allowable overdraft at mean low water and dispose of dredged material at approved sites.

**Background:** Reference is made to Secretary's Agenda Item 1 (12/15/08) in which the Board issued a wetlands license a three-year period. Licensees have complied with the license's special conditions and request to renew the authorization for the standard three-year renewal term. If the Board licenses the renewal term and at the end of that renewal term Licensees desire to continue maintenance dredging, Licensees would have to file an application for a new license with the Maryland Department of the Environment.

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

|                 |                        |                 |                           |
|-----------------|------------------------|-----------------|---------------------------|
| <b>APPROVED</b> | <b>DISAPPROVED</b>     | <b>DEFERRED</b> | <b>WITHDRAWN</b>          |
|                 | <b>WITH DISCUSSION</b> |                 | <b>WITHOUT DISCUSSION</b> |



**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**SECRETARY'S AGENDA**

**APPENDIX**

Report of emergency contracts awarded by various agencies in accordance with **COMAR 21.05.06** (Title 21 - State Procurement Regulations) and reported in accordance with **COMAR 21.02.01.05(A)(3)**.

Individual reports enclosed.

**BOARD OF PUBLIC WORKS****DECEMBER 21, 2011****APPENDIX****SECRETARY'S AGENDA**

Contact: Sandy Johnson 410-767-7408  
[sjohnso5@dhr.state.md.us](mailto:sjohnso5@dhr.state.md.us)

**REPORT OF EMERGENCY PROCUREMENT****ITEM: Appendix 1****MARYLAND DEPARTMENT OF HUMAN RESOURCES**

**CONTRACT TITLE:** Legal Services for Calvert County  
 Department of Social Services  
 ADPICS NO. N00B2400263

**CONTRACT TYPE:** Service

**DESCRIPTION:** Represent Calvert County Department of Social Services in civil actions concerning matters of child welfare and adult services. *See* Maryland Annotated Code, Human Services Article, Section 3-601.

**PROCUREMENT METHOD:** Emergency

**DATE EMERGENCY DECLARED:** October 19, 2011

**BID:**  
 The Law Offices of Michele R. Harris, LLC \$50,000.00  
 LaPlata, Maryland

**AWARD:** The Law Offices of Michele R. Harris, LLC

**AMOUNT:** \$50,000.00

**CONTRACT AWARD DATE:** December 1, 2011

**TERM:** 12/1/11-5/31/12

**MBE PARTICIPATION:** 0%

**FUND SOURCE:** 80% General; 20% Federal  
 Appropriation Code: N00G0003

**BOARD OF PUBLIC WORKS**

**DECEMBER 21, 2011**

**APPENDIX**

**SECRETARY'S AGENDA**

**REPORT OF EMERGENCY PROCUREMENT**

**ITEM: Appendix 1**

**REMARKS:**

*Nature of Emergency:* DHR/Calvert DSS issued a Request for Proposals for legal services on August 8, 2011; one proposal was received. The technical proposal was deemed reasonably susceptible of award; however the financial proposal was more than three times the amount allotted for these services. Discussions with the offeror resulted in a Best and Final Offer; however, that offer still exceeded of the budget for these services. DHR cancelled the solicitation and re-issued the RFP. The incumbent contractor would not agree to extend the current contract for more than 30 days during the re-solicitation. Because these services are mandatory, the Department entered into this six-month emergency contract to provide services pending the award of a new long-term contract.

*Basis for Selection:* The Law Offices of Michele Harris was the only offeror to respond to the original solicitation and agreed to provide short-term services until a new procurement is completed. The price is fair and reasonable and within budget.

**TAX COMPLIANCE NO.:** 11-2397-0110

**RESIDENT BUSINESS:** Yes

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**BOARD OF PUBLIC WORKS ACTION:**

**REPORT ACCEPTED:**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**REPORT REMANDED TO DEPT/AGENCY:**

**REMARKS:**

SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA

December 21, 2011

ITEM 1A  
PROGRAM OPEN SPACE LOCAL SHARE

Contact: James W. Price  
cprice@dnr.state.md.us  
(410) 260-8426

**Recommendation:** Approval to commit \$231,969.21 for the following **acquisition** project.

*Allegany County Fairgrounds Acquisition #4 - \$231,969.21*  
*POS #5903-1-252*  
*MD20110617-0442*

**Background:** Final installment for acquisition of 2.6 acre parcel of land as an addition to the Allegany Fairgrounds. Funds totaling \$45,530.79 were previously approved by the Board of Public Works on the Secretary's Agenda: September 7, 2011, Item 1A.

**Fund Source:** Program Open Space Local Share allocated to Allegany County:  
Program 81.20.04 Item 901 \$39,588.54

Program Open Space Local Share allocated to Allegany County:  
Program 81.20.04 Item 101 \$68,550.00

MCCBL of 2010: Program Open Space, Local Capital Development  
and Land Acquisition Grants, Allegany County:  
Program 89.22.49 Item 056 \$123,830.67

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Board of Public Works Action: The above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 2A  
PROGRAM OPEN SPACE LOCAL SHARE**

Contact: James W. Price  
cprice@dnr.state.md.us  
(410) 260-8426

**Recommendation:** Approval to commit \$103,500.00 for the following **development** projects.

1. ***Agricultural Center Water System - \$81,000.00***  
*Washington County*  
*POS #5936-21-261*  
*MD20111104-0837*

**Background:** Upgrade two water treatment systems that provide water for this agriculture oriented public recreation facility.

**Fund Source:** Program Open Space Local Share allocated to Washington County:  
Program 81.20.04 Item 821 \$81,000.00

2. ***Agricultural Center Stormwater Improvements - \$22,500.00***  
*Washington County*  
*POS #5938-21-263*  
*MD20111104-0835*

**Background:** Upgrade two stormwater management ponds at the 50 acre park to meet State stormwater requirements.

**Fund Source:** Program Open Space Local Share allocated to Washington County:  
Program 81.20.04 Item 821 \$22,500.00

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Board of Public Works Action: The above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 3A  
RURAL LEGACY PROGRAM FUNDS**

Contact: Lisa Ward  
lward@dnr.state.md.us  
(410) 260-8450

**Recommendation:** Approval to grant \$273,746.00 to Eastern Shore Land Conservancy, Inc. for the following project from Rural Legacy Funds.

***Agricultural Security Corridor Rural Legacy Area  
Bryan S. & Lewis H. McDonald (parcel 80) Property***

**Background:** The Board of Public Works authorized a \$1,000,000 FY 2009 Grant for easement acquisitions for the Agricultural Security Corridor Rural Legacy Area on the January 7, 2009 Program Open Space Agenda Item 10A, and a \$250,000 FY 2010 Grant on the September 1, 2010 Program Open Space Agenda Item 11A.

**Project Description:** Acquisition of this 148.895-acre conservation easement will protect productive agricultural and woodlands. The acquisition will protect 4,870 linear feet of unnamed tributaries to Lloyd's Creek, which is located within the Sassafras River Watershed. This easement will be held by the Department of Natural Resources and Eastern Shore Land Conservancy, Inc.

**Value of Easement:** Total easement value \$490,000.00 - \$3,290.91 per acre (The U.S. Department of Agriculture is contributing \$245,000 pursuant to the Farm and Ranchlands Protection Program.)

**Total Other Costs:** \$28,746.00

|                     |              |   |
|---------------------|--------------|---|
| Administrative:     | \$ 7,350.00  |   |
| Incidental:         | \$ 17,721.00 | (\$1,706.00 Title Work/Insurance<br>\$ 60.00 Recording fees<br>\$6,500.00 Appraisals<br>\$9,000.00 Survey<br>\$ 455.00 Settlement fees) |
| Program Compliance: | \$ 3,675.00  |   |

**Amount Requested:** \$273,746.00

**Fund Source:** MCCBL of 2010: Rural Legacy Program  
Program 89.22.49 Item 054 \$ 270,071.00 (FY 2011)  
Program 81.20.04 Item 025 \$3,675.00

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Board of Public Works Action: the above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 4A  
RURAL LEGACY PROGRAM FUNDS**

Contact: Lisa Ward  
lward@dnr.state.md.us  
(410) 260-8450

**Recommendation:** Approval to grant \$353,149.25 to Eastern Shore Land Conservancy, Inc., for the following project from Rural Legacy Funds.

***Agricultural Security Corridor Rural Legacy Area  
Bryan S. & Lewis H. McDonald (parcel 125) Property***

**Background:** The Board of Public Works authorized a \$1,000,000 FY 2009 Grant for easement acquisitions for the Agricultural Security Corridor Rural Legacy Area on the January 7, 2009 Program Open Space Agenda Item 10A, and a \$250,000 FY 2010 Grant on the September 1, 2010 Program Open Space Agenda Item 11A.

**Project Description:** Acquisition of this 222.05-acre conservation easement will protect productive agricultural and woodlands. The acquisition will protect 3,090 linear feet of unnamed tributaries to Lloyd's Creek, which is located within the Sassafras River Watershed. This easement will be held by the Department of Natural Resources and Eastern Shore Land Conservancy, Inc.

**Value Of Easement:** Total easement value \$645,000.00 - \$2,904.75 per acre (The U.S. Department of Agriculture is contributing \$322,500.00 pursuant to the Farm and Ranchlands Protection Program.)

**Total Other Costs:** \$30,649.25

|                     |              |   |
|---------------------|--------------|---|
| Administrative:     | \$ 9,675.00  |   |
| Incidental:         | \$ 16,136.75 | (\$2,121.75 Title Work/Insurance<br>\$ 60.00 Recording fees<br>\$6,500.00 Appraisals<br>\$7,000.00 Survey<br>\$ 455.00 Settlement fees) |
| Program Compliance: | \$ 4,837.50  |   |

**Amount Requested:** \$353,149.25

**Fund Source:** MCCBL of 2010: Rural Legacy Program  
Program 89.22.49 Item 054 \$348,311.75 (FY 2011)  
Program 81.20.04 Item 025 \$4,837.50

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Board of Public Works Action: the above referenced item was:

|                 |                    |                    |                  |
|-----------------|--------------------|--------------------|------------------|
| <b>Approved</b> | <b>Disapproved</b> | <b>Deferred</b>    | <b>Withdrawn</b> |
| With Discussion |                    | Without Discussion |                  |

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 5A  
PROGRAM OPEN SPACE  
CONSERVATION RESERVE ENHANCEMENT PROGRAM FUNDS**

Contact: Lisa Ward  
lward@dnr.state.md.us  
(410) 260-8450

**Recommendation:** Approval to grant to Worcester County \$86,031.18 for the following project from Program Open Space Stateside Funds.

**Project Name:** Cherrix Conservation Reserve Enhancement Program Easement,  
Worcester County

**Background:** Reference is made to Program Open Space Agenda Item 9A (September 16, 2009) in which the Board of Public Works approved the Conservation Reserve Enhancement Program (CREP) easement acquisition program and authorized the use of bond funds issued under the Program Open Space Land Acquisition Opportunity Loan Act of 2009 to be used for acquiring permanent conservation easements on stream side forests, natural areas and wetlands as set forth in the *Revision to the Agreement Between the U.S. Department of Agriculture, the Commodity Credit Corporation, and the State of Maryland Concerning the Implementation of the Maryland Conservation Reserve Enhancement Program* (April 24, 2009).

**Project Description:** Cherrix CREP Easement. Acquisition of this 32.63-acre CREP easement located in Worcester County permanently protects water quality through riparian buffers along 3,300 feet of unnamed tributaries to the Pocomoke River, an important tributary to the Chesapeake Bay. As part of the transaction, the landowner will donate a conservation easement on the remaining 2.55 acres of property to Worcester County. The CREP easement will be co-held by Worcester County and the Department of Natural Resources. The land meets the special bond requirements because it has extraordinary ecological value and will help provide clean air, clean water and wildlife habitat.

**Value of Easement:** Total easement value \$79,951.00 - \$2,450.23 per acre

**Other Costs:** \$ 6,080.18

|                 |            |
|-----------------|------------|
| Administrative: | \$2,398.53 |
| Incidental:     | \$2,482.00 |
| Compliance:     | \$1,199.65 |

**Total Amount Requested:** \$86,031.18



**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 5A (con't)  
PROGRAM OPEN SPACE  
CONSERVATION RESERVE ENHANCEMENT PROGRAM FUNDS**

**CREP Targeting:** The CREP easement program focuses its efforts on "Target Level 1" and "Target Level 2" counties where the easement practices will have the greatest impact on water quality. Targeting for CREP was a multiagency and conservation partnership organization effort that utilized nine high priority, science based, data sets and areas of special consideration developed from the past 10 years of research and study of water quality and natural resource conditions in the State's 134 watersheds. Worcester County is a Target Level 2 county.

**Easement Valuation System:** DNR uses an easement evaluation system based on:

- (1) whether the property is located within a "Target Level 1" or "Target Level 2" county;
- (2) width of the buffers; and
- (3) amount of land in the CREP contract that will be covered by the easement.

The program seeks to retain conservation practices beyond the 10- to 15-year contract period available under the federal CREP rental program. The easement acquires development rights and a portion of the agricultural production value beginning at the end of the federal contract term and continuing into perpetuity.

**Fund Source:** Program 81.20.03 Item 447 \$ 6,080.18 (FY 2010)

Program Open Space Acquisition Opportunity Loan 2009  
Program 89.22.45 Item 500 \$79,951.00 (FY 2010)

**Remarks:** This project meets criteria in accordance with Chapter 419, Laws of Maryland 2009 as it presents a unique acquisition opportunity as a result of the extraordinary location and environmental value of the property.

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Board of Public Works Action: the above referenced item was

Approved

Disapproved

Deferred

Withdrawn

With Discussion

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 6A  
PROGRAM OPEN SPACE STATE SHARE**

Contact: Lisa Ward  
lward@dnr.state.md.us  
(410) 260-8450

*Cayman Dreams, LLC - \$109,250.00*  
*Frederick County*  
*POS #4354*

**Recommendation:** That the Board of Public Works approve the acquisition in fee simple of a 3.8022 acre parcel located in Frederick County. The property shares two boundary lines with Cunningham Falls State Park Wildlands and fronts on Baugher Road. Acquiring this parcel will resolve management and boundary issues as well as eliminate potential residential development.

The property is located within the Target Ecological Area and has received an ecological ranking of 56 under the Program Open Space Targeting System. This project meets criteria in accordance with Chapter 419, Laws of Maryland 2009 as it presents a unique acquisition opportunity as a result of its extraordinary location and the environmental value of the property which scored 56 under the Program Open Space Targeting System.

**Grantor:** Cayman Dreams, LLC

**Grantee:** The State of Maryland to the use of the Department of Natural Resources

**Property:** 3.8022 acres, unimproved

**Price:** \$109,250 (discounted sale)  
Price represents a 5% discount from the recommended value of \$115,000

**Appraisals:** \$120,000 (7/25/11) – James L. Randall – Fee Appraiser  
Reviewed by William T. Beach

\$115,000 (7/15/11) – Patrick B. Bowers – Fee Appraiser  
Reviewed by William T. Beach

**Fund Source:** POS Acquisition Opportunity Loan 2009  
Program 89.22.45 Item 500 \$109,250.00 (FY2010)

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Board of Public Works Action: the above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion ✓

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

Contact: Elizabeth Buxton  
ebuxton@dnr.state.md.us  
(410) 514-7900

**ITEM 7A  
MARYLAND ENVIRONMENTAL TRUST**

**Recommendation:** That the Board of Public Works ratify the following donations of perpetual conservation easements.

- 1. Property:** 204.046 acres, Queen Anne's County, Spaniard Point Road  
Tax Map 35, Parcel 9, Legislative District 36

**Grantor:** W. Calvin Gray, Jr.

**Grantee:** Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc.

**Estimated Value:** \$1,259,008

- 2. Property:** 113.992 acres, Queen Anne's County, Spaniard Point Road  
Tax Map 35, Parcel 9, lot 2, Legislative District 36

**Grantors:** W. Calvin Gray, Jr. and Constance Gray

**Grantee:** Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc.

**Estimated Value:** \$697,436

- 3. Property:** 72.003 acres, Talbot County, St. Michaels on Route 33  
Tax Map 23, Parcel 111, Legislative District 37B

**Grantor:** JD, LLC

**Grantee:** Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc.

**Estimated Value:** \$444,384

- 4. Property:** 53.355 acres Anne Arundel County, Mallard Lane  
Tax Map 75, parcels 28 & 22, Legislative District 33B

**Grantor:** Patricia V. Melville

**Grantee:** Maryland Environmental Trust and Scenic Rivers Land Trust, Inc.

**Estimated Value:** \$475,446

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 7A (con't)  
MARYLAND ENVIRONMENTAL TRUST**

- 5. Property:** 28.4934 acres, Howard County, Ellicott City  
Tax map 29, parcel 303, parcel A, Lots 1, 3 and 4 and tax map 29, parcel 117,  
parcel 1, Legislative District 9A

**Grantors:** Gary B. Smith and Stacia K. Smith

**Grantees:** Maryland Environmental Trust and Howard County Land Trust, Inc.

**Estimated Value:** \$2,000,000

**Notes:**

(1) Estimated easement value is an MET estimate only. To estimate the easement value, MET multiplies the number of acres in the proposed easement by the average per-acre value of easements MET accepted in that county or region in the previous year. (The previous year's average per-acre value is derived by totaling the appraised values for MET easements in a region and dividing by the number of acres).

(2) MET has recorded conservation easements on 919 acres since January 2011. This Action preserves 473 acres. The total estimated value of the conservation easement in this Item is \$3,498,951.

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Board of Public Works Action: the above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion ✓

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 8A  
MARYLAND ENVIRONMENTAL TRUST**

Contact: Elizabeth Buxton  
ebuxton@dnr.state.md.us  
(410) 514-7900

**Recommendation:** That the Board of Public Works ratify the following donation of a perpetual conservation easement.

**Property:** 439.269 acres, Talbot County, Wye Heights Road  
Tax Map 10, Parcel 49, part of lot 2, Legislative District 37B

**Grantor:** Yorktown Farm LLC

**Grantee:** Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc.

**Background:** Reference is made to Secretary's Agenda Item 18.U (Dec. 12, 2007), in which the Board ratified a donation of a conservation easement to the Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc. by Winodee on Wye, LLC on a 122-acre property in Talbot County. That conservation easement was not completed or recorded. Reference is made to Secretary's Agenda Item 26 (Dec. 17, 2008) for the same 122-acre property wherein the Board ratified a donation of a conservation easement to the Maryland Environmental Trust and Eastern Shore Land Conservancy, Inc. by Yorktown Farm LLC. That 2008 conservation easement was not completed or recorded. MET now requests the Board to ratify changes to the prior-approved easement as follows:

- Add 317.269 acres to be covered by the conservation easement.
- Reserve four dwelling unit rights.
- Reserve one subdivision right of five acres for two of the permitted dwelling units.
- Require that the forest be managed according to a Forest Stewardship Plan.

**Estimated Value:** \$2,709,508

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 8A (con't)  
MARYLAND ENVIRONMENTAL TRUST**

**Notes:**

(1) Estimated easement value is an MET estimate only. To estimate the easement value, MET multiplies the number of acres in the proposed easement by the average per-acre value of easements MET accepted in that county or region in the previous year. (The previous year's average per-acre value is derived by totaling the appraised values for MET easements in a region and dividing by the number of acres).

(2) MET has recorded conservation easements on 919 acres since January 2011. This Action preserves 439 acres. The total estimated value of the conservation easement in this Item is \$2,709,508.

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Board of Public Works Action: the above referenced item was:

Approved

Disapproved

Deferred

Withdrawn

With Discussion

Without Discussion

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 9A  
MARYLAND ENVIRONMENTAL TRUST**

Contact: Elizabeth Buxton  
ebuxton@dnr.state.md.us  
(410) 514-7900

**Recommendation:** That the Board of Public Works ratify:

- (1) Maryland Environmental Trust's actions that did not comply with Board of Public Works approval;
- (2) Amendments to MET's original agreement with Summerseat Sanctuary (predecessor to current entity, Summerseat Farm, Inc.); and
- (3) Donation of a perpetual conservation easement as described.

**Property:** Summerseat Farm  
120.6 acres, St. Mary's County, Route 235 and Loveville Road  
Tax Map 14, Parcel 18, Legislative District 29A

**Reference:** Reference is made to Secretary's Agenda Item 13 (Sept. 19, 2001), in which the Board of Public Works approved Maryland Environmental Trust partially funding the acquisition in fee simple of the 128-acre Summerseat Farm in St. Mary's County by the Patuxent Tidewater Land Trust, Inc. (PTLT) in cooperation with Summerseat Sanctuary, Inc.

Specifically, the Board approved:

- \$250,000 reimbursable grant to PTLT from MET's Land Trust Grant Fund with the explicit understanding that the rest of the \$700,000 purchase price would be derived from: State bond bill (\$200,000); Community Development Corporation loan (\$195,000); and sale proceeds from resale of six of the 128 acres to the St. Mary's Animal Welfare League (\$55,000).
- 122 acres would be protected by Maryland Agricultural Land Preservation Foundation easement (the six acres sold to the Animal Welfare League would be protected by PTLT easement).
- Summerseat Sanctuary had two years to sell easement to MALPF; "if there is no sale to MALPF within two years, then Sanctuary donates an easement to MET within one more year."
- Sanctuary would reimburse MET for its grant with proceeds from the easement sale; however, "reimbursement in three years is required regardless of Sanctuary's success in selling an easement." By contract, the repayment was due September 2004.

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 9A (con't)  
MARYLAND ENVIRONMENTAL TRUST**

**Background:** As the transaction played out, this is what transpired:

- As to the \$700,000 purchase price, the \$195,000.00 Community Development Corporation loan was replaced by a \$225,000.00 loan from Maryland Bank and Trust Company.
- Without Board of Public Works approval, MET extended the time for Sanctuary to meet its contractual obligations until March 2005.
- A MALPF easement was not placed on the 122 acres.
- Summerseat conveyed six acres to the Animal Welfare League; however an easement was not placed on the six acres.
- Summerseat sold Transferrable Development Rights to St. Mary's County in 2005, 2006, and 2008. Proceeds from those sales were used to reimburse the MET grant. MET received final reimbursement in 2008.

**Agreement Amendments:**

MET seeks Board of Public Works approval to amend its agreement with Summerseat Farm, Inc. (successor to Summerseat Sanctuary) to:

1. Require that a 120.6-acre portion of the Summerseat property be protected with a conservation easement by December 31, 2011;
2. Remove the 6-acre portion of the Summerseat property from the conservation easement requirement (MET and PTLT find that this portion of the property now owned by the Animal Welfare League is not suitable for a conservation easement.)

**Conservation Easement Donation:**

MET recommends that the Board of Public Works ratify the following donation of a conservation easement:

*Grantor:* Summerseat Farm, Inc.

*Grantees:* Maryland Environmental Trust and Patuxent Tidewater Land Trust, Inc.

*Estimated Value:* \$794,754

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Board of Public Works Action: the above referenced item was:

**Approved**

Disapproved

Deferred

Withdrawn

With Discussion

**Without Discussion**



**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 10A  
PROGRAM OPEN SPACE**

Contact: Lisa Ward  
lward@dnr.state.md.us  
(410) 260-8450

**Recommendation:** That the Board of Public Works approve the following donation of a perpetual conservation easement to the Department of Natural Resources. This easement establishes a model as the first donated public access easement in the history of Program Open Space.

**Property:** 950 +/- acres, Talbot County, 22776 Bozman-Neavitt Rd, Bozman  
Tax Map 39, Parcel 9, Legislative District 37B

**Grantor:** Reinecke Fuchs, Inc. (site known as Point Pleasant Farm)

**Grantee:** Department of Natural Resources

**Project Description:** Acquisition of this 950 +/- acre donated perpetual conservation easement in Talbot County will protect valuable forest and farm land and maintain or establish over eight miles of riparian buffers to protect the water quality of the Choptank River, a tributary of the Chesapeake Bay.

All of the representative habitats of the coastal Chesapeake Bay are present on the Point Pleasant Farm peninsula. Existing wetlands and wetlands to be restored are embedded in a landscape consisting of forested wetlands, tidal emergent wetlands, non-tidal emergent wetlands, upland forests, grasslands and croplands, several vernal pools, two ponds, and eight miles of undeveloped shoreline. The 950 acres of rural land encompassing the Point Pleasant Farm project is an interdependent mosaic of migratory bird habitat. The upland forests provide habitat for neotropical migrant forest interior dwelling birds in addition to serving as habitat buffers providing seclusion for wetland nesters like the American black duck. Grasslands and croplands on the property provide foraging areas for grassland birds, shorebirds, and migratory waterfowl, especially Canada geese and tundra swans. Grassland nesters, including eastern meadowlark, northern bobwhite, field sparrow, and grasshopper sparrow are found in the extensive farm fields and hedgerows in spring and summer seasons.

Plant communities on the property consist of approximately 200 woody and herbaceous species, accounting for the ecological complexity and diversity of this quintessential Chesapeake Bay landscape. Due to the diversity of habitats, nearly 200 bird species frequent the property throughout the year. Resident fauna is comprised of nearly two dozen reptiles and amphibians, including spotted turtles, a state species of concern, as well as box turtles, which are declining throughout their range. Fifteen mammal species and a lively array of butterflies, dragonflies, and other insects crucial to the food web are found throughout the fields and forests of the farm. Tidal fringes and shallow water areas support fish, crabs, snails, shellfish, and invertebrates and small crustaceans that serve as food sources for waterfowl, waterbirds, and shorebirds.

**SUPPLEMENT A  
DEPARTMENT OF NATURAL RESOURCES REAL PROPERTY  
ACTION AGENDA**

**December 21, 2011**

**ITEM 10A (con't)  
PROGRAM OPEN SPACE**

**Public Access:** Reinecke Fuchs, Inc. is currently managing the Point Pleasant Farm peninsula for public hunting with the cooperation of the Department of Natural Resources Wildlife and Heritage Program. The easement donation will allow continued perpetual management of the property for public access for hunting as well as allowing for low impact outdoor activities such as: nature study, orienteering, fishing, hiking, kayaking, canoeing, horseback riding, and primitive camping.

**Conservation Values:**

- (1) Preserves land areas for outdoor recreation to serve the general public
- (2) Protects and safeguards natural fish, wildlife and plant habitats, and Chesapeake Bay water quality
- (3) Preserves open space for scenic enjoyment of general public
- (4) Pursuant to a clearly delineated federal, State, and local governmental conservation policy
- (5) Preserves historically important land areas and historic structures
- (6) Furthers goals of Tax-Property Article § 8-209
- (7) Furthers goals of Senate Joint Resolution 10 (2002)
- (8) In a Targeted Ecological Area

**Development Rights Extinguished:** All 44 future development rights

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Board of Public Works Action: the above referenced item was:

Approved ✓

Disapproved

Deferred

Withdrawn

With Discussion ✓

Without Discussion

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT**

**ITEM:** 1-S **Agency Contact:** Debbie Pecora  
410-767-4945  
debbie.pecora@dgs.state.md.us

**DEPARTMENT/PROGRAM:** Department of General Services (DGS)

**CONTRACT ID:** Child Care Services at the Annapolis and at  
Community Place Child Care Centers  
ADPICS #: 001B2400262

**CONTRACT DESCRIPTION:** Contract to provide child care services at the  
Annapolis Child Care Center, Tawes Complex, Annapolis Maryland and the Community Place  
Child Care Center in Crownsville, Maryland.

**AWARD:** Play and Learn Centers, Inc.  
Lutherville, MD

**TERM:** 1/1/2012 - 12/31/2015 (w/3 two-year  
renewal options)

**AMOUNT:** \$ 6,839,664 Est. (4 Years; Base Contract)  
\$ 3,419,832 Est. (2 Years; 1<sup>st</sup> Renewal Option)  
\$ 3,419,832 Est. (2 Years; 2<sup>nd</sup> Renewal Option)  
\$ 3,419,832 Est. (2 Years; 3<sup>rd</sup> Renewal Option)  
\$17,099,160 Est. Total (10 Years)

(The Estimated Revenue to the State from the  
“Weekly State Surcharge Fee” is \$877,104 for the four year base contract term or approximately  
\$219,276 per year. See Requesting Agency Remarks below.)

**PROCUREMENT METHOD:** Competitive Sealed Proposals

**BIDS OR PROPOSALS:** Only One Acceptable Offer Received

**MBE PARTICIPATION:** 4% (See Requesting Agency Remarks below)

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 1-S (Cont.)

**PERFORMANCE SECURITY:** None

**HIRING AGREEMENT ELIGIBLE:** Yes

**INCUMBENT:** Same

**REQUESTING AGENCY REMARKS:** A notice of the availability of the Request for Proposals (RFP) was advertised on *eMarylandMarketplace.com*. Copies of the solicitation notice were mailed directly to 22 prospective vendors, all of which are Maryland firms, and included five MBEs. A copy was also sent to the Governor's Office of Minority Affairs.

Three proposals were received in response to the RFP; however two proposals were determined not to be reasonably susceptible of being selected for award. The remaining proposal, from the incumbent, was determined to be reasonably susceptible of being selected for award. In addition, the Offeror was determined to be responsible, the financial offer was considered fair and reasonable. Therefore, award is recommended to Play and Learn Centers, Inc.

Play and Learn Centers, Inc. is located in Maryland and provides 40 jobs to the State. It has successfully been providing day care services for the Annapolis Child Care Center since 2002 and the Crownsville Center since 1991.

The Annapolis Child Care Center has sufficient space and equipment to accommodate 102 children and currently has a full time enrollment of 99 children. The Crownsville Center has sufficient space and equipment to accommodate up to 100 children and currently has a full time enrollment of 85 children.

The centers offer safe, high quality services that are affordable and convenient to State employees as well as to the general public. Children of State employees will be given first priority to receive services under this contract. The provider will bill the cost for these services directly to the parents.

The State provides the space for both Child Care Centers without charge for rent. In lieu of rent, however, the provider must charge an additional fee or "Weekly State Surcharge Fee" to the parents whose children are enrolled in the centers. This surcharge will be charged to both State employed and non-State employed parents, with preferential rates given to State-employed parents based on the amount of their household income.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 1-S (Cont.)

This contract will provide child care services as follows:

1. Crownsville Child Care Center:
  - Infants (0 - 18 mos.);
  - Toddlers (18 - 24 mos.);
  - Preschool (2 yrs. old);
  - Preschool (3 - 5 yrs. old);
  - Before School;
  - After School; and
  - Before and After School.
  
2. Annapolis Child Care Center:
  - Infants (0 - 18mos.);
  - Toddlers (18 - 24 mos.);
  - Preschool (2 yrs. old); and
  - Preschool (3 - 5 yrs. old).

The Contract Award Amount is estimated and reflects the weekly rates for projected childcare services for age levels from infant through school age for all four years of the base contract term and each two-year renewal option period. A cost price adjustment, as specified in the Contract, may be requested annually not-to-exceed 3% for any option year period. The State reserves the unilateral option to renew for three successive two-year renewal option terms.

A 20.1% MBE participation goal of the contract amount, excluding salaries and the State imposed surcharge fee (estimated to be \$3,419,831 for the total 10 years), was established for this contract based upon the limited subcontracting opportunities to provide food, janitorial services and educational materials.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 1-S (Cont.)

**FUND SOURCE:** 100% Special; (Cost of daycare paid by parents;  
Plus additional weekly surcharge fee)

**APPROP. CODE:** H00C0101

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2592-0110

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICE CONTRACT**

**ITEM:** 2-S **Agency Contact:** Robert Howells  
410-230-8789  
rhowells@msla.state.md.us

**DEPARTMENT/PROGRAM:** Maryland State Lottery Agency (MSLA)  
Creative Product Services Division

**CONTRACT ID:** 2011-14;  
MONOPOLY® Licensing Contract  
ADPICS NO. E75B240010

**CONTRACT DESCRIPTION:** Provide the Lottery with a license to use the marks/logos for “MONOPOLY®” and the respective Properties to be used for an Instant Ticket Game, related promotions, and supporting marketing materials and advertising.

**AWARD:** MDI Entertainment, LLC  
(a wholly owned subsidiary of  
Scientific Games International, Inc.)  
Alpharetta, GA

**TERM:** 12/22/2011 – 2/19/2014 (2.2 Years)

**AMOUNT:** \$246,600 NTE

**PROCUREMENT METHOD:** Sole Source

**BIDS OR PROPOSALS:** N/A

**MBE PARTICIPATION:** None (See Requesting Agency Remarks Below)

**PERFORMANCE SECURITY:** None

**INCUMBENT:** None

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 2-S (Cont.)

**REQUESTING AGENCY REMARKS:** The recommended Contractor is the exclusive licensor or sub-licensor to lotteries of the mark MONOPOLY® ("Mark") and the respective Property for the Mark, which are the subject of this contract. The Lottery desires to use this Mark and Property for an Instant Ticket Game and this licensing contract is necessary in order to obtain the rights to use them. The term "Property", as used herein, means the approved names, likenesses, characters, symbols, designs, visual representations, trademarks, logos, service marks, insignia, copyrights, patents, images and artwork associated with the Mark.

The Lottery anticipates producing an Instant Ticket Game using the MONOPOLY® Property that will have a quantity of 2,640,000 tickets, a \$5.00 price point and a total retail face value of \$13,200,000. The license fee is determined based on 1.8% of the retail face value, resulting in an estimated amount of \$237,600. The contract contains an allowance of plus/minus 100,000 tickets to allow for printing press variations, therefore the maximum ticket quantity could be as much as 2,740,000 resulting in a contract NTE amount of \$246,600. It is anticipated that the public sale of tickets will begin on or about February 21, 2012. The Contractor shall also develop and provide the use of a second chance promotional game for non-winning instant tickets.

No MBE participation goal was established for this sole source contract because it is for a licensing agreement only with no subcontracting opportunities available.

(Note: Production of the Instant Ticket Game, which will be accomplished and paid under the Lottery's "Instant Ticket Games and Related Services Contract #2006-01", is not included in the amount of this Licensing Contract.)



**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 2-S (Cont.)

**FUND SOURCE:** 100% Special (Lottery Proceeds)

**APPROP. CODE:** E75D0001

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2767-1111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT**

**ITEM:** 3-S **Agency Contact:** Patricia Tarpley  
410-768-7252  
ptarpley@mdot.state.md.us

**DEPARTMENT/PROGRAM:** Transportation (MDOT)  
Motor Vehicle Administration (MVA)

**CONTRACT ID:** V-HQ-12046-S;  
On-Call Equipment Maintenance and Service  
Agreement – Pitney Bowes Console Inserters and  
Attached Peripherals  
ADPICS NO.: J00B2400004

**CONTRACT DESCRIPTION:** Provide on-call equipment maintenance and  
services for the Pitney Bowes Console Inserters and Attached Peripherals Model/Serial  
Numbers: FL80 (0055419) and ZX0B (0096380).

**AWARD:** Pitney Bowes, Inc.  
Danbury, CT

**TERM:** 1/1/2012 – 12/31/2016

**AMOUNT:** \$450,636 (5 Years)

**PROCUREMENT METHOD:** Sole Source

**MBE PARTICIPATION:** None (See Requesting Agency Remarks below)

**BIDS OR PROPOSALS:** N/A

**PERFORMANCE SECURITY:** No

**INCUMBENT:** Same

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 3-S (Cont.)

**REQUESTING AGENCY REMARKS:** Request for approval of a five-year sole source contract for the maintenance of the Pitney Bowes mailroom equipment located at the Motor Vehicle Administration's (MVA) Glen Burnie Complex. MVA purchased this equipment off of the DGS Statewide Contract on 5/3/2005. Pitney Bowes is the manufacturer of the above-referenced equipment and the only authorized vendor to service this equipment. There are no other companies authorized to furnish the required maintenance and service.

It is imperative that these preventive maintenance and services continue in order to minimize disruptions of the normal operation within the MVA's mailroom. Therefore, a sole source contract with Pitney Bowes, per COMAR 21.05.05, is recommended for award as being in the best interest of the State to continue servicing and maintaining the proprietary equipment of the manufacturer.

The MVA's normal operation in the mailroom requires the use of the Flowmaster Console Inserters, and attached peripherals (postage accounting machine) to handle a high volume of mailings (Vehicle Registration Renewals, Drivers License Renewals, Titles, and Liens). This equipment can handle multiple inserts for up to seven envelopes at a time. The Postage Accounting Machine applies postage to internal and 23 Branch and Express Offices daily. This includes presort mail (which is discounted from regular class mail), first class regular, bulk, and certified mail. Normal every day use and heavy demand of the above equipment requires preventive maintenance and service to ensure continuous operations, as well as MVA's commitment to provide efficient and timely services to the citizens of Maryland.

No MBE participation goal was established for this contract based upon the proprietary nature of the services being provided and the single element of work; there were no subcontracting opportunities available.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 3-S (Cont.)

**FUND SOURCE:** 100% Special (Transportation Operating Funds)

**APPROPRIATION CODE:** J04E001

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2500-1111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT**

**ITEM:** 4-S **Agency Contact:** Beverly Hill  
410-537-1086  
bhill@mdta.state.md.us

**DEPARTMENT/PROGRAM:** Maryland Transportation Authority (MdTA)

**CONTRACT ID:** 20110002;  
Internal Audit Services  
ADPICS BPO NO. J01B2400010

**CONTRACT DESCRIPTION:** Provide internal audit services to assist the MdTA's Audit Committee, Executive Secretary, and the Office of Audits in its oversight responsibilities for the system of internal control, the audit process, governance, and the organization's process for monitoring compliance with laws and regulations.

**AWARD:** Thompson, Cobb, Bazilio, and Associates, PC  
(TCBA)  
Washington, DC

**TERM:** 1/6/2012 – 12/31/2016

**AMOUNT:** \$1,500,000 (5 Years)

**PROCUREMENT METHOD:** Competitive Sealed Proposals

**BIDS OR PROPOSALS:** See Attachment

**MBE PARTICIPATION:** 30% (See Requesting Agency Remarks below)

**PERFORMANCE SECURITY:** N/A

**INCUMBENT:** SB & Company, LLC  
Hunt Valley, MD

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 4-S (Cont.)

**REQUESTING AGENCY REMARKS:** A notice of the availability of the Request for Proposals (RFP) was advertised on *eMarylandMarketplace.com*. A copy was also sent to the Governor's Office of Minority Affairs.

Four proposals were received in response to the RFP, all of which were determined to be reasonably susceptible of being selected for award. Award is recommended to Thompson, Cobb, Bazilio, and Associates, PC (TCBA) as having the most advantageous offer to State with the lowest financial price and the second highest technical proposal. TCBA has extensive and appropriate experience in all criteria listed in the RFP, combined with their depth of qualified information technology related audit management experience, supplemented by its complimentary history with auditing engineering and construction contracts, and its experience with a similar toll facility agency. The slight technical differences between the #1 ranked technical offeror and TCBA did not offset the 17% difference in price of the two offerors. Therefore, TCBA was ranked #1 overall.

Additionally, TCBA's financial price is 9% less than the second lowest price offeror that was ranked technically #3. For perspective purposes, it is estimated that TCBA will be able to provide approximately 1,000 more hours of audit work than the #3 ranked offeror with the lowest financial price and approximately 2,000 more than the #2 ranked offeror with the #1 ranked technical proposal, during the contract term.

The financial price was based upon an evaluated computation that represents the five year total of the weighted hourly rates for 9 different labor classifications of work. The Award Amount, \$1.5M, is the estimated total amount of funds needed by MDTA for the five years. This is a fixed unit price (labor rate), indefinite quantity contract.

Under this contract critical expertise will be provided in the form of guidance and/or augmenting MDTA's existing audit staff in conducting internal audits and reviews. Also, the MDTA may task the firm to be fully responsible (planning, testing, and reporting) for conducting an assigned audit. The firm may be requested to assist with or to conduct financial, compliance, economy and efficiency, and program audits of the MDTA and its contractors.

In the event a task order is issued but not completed prior to the expiration date of the contract, the Contractor will continue with completion of the task order at no additional cost to the State. All terms, conditions and pricing shall remain the same and in full effect. The extension period may not exceed six months past the expiration date of the contract.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 4-S (Cont.)

A 29% MBE participation goal was established for this procurement; however, TCBA committed to a 30% MBE participation goal.

Maryland's reciprocal preference law does not apply because the District of Columbia, the jurisdiction in which the recommended awardee resides, does not have a preference for services within the district.

**FUND SOURCE:** 100% Special (Toll Revenue)

**APPROP. CODE:** N/A

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2620-0010

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 4-S (Cont.) **ATTACHMENT**

**BIDS OR PROPOSALS (Cont.):**

| <b>Offerors</b>   | <b>Technical Rank</b> | <b>Financial Price / Rank *</b> | <b>Overall Rank **</b> |
|---|-----------------------|---------------------------------|------------------------|
| Thompson, Cobb, Bazilio, and Associates, PC<br>Washington, DC | 2                     | \$646.58 / 1                    | 1                      |
| SB and Company, LLC<br>Hunt Valley, MD                        | 1                     | \$776.00 / 3                    | 2                      |
| Watkins Meegan,<br>Vienna, VA                                 | 3                     | \$708.40 / 2                    | 3                      |
| TG Associates, CPAs, PLLC<br>Hanover, MD                      | 4                     | \$800.00 / 4                    | 4                      |

Note: \* The financial price was based upon an evaluated computation that represents the five year total of the weighted hourly rates for 9 different labor classifications of work.

\*\* Technical factors and financial factors had equal weight in the overall award determination.



**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 5-S **Agency Contact:** Albert Annan  
410-767-0114  
aannan@msde.state.md.us

**DEPARTMENT/PROGRAM:** Education (MSDE)  
Certification & Accreditation

**CONTRACT ID:** Recruitment and Training of Principals  
ADPICS NO. R00B2400027

**DESCRIPTION:** Request for retroactive approval of a contract to provide recruitment, selection and training of highly motivated aspiring school teachers to become effective principals able to lead high-poverty/high-minority schools to success, particularly in closing the achievement gap.

**AWARD:** New Leaders, Inc.  
Baltimore, MD

**TERM:** 3/1/2011 - 9/30/2014

**AMOUNTS:** \$3,828,340 (3 Years; 7 Months)

**PROCUREMENT METHOD:** Sole Source

**BIDS OR PROPOSALS:** N/A

**MBE PARTICIPATION:** None (See Requesting Agency Remarks below)

**INCUMBENT:** None

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 5-S (Cont.)

**REQUESTING AGENCY REMARKS:** This sole source contract, funded through the federal Race to the Top (RTTT) grant, will enable New Leaders, Inc. (New Leaders for New Schools or NLNS) to recruit and train highly motivated and aspiring school teachers to be principals in order to increase the number and quality of measurably effective principals leading high-poverty/high-minority schools to success. Services include recruitment, selection and training of at least 40 aspiring school leaders in Baltimore City Public Schools (BCPS) and Prince Georges County Public Schools (PGCPS), bringing the total number of new principals trained through the NLNS Aspiring Principals Program to 140. Prior to this contract, 100 aspiring principals were trained by NLNS in the BCPS (60) and PGCPS (40) Systems.

The training program includes:

- Redesigning programs leading to necessary degrees and/or certification options for administrators;
- Incorporating elements of successful traditional administrative leadership development programs with private modular based programs whose key functions is to staff hard-to-lead challenged schools; and
- Implementing effective data driven decision-making practices that provide future administrators with tools to build a positive school/community culture that facilitates sustainable change.

This project was included and approved by the United States Department of Education (USDE) in MSDE's RTTT grant application. NLNS was selected through a competitive grant solicitation process. NLNS was one of four applicants for the project and was selected for the project because NLNS already has established nationally recognized principal training and certification program with BCPS and PGCPS targeted to high poverty/high minority school systems. Therefore, MSDE awarded RTTT funds to NLNS as a sub-grant to support and enhance that work through a Grant Award Agreement Memorandum of Understanding (MOU) on 3/1/2011.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 5-S (Cont.)

However, in a review by USDE on 6/11/2011, USDE discovered that the statute authorizing the RTTT grants does not contain a specific authorization for sub-grants to entities other than Local Education Agencies (LEAs). This discovery was made after USDE had advised states participating in RTTT to proceed with sub-grants to other such entities. Like other RTTT grantees nationwide, MSDE has awarded sub-grants to several entities to obtain services described in the RTTT grant application based on the initial direction provided by USDE.

In discussions with MSDE to seek resolution, USDE stated that, because the RTTT statute does not authorize sub-grants, an RTTT grantee must use only its procurement process, not its sub-grant process, to obtain goods and services from entities other than LEAs. MSDE's Assistant Attorney General (AAG) has opined that MSDE has entered into a Memorandum of Understanding (MOU) with NLNS and that such an MOU is clearly a contract. Thus, MSDE proposed a solution to USDE that it believes will solve the sub-grant problem. Specifically, the solution was to bring the MOU from the sub-grant category into the procurement category by converting the MOU into sole source contract following the rules applicable to a sole source procurement, including the approval of Board of Public Works (BPW). This solution was accepted by USDE.

Therefore, since this specific unique project was included in the RTTT grant and approved as part of the grant application, MSDE is requesting the BPW's consideration and retroactive approval of this sole source contract in order to bring it into compliance with the revised USDE funding RTTT requirements.

Until the belated USDE concern arose, MSDE had no reason to question its legal authority to sub-grant RTTT funds to non-profit entities, because sub-grants have been statutorily authorized in all the grant award statutes under which MSDE receives funding. (See 34 CFR Part 80 Subpart C.)

There was no MBE participation goal established for this sole source contract. This is a unique individualized professional development project for grooming aspiring individuals to become principals leading public schools and does not offer an opportunity for minority business enterprise participation goal. NLNS is a national, non-profit organization whose mission and goal is to ensure high school academic achievement for every student by attracting and rigorously training highly motivated individuals to lead schools as principals and by providing professional development resources.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 5-S (Cont.)

**FUND SOURCE:** 100% Federal (RTTT)

**APPROP. CODE:** R00A0101

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2763-0110

**DBM REMARKS:** Retroactive approval requested pursuant to 11-204(c) State Finance & Procurement Article.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT MODIFICATION**

**ITEM:** 6-S-MOD **Agency Contact:** Michael Priday, CPPB  
301-745-4373  
mriday@dhhm.state.md.us

**DEPARTMENT/PROGRAM:** Health & Mental Hygiene (DHMH)  
Western Maryland Hospital Center

**CONTRACT ID:** DHMH-OPASS #09-9905;  
Comprehensive Pharmacy Services  
ADPICS NO: M00B9200043/COE04873

**CONTRACT APPROVED:** 6/11/2008 DBM BPW Agenda Item 4-S

**CONTRACTOR:** Allied Pharmaceutical  
Rockville, MD

**CONTRACT DESCRIPTION:** The provision of medications and comprehensive pharmaceutical services for all residents at five Department facilities via a contract that is the consolidation of two regional contract awards to the same vendor.

**MODIFICATION DESCRIPTION:** Approval request to modify the contract to increase the available funding in order to continue pharmacy services for the Western Maryland Hospital Center through the end of the contract term.

**TERM OF ORIGINAL CONTRACT:** 7/1/2008 - 6/30/2013

**TERM OF MODIFICATION:** 1/1/2012 - 6/30/2013

**AMOUNT OF ORIGINAL CONTRACT:** \$1,523,215 (5 Years)

**AMOUNT OF MODIFICATION:** \$2,298,546 (1 ½ Years)

**PRIOR MODIFICATIONS/OPTIONS:** None

**REVISED TOTAL CONTRACT AMOUNT:** \$3,821,761

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 6-S-MOD (Cont.)

**OVERALL PERCENT +/- (THIS MOD):** +150.9%

**ORIGINAL PROCUREMENT METHOD:** Completive Sealed Bidding

**MBE PARTICIPATION:** None

**REQUESTING AGENCY REMARKS:** Request for approval to increase the available funding for the contract. The Western Maryland Hospital Center (WHMC), located in Hagerstown, Washington County, is an integral part of the health services system of the State of Maryland. WHMC is one of two regional chronic/long-term care hospital centers administered by the DHMH Family Health Administration (FHA). WHMC serves the residents of the State who require in-hospital treatment programs for their illness. WHMC has an average daily inpatient population of 90 patients and also provides services for the Renal Dialysis program with a census of 24 patients. WHMC is also accredited by the Joint Commission.

Allied Pharmaceutical provides pharmaceutical services to WHMC and ensures that the services of a licensed pharmacist are available seven days a week, 24 hours a day to provide all medications, including "STAT" and emergency pharmaceutical service requirements of the five inpatient areas and one outpatient area for all individuals served by WHMC.

Initially this contract was estimated to serve an Average Daily Population (ADP) of 12 patients. However, based upon a DHMH cost containment initiative the ADP increased from 12 to 25. This created an increase in the cost of pharmaceuticals. There is now insufficient funding on the original contract to pay for services through the end of the contract term.

The increase ADP meant an increased need for pharmaceuticals. Therefore, the current contract amount is not sufficient to cover the entire contract period. At this time, it is in the best interest of the State to modify this contract to increase the available funding to maintain pharmacy services at WHMC until the end of the contract term.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 6-S-MOD (Cont.)

**FUND SOURCE:** 100% General

**APPROP. CODE:** M00I0301

**RESIDENT BUSINESS:** Yes

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT MODIFICATION**

**ITEM:** 7-S-MOD **Agency Contact:** Audrey Regan  
410-767-3431  
aregan@dhhm.state.md.us

**DEPARTMENT/PROGRAM:** Health and Mental Hygiene (DHMH)  
Family Health Administration (FHA)  
Office of Chronic Disease Prevention  
(OCDP)

**CONTRACT ID:** DHMH OPASS NO. 10-10089-5;  
Behavioral Risk Factor Surveillance  
System (BRFSS)  
ADPICS No. COE04038

**CONTRACT APPROVED:** 11/18/2009 DBM BPW Agenda Item 1-S

**CONTRACTOR:** Abt, SRBI, Inc.  
Silver Spring, MD

**CONTRACT DESCRIPTION:** Perform Computer-Assisted Telephone  
Interviews (CATI) data collection, interviewer monitoring, quality control, and data processing  
activities for the Behavioral Risk Factor Surveillance System (BRFSS) survey.

**MODIFICATION DESCRIPTION:** Approval request to modify the contract to  
increase the number of land-line interviews from 8,800 to 11,000 for calendar years 2012 - 2014;  
increase the number of cell phone interviews from 250 to 660 for calendar years 2012 - 2014;  
and remove the mail surveys for calendar years 2011 - 2014.

**TERM OF ORIGINAL CONTRACT:** 12/1/2009 – 12/31/2014

**TERM OF MODIFICATION:** 1/1/2012 – 12/31/2014

**AMOUNT ORIGINAL CONTRACT:** \$2,174,532 Total (5 Years)

**AMOUNT OF MODIFICATION:** \$223,348 (3 Years)



**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 7-S-MOD (Cont.)

**PRIOR MODIFICATIONS/OPTIONS:** \$62,765 (See Attachment)  
**REVISED TOTAL CONTRACT AMOUNT:** \$2,460,645  
**PERCENT +/- (THIS MODIFICATION):** +10.3%  
**OVERALL PERCENT +/-:** +13.2%  
**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Proposals  
**MBE PARTICIPATION:** 20%

**REQUESTING AGENCY REMARKS:** Request for approval to modify the contract to (1) increase the number of land-line interviews from 8,800 to 11,000 for calendar years 2012 - 2014; (2) increase the number of cell phone interviews from 250 to 660 for calendar years 2012 - 2014; and (3) remove the mail surveys for calendar years 2011 through 2014.

The increase in the number of land-line interviews is needed in order to collect a large sample of responses to tobacco questions for the Maryland Tobacco Program. The larger sample is needed to calculate smoking prevalence at the county level. Along with the increase in the number of land-line interviews is a decrease in the rate per interview for each calendar year. The rate changes are as follows: CY2012 will decrease from \$38.50 to \$37.94; CY2013 will decrease from \$39.51 to \$39.08; and CY2014 will decrease from \$40.55 to \$40.25. This part of the modification is valued at \$246,642.

This Contract with Abt SRBI, Inc. allowed for 250 Cell Phone Interviews to be conducted as a pilot study for the first contract year only. However, the Centers for Disease Control (CDC) now requires a minimum sample of 660 cell phone interviews to be included in the Maryland BRFSS every year. Moreover, as described below, the CDC has now provided funding to permit 660 cell phone calls to be conducted during the remaining contract years. The CDC released an announcement of the availability of supplemental funds for the Maryland BRFSS. These funds provide an excellent opportunity to increase the cell phone sample since one in five USA residents don't have a landline phone and use only cell phones.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 7-S-MOD (Cont.)

Along with the increase in the number of cell phone interviews is a decrease in the rate per interview for each of these years, and it no longer includes the \$10 incentive offered to participants who take the cell phone interview. The rate changes are as follows: CY2012 will decrease from \$152.24 to \$108.61, CY2013 will decrease from \$156.81 to \$111.86; and CY2014 will decrease from \$161.51 to \$115.22. This part of the modification is valued at \$103,916.

The removal of the mail surveys for calendar years 2011 - 2014 is based upon the results of the pilot study conducted with mail surveys that proved not to have successful results. The pilot study showed that Maryland participants felt threaten by the fact that their home addresses were known and did not want their home privacy to be jeopardized. Therefore, the mail survey will not be used and focus is being made on increasing the telephone surveys for both land-lines and cell phones. This part of the modification is a reduction of \$127,210.

Abt SRBI, Inc. (Abt) has made great improvements to the services provided with this contract. There has been a 10% reduction in the number of complaints received from angry respondents compared to the previous contract. Abt has improved the Response Rate (RR) to an average of 57%, whereas during the previous ten years the RR averaged about 38%. The CDC requires all states to have a minimum RR of 40%, and Abt is well above the minimum.

The funding for the modification is 100% federal from the CDC Investigations & Technical Assistance (BRFSS) Federal Fund Income. However, the entire contract amount is split between General and Federal funds.

**FUND SOURCE:** 74% General; 26% Federal

**APPROP. CODE:** M00F0306

**RESIDENT BUSINESS:** Yes

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM: 7-S-MOD (Cont.) ATTACHMENT**

**PRIOR MODIFICATIONS/OPTIONS (Cont.):**

|        |                 |   |
|--------|-----------------|---|
| Mod #1 | \$17,670        | Modified the contract to add: (1) a H1N1 Influenza-Like Illness Module (additional 12 questions) for the period of 1/5/2010 – 3/31/2010 and (2) a Vaccine Uptake Module (additional 12 questions) for the period of 1/5/2010 – 6/30/2010.to the regular BRFSS survey. Approved by DHMH on 1/5/2010  |
| Mod #2 | (\$40,841)      | Modified the contract to: (1) add a H1N1 Influenza-Like Illness Module (additional 12 questions) for the period of 10/1/2010 – 3/31/2010 (an increase of \$14,017); (2) remove Mail Survey for Calendar Year (CY) 2010 (a decrease of \$29,520); (3) remove Asthma Call Back Survey for CY2011 (a decrease of \$25,338); and (4) established that the mail survey for CY2011 – CY2014 should be conducted during the period of July through December each year. Approved by DHMH on 8/9/2010. |
| Mod #3 | \$60,598        | Mod to conduct a total of 410 cell phone interviews, which are being funded by the Centers for Disease Control and Prevention (CDC). Approved on the 11/17/2010 DBM BPW Agenda, Item 8-S-MOD.   |
| Mod #4 | \$25,338        | Mod to add 600 Asthma Call Back interviews for the period of 2/1/2011 – 12/31/2011. Approved by DBM and reported on the February 2011 DBM PAAR.   |
| Total  | <u>\$62,765</u> |   |

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT MODIFICATION**

**ITEM:** 8-S-MOD **Agency Contact:** Sandy Johnson  
410-767-7408  
Sjohnso5@dhr.state.md.us

**DEPARTMENT/PROGRAM:** Department of Human Resources (DHR)  
Family Investment Administration (FIA)  
Disability Services Operations

**CONTRACT ID:** FIA/MRT-11-001 A5;  
Medical Review Team Services  
ADPICS: COE04919

**CONTRACT APPROVED:** 6/23/2010 DBM BPW Agenda Item 9-S

**CONTRACTOR:** Health Management Associates, Inc.  
Baltimore, MD

**CONTRACT DESCRIPTION:** Contract to manage and monitor the services of a Medical Review Team (MRT). The MRT will review medical evidence and provide the Maryland State Review Team (SRT) with Disability recommendations for persons applying for eligibility under the Aged, Blind and Disabled (ABD) Medical Assistance Program.

**MODIFICATION DESCRIPTION:** Approval request to extend the current MRT services contract by one month with five one-month renewal options in order to conduct a new procurement for MRT services and award a new contract.

**TERM OF ORIGINAL CONTRACT:** 7/1/2010 – 11/30/2010

**TERM OF MODIFICATION:** 1/1/2012 – 1/31/2012 (w/ 5 one-month renewal options)

**AMOUNT OF ORIGINAL CONTRACT:** \$441,533 (5 Months)

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 8-S-MOD (Cont.)

**AMOUNT OF MODIFICATION:** \$ 91,067 (1 Month; MOD)  
\$ 91,067 (1 Month; 1<sup>st</sup> Renewal Option)  
\$ 91,067 (1 Month; 2<sup>nd</sup> Renewal Option)  
\$ 91,067 (1 Month; 3<sup>rd</sup> Renewal Option)  
\$ 91,067 (1 Month; 4<sup>th</sup> Renewal Option)  
\$ 91,067 (1 Month; 5<sup>th</sup> Renewal Option)  
\$546,402 Total (6 Months)

**PRIOR MODIFICATIONS/OPTIONS:** \$1,142,408 (See Attachment)

**REVISED TOTAL CONTRACT AMOUNT:** \$2,130,343

**PERCENT +/- (THIS MODIFICATION):** +123.8%

**OVERALL PERCENT +/-:** +378.4%

**ORIGINAL PROCUREMENT METHOD:** Sole Source

**MBE PARTICIPATION:** None

**REQUESTING AGENCY REMARKS:** Request for approval to extend the current Medical Review Team (MRT) Services for one month in order to continue the services without interruption, of a MRT to make disability recommendations to the State Review Team (SRT) in accordance with Social Security Administration's (SSA) Sequential Evaluation Process, as mandated at the 20 Code of Federal Regulations (CFR) Part 416, Subpart I, and to allow time to re-solicit a procurement for MRT services.

The original solicitation for MRT services was incorporated within the Department of Budget and Management's (DBM) Request for Proposals (RFP) for Statewide Medical Director & Occupational Medical Services, published on 8/16/2010. The incumbent HMA, and sole Offeror, submitted a response almost two hours after the required proposal submission time which had to be rejected.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 8-S-MOD (Cont.)

DHR subsequently re-solicited for MRT services under a new RFP on 1/27/2011. The Department received one proposal in response to the solicitation that exceeded the funds budgeted for these services. Although two best and final offers (BAFO) were requested (one on 3/28/2011 and the second on 4/11/2011), both of which revised the scope of services, the second BAFO also exceeded the DHR's budgeted amount. The single proposal was rejected on 7/14/2011, per COMAR 21.06.02.03.C (g).

DHR revised the scope of services further in order to obtain a contract that will meet the Department's allotted budget for these services and issued a new solicitation for services as an Invitation for Bids on 11/9/2011. The one month modification and five one-month renewal options will allow DHR time to complete the new procurement. If the same results are netted as the previous solicitation, the five one-month options will be exercised, as needed, to continue services while DHR explores other options regarding the provision of MRT services.

Health Management Associates, Inc. (HMA) is the sole source provider due to their expert knowledge in both State and Federal disability determination regulations and documentation requirements. This Contractor is prepared to continue MRT services without interruption of services. The MRT network physicians are trained by HMA to apply the following two steps of the Social Security Administration's five-step sequential evaluation process for determining disability:

- Step 2 – What is the most that an individual can do despite the limitations of the impairments(s)?
- Step 3 – Does the individual's impairment(s) prevent the performance of past relevant work?

Customers benefit when the recommendation of the MRT physician is that they are disabled for at least 12 months. If determined disabled the customer is eligible to receive federal Medical Assistance through DHR. In addition, the State is mandated by federal and State law to provide a disability determination for all individuals applying for Medical Assistance as a blind or disabled person.

It is in the best interest of the State to approve this modification. HMA has the capability to maintain the continuity of MRT services essential for the State Review Team to remain in compliance with federal mandates for determining disability.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 8-S-MOD (Cont.)

**FUND SOURCE:** 50% General; 50% Federal

**APPROP. CODE:** N00I0004

**RESIDENT BUSINESS:** Yes

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 8-S-MOD (Cont.) ATTACHMENT

**PRIOR MODIFICATIONS/OPTIONS (Cont):**

|        |                    |   |
|--------|--------------------|---|
| Mod #1 | \$441,533          | Extended the contract for an additional five months from 12/1/2010 to 4/30/2011 to allow adequate time to complete a new procurement and award a new contract. The original solicitation was incorporated within DBM's RFP for Statewide Medical Director & Occupational Medical Services, published on August 16, 2010. Approved on the 11/17/2010 DBM BPW Agenda, Item 7-S-MOD. |
| Mod #2 | \$44,500           | Modified the contract for eighteen days from 5/1/2011 to 5/18/2011 to continue providing federally mandated MRT services in order to allow the Department to complete the procurement process. Approved by DHR.   |
| Mod #3 | \$50,000           | Modified the contract for a period of one month from 5/19/2011 to 6/17/2011 as a bridge extension in order to bring this new modification extension to the BPW for approval. Approved by DBM.   |
| Mod #4 | \$606,375          | Modified the contract for a period of six months and 13 days from 6/18/11 to 12/31/11 to continue providing federally mandated MRT services in order to allow adequate time to complete a new procurement and award a new contract. Approved on the 6/15/2011 DBM BPW Agenda, Item 16-S-MOD.  |
| Total  | <u>\$1,142,408</u> |   |



**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT MODIFICATION**

**ITEM:** 9-S-MOD **Agency Contact:** Beverly Hill  
410-537-1086  
bhill@mdta.state.md.us

**DEPARTMENT/PROGRAM:** Maryland Transportation Authority (MdTA)

**CONTRACT ID:** 10832169;  
Review & Compilation, Internal Audit  
Consultation & Internal Audit Services  
ADPICS CO NO. COE05292

**CONTRACT APPROVED:** 9/10/2008 DBM BPW Agenda Item 4-S

**CONTRACTORS:** SC & H Group, LLC  
Sparks, MD  
  
SB & Company, LLC  
Hunt Valley, MD  
(Maryland Certified MBE)

**CONTRACT DESCRIPTION:** Multiple award contracts to provide  
expertise in critical areas by giving guidance and/or by augmenting existing staff in conducting  
audits.

**MODIFICATION DESCRIPTION:** Approval request to increase the available  
funding in order to continue services through the end of the contract.

**TERM OF ORIGINAL CONTRACT:** 10/1/2008 – 9/30/2013

**TERM OF MODIFICATION:** 1/1/2012 – 9/30/2013

**AMOUNT OF ORIGINAL CONTRACT:** \$2,500,000 (5 Years)

**AMOUNT OF MODIFICATION:** \$300,000 (1 Year; 9 Months)

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 9-S-MOD (Cont.)

**PRIOR MODIFICATIONS/OPTIONS:** None  
**REVISED TOTAL CONTRACT AMOUNT:** \$2,800,000  
**OVERALL PERCENT +/- (THIS MOD):** +12.0%  
**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Proposals  
**MBE PARTICIPATION:** 25%

**REQUESTING AGENCY REMARKS:** Request for approval to increase the available funding due to a greater need for the contract services than originally anticipated. As of 8/31/2011, a total of \$2,244,350 has been paid to the Contractors for services provided. That leaves only \$2,556.50 of approved funding available, which would cover services through May 2012.

It is in the best interest of the State to approve this modification in order for MdTA to continue these vital financial management and consulting services.

The MdTA Division of Finance utilizes SC & H Group to perform a wide array of financial and consulting services. During the contract term, some of the services provided have included reorganizing financial databases within the accounting system, evaluating operating procedures (e.g., identifying weaknesses and inefficiencies), drafting new standard operating procedures, building acceptable capital asset records to conform with "Governmental Accounting Standards Board (GASB)-34" and establishing procedures and reconciliations for ongoing capital projects. While this list is by no means exhaustive, in each task assigned to SC & H Group, MdTA has been satisfied with the work performed and the final deliverables produced. The SC & H Group team operates in a professional manner, is timely with the submission of work assignments, and keeps MdTA Finance management abreast of any issues or concerns. The SC & H Group team is always readily available to provide their assistance when needed to accomplish the task at hand, including working late and weekends. The firm has provided a consistent team of experienced professionals to assist MdTA in accomplishing its goals.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 9-S-MOD (Cont.)

The MdTA Office of Audits utilizes SB & Company to conduct selected internal audits in its annual audit plan or to provide professional audit staff to augment its audit staff in conducting internal audits. Since September 2008, SB & Company has satisfactorily conducted ten audits in which it was responsible for the planning, testing, and reporting. The firm also provided adequate professional staff to augment MdTA staff for six audits. Overall, SB & Company has operated in a professional manner, completed tasks according to requests within the required time frames, and was a valuable resource in meeting MdTA goals and objectives.

**FUND SOURCE:** 100% Special (Toll Revenue)

**APPROP. CODE:** N/A

**RESIDENT BUSINESSES:** Yes for both

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**GENERAL MISCELLANEOUS**

**ITEM:** 10-GM **Agency Contact:** Karl A. Pothier  
410-230-3135  
PothierK@djs.state.md.us

**DEPARTMENT:** Public Safety and Correctional Services (DPSCS)

**AMOUNT OF REQUEST:** \$60,411

**DESCRIPTION:** Request for approval, pursuant to Maryland Annotated Code, State Government Article §12-404 and §12-405, to pay a \$60,411 judgment against the Department of Public Safety and Correctional Services (DPSCS) in an action under the judicial review provision of the Public Information Act captioned *Richard L. Massey, Jr. v. DPSCS* (Circuit Court for Allegany County Case No. 01-C-02-020975). The judgment is the sum the court concluded, under the governing statute, was the “reasonable counsel fees and other litigation costs reasonably incurred” by Plaintiff’s attorneys over the course of the lengthy litigation.

**FUND SOURCE:** 100% General

**APPROP. CODE:** Q00A01

**REQUESTING AGENCY REMARKS:** The Office of the Attorney General recommends approval of payment of the judgment because it would fully and finally resolve all outstanding issues in the case, which is presently pending in the Court of Special Appeals.

If payment of the judgment is approved, a check in the amount of \$44,388.00 should be made payable to “Public Justice Center”, and a check in the amount of \$16,023.00 should be made payable to “American Civil Liberties Union Foundation of Maryland”. Both checks should be mailed to Karl A. Pothier, Assistant Attorney General, 120 West Fayette Street, Baltimore, Maryland 21201 for distribution.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA

SERVICES CONTRACT

**ITEM:** 11-S **Agency Contact:** Joselyn Hopkins  
410-339-5013  
jmhopkins@dpscs.state.md.us

**DEPARTMENT/PROGRAM:** Public Safety & Correctional Services (DPSCS)  
Office of Inmate Health Services  
Inmate Health Care Program

**CONTRACT ID:** DPSCS Q0012015;  
Inmate Pharmacy Services  
ADPICS No. Q00B2400081

**CONTRACT DESCRIPTION:** Provide statewide pharmacy services for inmates in the custody of the Department of Public Safety and Correctional Services.

**AWARDS:** Diamond Pharmacy Services  
Indiana, PA

**TERM:** 1/1/2012 – 06/30/2017

**AMOUNT:** \$120,000,000 Est. (5 Years)

**PROCUREMENT METHOD:** Competitive Sealed Proposals

**BIDS OR PROPOSALS:** See Attachment

**MBE PARTICIPATION:** 3% (20% of the Total Contract Value, Excluding Drug Costs & Medical Supplies) (See Requesting Agency Remarks below)

**INCUMBENT:** Correct Rx Pharmacy Services  
Linthicum, MD

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 11-S (Cont.)

**REQUESTING AGENCY REMARKS:** A notice of the availability of the Request for Proposals (RFP) was advertised on *eMarylandMarketplace.com* and the DPSCS and DBM websites. Copies of the solicitation notice were emailed directly to 10 prospective vendors, two of which are Maryland firms, and one is an MBE. A copy was also sent to the Governor's Office of Minority Affairs.

Six proposals were received in response to the RFP, all of which were determined to be reasonably susceptible of being selected for award. Award is recommended to Diamond Pharmacy Services ("Diamond"). Diamond was ranked overall #1 with the second highest technical offer and the third lowest price. The RFP provided that technical factors be given equal weight with financial factors in the overall award determination.

Although Diamond's price exceeded the two lowest-priced proposals, Diamond's price was more than 20% less than the price of the highest-ranked technical offeror. Diamond's proposal was ranked #2 technically, but was very close to the highest ranked offeror in the technical ranking and Diamond has extensive experience with large-scale inmate pharmacy services contracts including numerous State correctional institution contracts. Diamond, through its technical proposal, oral discussion, and responses to cure letters, thoroughly demonstrated its ability to handle the State of Maryland's inmate pharmacy services requirements.

This contract will provide inmate pharmacy services within the confines of specified correctional institutions of the Maryland Division of Correction, the Patuxent Institution, and the Maryland Division of Pretrial Detention and Services. These services are part of the DPSCS multi-vendor inmate health care model, with separate contractors providing medical care, mental health care, pharmacy/pharmaceutical services, and dental services. The selected Contractor is to provide all pharmaceuticals, packaging, delivery, pharmacy services and staff related to the pharmacy services component of the total inmate health care program. Remuneration to the Contractor shall be based on: (a) reimbursement of the Acquisition Cost, as defined in the RFP, for legend (prescription) and non-legend (over-the-counter) drugs and medical supplies, minus the Contractor's proposed discounts; and (b) payment of a fixed annual administration fee (divided into twelve monthly installments) for each respective year of the Contract for drug delivery, on-site clinical pharmacists, emergency/stat order surcharges, and overhead and profit.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM: 11-S (Cont.)**

The Department's current contract for inmate pharmacy services expires December 31, 2011. The provider under the Department's current contract is Correct Rx, based in Linthicum, MD. The Contractor selected for award under this RFP is to provide inmate pharmacy services through June 30, 2017. Transition and start-up implementation services are to begin as soon as possible after approval of the Contract by the Board of Public Works, and actual Contract Commencement will begin as of the date contained in a Notice to Proceed issued to the Contractor, which will be not less than 60 days after contract award.

The *Award Amount* above is the total estimated cost to the State taking into account projected increases over all five years of the contract term. As the inmate population and drug prices will fluctuate, with new brand drugs entering the market and older drugs going off patent and becoming generic, and drugs with low volume usage that were not included in the pricing model, it is impossible to project an exact contract amount. Therefore, the requested award amount is higher than the recommended awardee's financial offer price, to allow for such fluctuations.

The *Financial Offer Price* is based upon a financial model to allow for proper comparison between offerors, as shown in the Attachment. The RFP financial model used DPSCS historic drug utilization data, and allowed offerors to propose discounts for both brand and generic drugs. Service fees were divided into delivery, staffing, emergency/stat order surcharges, and overhead and profit.

The MBE Participation goal was established at 20% of the total value of the contract, excluding the cost of pharmaceutical drugs (legend or non-legend) and medical supplies, which equates to 3% of the total \$120M Award Amount. The Contractor has committed to meet the full MBE subcontracting goal by utilizing MBE subcontractors to provide staffing and leasing of office space.

**SUPPLEMENT B**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**ITEM: 11-S (Cont.)**

The incumbent for this contract, Correct Rx, filed a protest of the solicitation on December 21, 2010. This protest was in addition to protests filed by the incumbent against the previous DPSCS procurement in October and November 2010 for the same general purpose, contesting the cancellation of the solicitation issued in January 2010 and seeking the reinstatement of an award from that procurement. The first two protests were denied by DPSCS in November 2010. In November, Correct Rx appealed these denials to the Maryland State Board of Contract Appeals (MSBCA). A hearing before the MSBCA was scheduled for May 11, 2011; however, on that date Correct Rx withdrew its appeal and the MSBCA dismissed the appeal with prejudice on May 11, 2011. Since the December 21<sup>st</sup> protest was essentially on the same grounds as the appeal that had been withdrawn, the Department anticipated that this protest would also be withdrawn, however it was not. On July 29, 2011, the Department issued a Final Decision denying this protest. The incumbent appealed the Department's Final Decision on August 8, 2011. At this time, a hearing has not been scheduled for this appeal.

In addition, on February 17, 2011 the incumbent filed a "letter of concern" regarding the solicitation. This letter included the statement, "This letter is not a protest of improprieties in the solicitation". On March 9, 2011, the incumbent filed a second letter that was described as being a supplement to the February 17<sup>th</sup> letter. This March 9<sup>th</sup> letter also stated that the incumbent reserved the right to file a protest in the future. However, no additional correspondence identified as a protest or otherwise, was received from the incumbent prior to the receipt of proposals in September 2011. The Department carefully considered the content of these letters and issued amendments to the RFP on June 9, 2011 and August 25, 2011 specifically addressing the concerns that were determined to be valid. On September 15, 2011, Correct Rx requested official responses to the letters of concern. The Department deemed it advisable to treat both of the letters as protests, despite the fact that the letters stated otherwise. The above chronology accounts for the six-month time period between the filing of the "protests" and the Department's issuance of the Final Decision. The Procurement Officer treated these complaints related to the solicitation as protests and upheld in part (the portions included in the June 9<sup>th</sup> and August 25 amendments) and denied in part (the portions not included in RFP amendments), both of them in a Final Decision dated September 19, 2011. The incumbent appealed the September 19, 2011 Final Decision on September 29, 2011. At this time, a hearing has not been scheduled for this appeal.

The Department notified the non-selected offerors of the recommended award to Diamond on December 1, 2011; on December 8, 2011 Correct Rx protested the recommended award.



**SUPPLEMENT B**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**ITEM:** 11-S (Cont.)

On December 19, 2011, Correct Rx filed an additional protest based upon information provided to it in its debriefing held on December 12<sup>th</sup>. Moreover, on December 19, 2011 a protest was also received from Omnicare Pharmacies of Maryland also based upon information it was provided at its December 12<sup>th</sup> debriefing. The responses denying these three protests are still being drafted. Thereafter the incumbent and Omnicare may appeal that denial.

The Department requests approval of the requested award notwithstanding the protests and appeals in order to protect substantial State interests. The substantial State interest involved is the total savings of approximately \$24 million by awarding to Diamond rather than Correct Rx, nearly \$5 million of which will be saved in FY 2013. A savings of almost \$24 million will permit the funding of many services enhancing the health and welfare of Maryland citizens that otherwise would not be affordable.

By approving this item, per COMAR 21.10.02.11.A, the Board of Public Works will be deemed to specifically find that execution of the contract without delay is necessary to protect substantial State interests and it will specifically be doing so notwithstanding protest by the incumbent, Correct Rx, about not being awarded the new contract.

A companion item on this agenda, 12-S-MOD, is requesting approval of up to a six month extension with Correct Rx to allow time for a seamless transition to Diamond.

**FUND SOURCE:** 100% General  
**APPROP. CODE:** Various  
**RESIDENT BUSINESS:** No  
**MD TAX CLEARANCE:** 11-2888-0000

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Board of Public Works Action - The above referenced Item was:

APPROVED      DISAPPROVED      **DEFERRED** ✓      WITHDRAWN  
**WITH DISCUSSION** ✓      WITHOUT DISCUSSION

SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA

ITEM: 11-S (Cont.) ATTACHMENT

BIDS OR PROPOSALS (Cont.):

| <u>Offerors</u>   | <u>Technical Rank</u> | <u>Financial Offer (Rank)*</u> | <u>Overall Rank**</u> |
|---|-----------------------|--------------------------------|-----------------------|
| Diamond Pharmacy Services<br>Indiana, PA                  | 2                     | \$105,026,161.39 (3)           | 1                     |
| BosWell Pharmacy Services<br>Jennerstown, PA              | 3                     | \$103,763,230.51 (1)           | 2                     |
| Correct Rx Pharmacy Services<br>Linthicum, MD             | 1                     | \$128,992,862.31 (5)           | 3                     |
| Omnicare Pharmacies of Maryland<br>Annapolis Junction, MD | 5                     | \$103,777,071.76 (2)           | 4                     |
| Corizon – PharmaCorr<br>St. Louis, MO                     | 4                     | \$107,780,464.88 (4)           | 5                     |
| Health Direct – Kinney Drugs<br>Syracuse, NY              | 6                     | \$144,612,142.28 (6)           | 6                     |

Note: \* The Financial Offer is based upon a model of pharmacy services fees and historic pharmaceutical usage by the Department.

\*\* Financial factors received equal weight with Technical factors in the overall award determination.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**SERVICES CONTRACT MODIFICATION**

**ITEM:** 12-S-MOD **Agency Contact:** Joselyn Hopkins  
410-339-5013  
jmhopkins@dpscs.state.md.us

**DEPARTMENT/PROGRAM:** Public Safety & Correctional Services  
(DPSCS) Office of Inmate Health Services  
Pharmacy Program

**CONTRACT ID:** Q0005057D – Mod #11;  
Inmate Health Care Services –  
Inmate Pharmacy Program  
ADPICS No. COE08765

**CONTRACTS APPROVED:** 6/1/2005 DBM BPW Agenda Items 17-S

**CONTRACTOR:** Correct Rx Pharmacy Services, Inc.  
Linthicum, MD

**CONTRACT DESCRIPTION:** Contract to implement statewide pharmacy  
services for inmates in the custody of the Department of Public Safety and Correctional Services.

**MODIFICATION DESCRIPTION:** Approval request to extend the contract for  
up to a period of six months with the ability to terminate without liability to the Department upon  
no less than 90 days notice after the award of a new contract for this service. The no less than 90  
days notice of termination will permit a seamless transition to a new contractor.

**TERM OF ORIGINAL CONTRACT:** 6/2/2005 – 6/30/2007 (w/3 one-year  
renewal options)

**TERM OF MODIFICATION:** 1/1/2012 – 6/30/2012

**AMOUNT OF ORIGINAL CONTRACT:** \$31,958,458 (2 Years)

**AMOUNT OF MODIFICATION:** \$16,580,000 NTE (6 Months)

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM:** 12-S-MOD (Cont.)

**PRIOR MODIFICATIONS/OPTIONS:** \$140,694,129 (See Attachment)

**REVISED CONTRACT AMOUNT:** \$189,232,587 NTE

**PERCENT +/- (THIS MODIFICATION):** +51.9%

**OVERALL PERCENT +/-:** +243.6%

**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Proposals

**MBE PARTICIPATION:** 100% (Contractor is a MD Certified MBE)  
4.5% Subcontracting Goal (20% of the Total  
Contract Value with the exclusion of the  
price for pharmaceuticals)

**REQUESTING AGENCY REMARKS:** Request for approval to extend the contract by six months with the ability to terminate without liability to the Department upon no less than 90 days notice after the award of a new contract for this service. The no less than 90 days notice of termination will permit a seamless transition to a new contractor.

The incumbent for this contract, Correct Rx, filed a protest of the solicitation for a new contract for this service on December 21, 2010. This protest was in addition to protests filed by the incumbent against the previous DPSCS procurement in October and November 2010 for the same general purpose, contesting the cancellation of the solicitation issued in January 2010 and seeking the reinstatement of an award from that procurement. The first two protests were denied by DPSCS in November 2010. In November 2010, Correct Rx appealed these denials to the Maryland State Board of Contract Appeals (MSBCA). A hearing before the MSBCA was scheduled for May 11, 2011; however, on that date Correct Rx withdrew its appeal and the MSBCA dismissed the appeal with prejudice, meaning it could not be reinstated. Since the December 21<sup>st</sup> protest was essentially on the same grounds as the appeal that was withdrawn on May 11, 2011, the Department anticipated that this December 21<sup>st</sup> protest would also be withdrawn, however it was not. On July 29, 2011, the Department issued a Final Decision denying this protest. The incumbent appealed the Department's Final Decision on August 8, 2011. At this time, a hearing has not been scheduled for this appeal.

**SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA**

**ITEM: 12-S-MOD (Cont.)**

In addition, on February 17, 2011 the incumbent filed a "letter of concern" regarding the solicitation. This letter included the statement, "This letter is not a protest of improprieties in the solicitation." On March 9, 2011, the incumbent filed a second letter that was described as being a supplement to the February 17<sup>th</sup> letter. This March 9<sup>th</sup> letter also stated that the incumbent reserved the right to file a protest in the future. However, no additional correspondence identified as a protest was received from the incumbent prior to the receipt of proposals in September 2011. The Department carefully considered the content of these letters and issued amendments to the RFP on June 9, 2011 and August 25, 2011 specifically addressing the concerns that were determined to be valid. On September 15, 2011, Correct Rx requested official responses to the letters of concern. The Department deemed it advisable to treat both of the letters as protests, despite the fact that the letters stated otherwise. The above chronology accounts for the six-month time period between the filing of the "protests" and the Department's issuance of the Final Decision. The Procurement Officer treated these complaints related to the solicitation as protests and upheld in part (the portions included in the June 9<sup>th</sup> and August 25 amendments) and denied in part (the portions not included in RFP amendments), both of them in a Final Decision dated September 19, 2011. The incumbent appealed the September 19, 2011 Final Decision on September 29, 2011. At this time, a hearing has not been scheduled for this appeal.

On December 1, 2011, the Department notified Correct Rx and the other non-selected offerors of the recommended award of a new contract for this service to an offeror other than Correct Rx. On December 8, 2011 Correct Rx protested the recommended award. On December 19, 2011, Correct Rx filed an additional protest based upon information provided to it in its debriefing held on December 12<sup>th</sup>. The responses denying these two protests are still being drafted. Thereafter the incumbent may appeal the denials.

A new contract award recommendation was submitted to the Board of Public Works (BPW) for approval, notwithstanding protest as Item 11-S on this agenda. If the BPW approves the award of the new contract, this modification is needed to permit a seamless transition to the new contractor. If the BPW does not approve the award of the new contract, this modification is needed to allow time for the protest/appeal process.

SUPPLEMENT B  
DEPARTMENT OF BUDGET AND MANAGEMENT  
ACTION AGENDA

ITEM: 12-S-MOD (Cont.)

FUND SOURCE: 100% General

APPROP. CODE: Various

RESIDENT BUSINESS: Yes

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Board of Public Works Action - The above referenced Item was:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN ✓

WITH DISCUSSION ✓

WITHOUT DISCUSSION

**SUPPLEMENT B**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**ITEM:** 12-S-MOD (Cont.) **ATTACHMENT**

**PRIOR OPTIONS/MODIFICATIONS (Cont.):**

|           |              |   |
|-----------|--------------|---|
| Mod #1    | N/A          | Mod for Contract Q0005057B only to make changes in staffing Patterns and rates of compensation for mental health providers in the mental health contract module for the period of 7/1/2005 - 6/30/2007. DBM Agenda Item 12-S-MOD (6/11/2008). |
| Mod #2    | \$0          | Mod to clarify portions of the Statement of Work in a non-material change and issue a not to exceed amount for the period of 7/1/2006 - 6/30/2007. Approved by DPSCS.   |
| Mod #3    | \$7,804,432  | Mod to clarify portions of the Statement of Work & to increase the original amount of the not to exceed limits for the period of 5/12/2007 - 6/30/2007. DBM Agenda Item 26-S-MOD (6/6/2007).  |
| Option #1 | \$24,131,340 | Exercised the first Renewal Option as contained in the original contract for one year for the period of 7/1/2007 - 6/30/2008. DBM Agenda Item 26-S-MOD (6/6/2007).  |
| Mod #4    | \$0          | Mod to clarify portions of the Statement of Work in a non-material change and issue a not to exceed amount for the period 7/1/2007 - 6/30/2008. Approved by DPSCS.  |
| Mod #5    | \$1,950,000  | Mod to clarify portions of the Statement of Work in a non-material change & to increase the not to exceed amount for the period 6/1/2008 - 6/30/2008. DBM Agenda Item 9-S-MOD (7/16/2008).  |

**SUPPLEMENT B**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**ITEM:** 12-S-MOD (Cont.) **ATTACHMENT**

**PRIOR OPTIONS/MODIFICATIONS (Cont.):**

|           |              |   |
|-----------|--------------|---|
| Option #2 | \$27,219,572 | Exercised the 2nd Renewal Option as contained in the original contract for one year for the period of 7/1/2008 - 6/30/2009. DBM Agenda Item 14-S-OPTION (6/11/2008).  |
| Mod #6    | \$1,096,685  | Mod to clarify portions of the Statement of Work in a non-material change and increase the not to exceed amount for the period 6/17/2009 - 6/30/2009. DBM Agenda Item 15-S-MOD (6/17/2009).                               |
| Option #3 | \$28,063,380 | Exercised the 3rd Renewal Option as contained in the original contract for one year for the period of 7/1/2009 - 6/30/2010. DBM Agenda Item 15-S-MOD (6/17/2009).   |
| Mod #7    | \$16,251,255 | Mod to extend the current contract by six months for the period of 7/1/2010 to 12/31/2010. DBM Agenda Item 24-S-MOD (6/23/2010).  |
| Mod #8    | \$1,722,669  | Mod to increase the not-to-exceed amounts of the contract in order to continue the existing services through the end of the contract term for the period of 12/1/2010 – 12/31/2010. DBM Agenda Item 11-S-MOD (12/1/2010). |
| Mod #9    | \$18,454,796 | Mod to extend the contract for a period of six months in order to complete a new procurement for inmate pharmacy services for the period of 1/1/2011 - 6/30/2011. DBM Agenda Item 9-S-MOD (12/15/2010).                   |



**SUPPLEMENT B**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
**ACTION AGENDA**

**ITEM:** 12-S-MOD (Cont.) **ATTACHMENT**

**PRIOR OPTIONS/MODIFICATIONS (Cont.):**

|         |            |   |
|---------|------------|---|
| Mod #10 | 14,000,000 | Mod to extend the contract for a period of six months in order to complete a new procurement for inmate pharmacy services for the period of 7/1/2011 - 12/31/2011. DBM Agenda Item 14-S-MOD (6/1/2011). |
|---------|------------|---|

|       |                      |  |
|-------|----------------------|--|
| Total | <u>\$140,694,129</u> |  |
|-------|----------------------|--|

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**CONSTRUCTION CONTRACT MODIFICATION**

**ITEM:** 1-C MOD

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:**

University of Maryland, Baltimore for  
University of Maryland, Baltimore County

**CONTRACT ID:**

Construction Management at Risk Services for the  
Terrace & Hillside Apartment Renovations and Community Ctr  
RFP 10-128 AF

**CONTRACT APPROVED:**

USM Item 1-C (6/01/11)  
USM Item 1-C MOD (11/16/11)

**CONTRACTOR:**

Plano-Coudon, LLC  
Baltimore, MD

**DESCRIPTION:** Professional management and construction services during pre-construction and construction for renovations to the Terrace & Hillside Apartments and construction of a new community center at the University of Maryland Baltimore County. The Terrace & Hillside Apartments' renovation comprises of sixteen buildings with 170 apartment units totaling 32,000 square feet. Modifications to the apartments will include mechanical and electrical upgrades, life safety upgrades, site improvements, and upgrades for ADA access. The new 10,000 square foot community center will house offices for Residential Life staff, conference room space, living room space, storage space, shop space, and a laundry room.

**MODIFICATION DESCRIPTION:** Award GMP#2 for construction which includes pre-cast concrete, masonry, steel, rough carpentry, roofing, waterproofing, siding, drywall and ceilings, painting, flooring, ceramic tile, louvers, casework and window trim, mechanical, fire protection, electrical, UM allowances, CM allowances, CM general conditions, CM contingency, and CM construction fee.

**ORIGINAL PROCUREMENT METHOD:**

Competitive sealed proposals

**ORIGINAL CONTRACT TERM:**

Fourteen months from issuance of pre-construction  
notice to proceed.  
Twenty-one months from construction notice to  
proceed.

**ORIGINAL CONTRACT AMOUNT:**

\$65,000 (pre-construction fees only)

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 1-C MOD (continued)

**THIS MODIFICATION AMOUNT:** \$5,005,143  
**PRIOR MODIFICATIONS AMOUNT:** \$4,961,296  
**REVISED TOTAL CONTRACT AMOUNT:** \$10,031,439  
**MBE PARTICIPATION:** 25%

**PERFORMANCE SECURITY:** A 100% performance bond is required.

**REQUESTING INSTITUTION REMARKS:** There will be at least two additional GMPs for remainder of trades. The estimated construction cost for this project is \$19,000,000.

The contract has an MBE goal of 25%. This GMP represents MBE participation of 37%.

**FUND SOURCE:** USM Academic/Auxiliary Facility Revenue Bonds

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-1245-1111

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**BOARD OF PUBLIC WORKS ACTION – THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**CONSTRUCTION CONTRACT MODIFICATION**

**ITEM:** 2-C MOD

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** University of Maryland, Baltimore for  
Towson University

**CONTRACT ID:** Construction Management at Risk Services for the  
Towson University Public Safety Building  
RFP 2008-40BS

**CONTRACT APPROVED:** USM Item 1-C (8/11/10)

**CONTRACTOR:** Henry H. Lewis LLC  
d/b/a Lewis Contractors  
Owings Mills, MD

**CONTRACT DESCRIPTION:** Professional management and construction services during pre-construction and construction of a 2-story building (20,270 GSF) to support Towson University's Office of Public Safety (OPS), which includes the Towson University Police Department, Electronic Security and Access Control, and Environmental Health and Safety. The project includes parking facilities.

**MODIFICATION DESCRIPTION:** Award GMP#1 for construction which includes concrete, masonry, cast stone masonry, structural steel & miscellaneous metals, rough carpentry, finish carpentry & casework, waterproofing, metal & insulated wall panels, roofing, aluminum storefront and curtainwall, door, frames, and hardware, louvers, overhead doors, drywall and acoustical, tile flooring, resinous flooring, painting, visual display boards, signage, toilet partitions, fire extinguishers, lockers, protective covers, flagpoles, detention equipment, projection screens, louver blinds, floor mats, passenger elevator, fire protection, plumbing and HVAC, electrical and security, telecommunications, audio visual system, site work, paving, and utilities, landscaping & seeding, fencing, CM allowances, CM general conditions, CM contingency, and CM construction fee.

**ORIGINAL CONTRACT TERM:** 24 months from issuance of pre-construction notice to proceed; 24 months from construction notice to proceed.

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 2-C MOD (continued)

**MODIFICATION TERM:** 12 months from issuance of pre-construction notice to proceed;  
12 months from construction notice to proceed.

**ORIGINAL CONTRACT AMOUNT:** \$103,744 (pre-construction fees only)

**MODIFICATION AMOUNT:** \$ 7,320,210

**REVISED TOTAL CONTRACT AMOUNT:** \$ 7,423,954

**MBE PARTICIPATION:** 25%

**PERFORMANCE BOND:** A 100% performance bond is required.

**ORIGINAL PROCUREMENT METHOD:** Competitive sealed proposals

**REQUESTING INSTITUTION REMARKS:** The original estimated construction cost was \$6,400,000. The project construction cost has increased to \$7,320,210 due to trade bids being higher than the estimated construction cost. This GMP represents MBE participation of 29.8%.

**FUND SOURCE:** Plant Funds

**APPROP. CODE:** R30B24

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-1246-1011

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**CONSTRUCTION CONTRACT MODIFICATION**

**ITEM:** 3-C MOD

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** University of Maryland, Baltimore for  
Towson University

**CONTRACT ID:** Construction Management at Risk Services for the Towson University Campus-Wide Site and Safety Improvement Project, Phase I, RFP, 2006-22BS

**CONTRACT APPROVED:** USM Item 1-C (10/31/07)  
USM Item 3-C Mod (6/25/08)  
USM Item 2-C Mod (05/06/09)  
USM Item 1-C Mod (06/03/09)  
USM Item 1-C Mod (07/01/09)  
USM Item 2-C Mod (02/24/10)  
USM Item 3-C Mod (04/20/11)

**CONTRACTOR:** The Whiting-Turner Contracting Company

**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Proposals

**CONTRACT DESCRIPTION:** Professional management and construction services during pre-construction and construction of the Campus-Wide Site and Safety Improvement Project Phase, I. The project includes a new campus gateway, a new entrance plaza and pedestrian improvements, a new storm water management facility and other safety and ADA improvements.

**MODIFICATION DESCRIPTION:** Extend contract for five months to allow for completion of waterproofing, paving, masonry, metal railing, and hardscape, spring landscaping and provide CM staff reimbursables.

**ORIGINAL CONTRACT TERM:** November 1, 2007 -- December 31, 2011

**MODIFICATION TERM:** November 1, 2007 -- May 31, 2012

**ORIGINAL CONTRACT AMOUNT:** \$180,690 (pre-construction fees only)

**MODIFICATION AMOUNT:** \$12,935

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 3-C MOD (continued)

**PRIOR MODIFICATIONS:** \$20,335,501  
**REVISED TOTAL CONTRACT AMOUNT:** \$20,529,126  
**MBE PARTICIPATION:** 25%  
**PERFORMANCE BOND:** A 100% Performance Bond is required.

**REQUESTING INSTITUTION REMARKS:** Whiting-Turner has achieved 27% MBE participation for the project.

**FUND SOURCE:** Plant Funds  
**APPROP. CODE:** R30B24  
**RESIDENT BUSINESS:** Yes  
**MD TAX CLEARANCE:** 11-0495-1111

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**      **DISAPPROVED**      **DEFERRED**      **WITHDRAWN**  
**WITH DISCUSSION**      **WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 4-RP

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**DEPARTMENT:** University of Maryland, Baltimore

**DESCRIPTION:** The Board of Public Works is requested to approve acquisition by purchase of 600 - 602 West Lexington Street, Baltimore.

**PROPERTY:** 600 - 602 West Lexington Street, Baltimore  
Lots 1 and 2 of block 592 in Section 5 of Map 4, Assessment Area 1

This property comprises two adjoining tax parcels. The lots total 2,192 square feet and include two three-story buildings with half-story fourth floors and basements. The improvements total 7,638 square feet above grade. The property is located at the northwest corner of West Lexington and North Greene Streets and is adjacent to other University-owned properties.

**GRANTORS:** Suet Wan Lee and Oi Yin Lee  
Baltimore, MD 21244

**GRANTEE:** State of Maryland, for the use of the University System of Maryland on behalf of constituent institution, University of Maryland, Baltimore.

**APPRAISED VALUE:** Grubb & Ellis – 3/24/11 \$365,000  
Lipman Frizzell Mitchell, LLC – 2/14/11 \$336,000

**AMOUNT:** \$365,000

**FUND SOURCE:** Plant Funds

**APPROPRIATION CODE:** R30B21

**REQUESTING INSTITUTION REMARKS:** In the short term, the University proposes to land bank the properties. In the long term the buildings will be consolidated with others owned by the University and rehabilitated for mixed uses such as offices, research, residences and/or retail.

**BOARD OF PUBLIC WORKS**

**THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**



**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**CONSTRUCTION CONTRACT RENEWAL OPTION:**

**ITEM:** 5-C OPT

Agency Contact: James Salt  
301-445-1987  
jsalt@usmd.edu  
USM Rep: Joe Evans

**INSTITUTION:**

University of Maryland, College Park

**CONTRACT ID:**

On-Call General Contracting Services for Small  
Project. RFP No. 83480-A

**CONTRACT APPROVED:**

USM Item 1-C, 1/6/2010

**CONTRACTORS:**

Baltimore Contractors, Inc  
Baltimore, MD 21237

Site Construction, Inc  
Silver Spring, MD 20904

Atlantic Painting & Wallcovering LLC  
Towson, MD 21284

Combined Services, Inc  
Fairfax, VA 22030

**ORIGINAL CONTRACT DESCRIPTION:** Provide general construction services, for the Office of Facilities Management at the University of Maryland, College Park and other institutions of the University System of Maryland, on an as-needed basis. Typical projects are expected to have a construction value of under \$50,000.

**OPTION DESCRIPTION:** Exercise first of 3 one-year renewal options.

**ORIGINAL CONTRACT TERM:** 01/06/10 – 01/05/12 (with 3 one-year renewal options)

**OPTION TERM:** 01/6/12 – 01/05/13

**ORIGINAL CONTRACT AMOUNT:** \$500,000 per contractor award/per year for maximum total of \$2 million over 2-year base contract

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 5-C OPT (continued)

**OPTION AMOUNT:** \$500,000 per contractor award/per year for maximum total of \$1 million over the -yr renewal period.

**REVISED TOTAL CONTRACT AMOUNT:** \$1,500,000 per award

**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Proposals  
Small Business Reserve Procurement

**MBE PARTICIPATION:** 0%

**REQUESTING INSTITUTION REMARKS:** The four acceptable firms are certified Small Businesses. Task Orders are awarded on the basis of rotation among the four. All four of the contractors have performed well during the base two-year performance period. Orders during the base two-year period totaled \$1,953,978.

All work performed under these contracts will be supervised by the Office of Facilities Management at the University of Maryland, College Park, with Procurement support provided by the University's Department of Procurement & Supply.

**FUND SOURCE:** Varies depending on project or task order placed and the institution placing the order.

|                           |                                  |     |
|---------------------------|----------------------------------|-----|
| <b>RESIDENT BUSINESS:</b> | Baltimore Contractors            | Yes |
|                           | Site Construction                | Yes |
|                           | Atlantic Painting & Wallcovering | Yes |
|                           | Combined Services                | No  |

|                          |                                  |                  |
|--------------------------|----------------------------------|------------------|
| <b>MD TAX CLEARANCE:</b> | Baltimore Contractors            | No. 11-2747-1111 |
|                          | Site Construction                | No. 11-2750-0111 |
|                          | Atlantic Painting & Wallcovering | No. 11-2749-0111 |
|                          | Combined Services                | No. 11-2748-0111 |

**BOARD OF PUBLIC WORKS**

**THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA

GENERAL/MISCELLANEOUS

ITEM: 6-GM

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**Recommendation:** That the Board of Public Works approve the use of general obligation bond funding proceeds for the following contracts totaling \$20,234.

**Authority:** State Finance and Procurement Article, Annotated Code of Maryland, § 8-301

A. **University of Maryland, College Park:**

Bowie State University, Fine and Performing Arts Center

1. **Description:** Ceramic Blasting Cabinet  
Purchase Order G157049  
**Procurement Method:** Small Procurement  
**Award:** Prospectus Enterprises, Inc. (State Certified Small and Minority Business)  
12203 Mt. Pleasant Drive  
Laurel, MD 20708  
**Amount:** \$3,949  
**Fund Source:** MCCBL of 2010: *Provide funds to equip the Fine and Performing Arts Center at Bowie State University.*  
Item 903.  
**MD Tax Clearance:** N/A  
**Resident Business:** Yes
  
2. **Description:** Industrial Sewing Machines  
Purchase Order G157052  
**Procurement Method:** Simplified Procurement  
**Award:** Pennsylvania Sewing Machine Co.  
215 Vandale Drive  
Houston, PA 15348  
**Amount:** \$11,840  
**Fund Source:** MCCBL of 2010: *Provide funds to equip the Fine and Performing Arts Center at Bowie State University.*  
Item 903.  
**MD Tax Clearance:** 11-2803-0000  
**Resident Business:** No

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

ITEM: 6-GM (continued)

3.    **Description:**                   Paint Spray Hood  
  Purchase Order G157073
- Procurement Method:**       Small Procurement
- Award:**                        Sentry Air Systems, Inc.  
  6000 W. Little York  
  Houston, TX 77040
- Amount:**                       \$4,445
- Fund Source:**                MCCBL of 2010: *Provide funds to equip the Fine and  
  Performing Arts Center at Bowie State University.*  
  Item 903.
- MD Tax Clearance:**         N/A
- Resident Business:**         No

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BOARD OF PUBLIC WORKS

THE ABOVE REFERENCED ITEM WAS:

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**SERVICE CONTRACT**

**ITEM:** 7-S

**INSTITUTION:** University of Maryland University College

**CONTRACT ID:** Learning Management Systems and Associated  
Implementation Services for the University System  
of Maryland  
RFP 90936

**DESCRIPTION:** Multiple contractors to provide Learning Management System (LMS) products and associated implementation and consulting services. Master agreements awarded to these contractors are designed to provide a variety of LMS products and services to assist USM institutions in the delivery of online education programs. These include distance learning/online learning products, learning content management systems, on line grade books, and academic reporting and analysis tools. Examples of related services are planning, consulting, implementation, and technical support for LMS products in either a self-hosted or hosted environment.

**AWARD:** Agilix Labs  
733 E. Technology Avenue  
Orem, Utah 84097

Blackboard, Inc.  
650 Massachusetts Avenue, NW  
Washington, DC 20001

Desire2Learn  
715 Saint Paul Street  
Baltimore, MD 21202

Instructure, Inc.  
6415 South 3000 East, Suite 100  
Salt Lake City, UT 84121



**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 7-S (continued)

**MBE PARTICIPATION:** 0% (may be established at the task order level)

**PERFORMANCE SECURITY:** May be requested at the task order level

**REQUESTING INSTITUTION REMARKS:** The solicitation was issued on behalf of the University System of Maryland and the Maryland Educational Enterprise Consortium (MEEC). MEEC is an initiative of the University System of Maryland, uniting with K-20 education partners (MEEC is made up of K-120 Public and Private Education, libraries, museums and teaching hospitals) in Maryland to provide quality information technology products and services at affordable prices.

The solicitation was advertised in *eMaryland Market Place*, on UMUC's Procurement Office *Electronic Bid Board* and on MEEC's website. Nine firms responded to the solicitation and were evaluated. Six offerors were shortlisted and interviewed. Following interviews, the technical evaluation was finalized resulting in all six firms remaining technically acceptable and being requested to submit price proposals consisting of a variety of unit prices applicable to learning management services products and associated services. The University recommends award of master contracts to all six firms.

Because of the varying needs of USM institutions and MEEC members for LMS products and services and the complexity of LMS systems there is not a "one size fits all" solution. As specific needs for LMS products and services arise, a task order request for proposal process will be used to select the contractor who best meets the product and service needs of a specific USM institution or MEEC member. More than one master contractor will be requested to submit a task order proposal. Contractors will price each task order for LMS products or services in accordance with the quoted unit prices. The institution will then work with the selected contractor(s) to implement the LMS product(s). Pilot programs and/or proof of concept may be conducted before the USM institution or MEEC member invests in a particular product or service. The master agreements are not exclusive and there is no guarantee of any dollar amount or award of task orders under the master agreements. Individual task orders will not be brought to the Board of Public Works.

Projects will be managed by each campus' Office of Information Technology Services with procurement support from the University's Procurement Department.

**FUND SOURCE:** Current Unrestricted Funds

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 7-S (continued)

**APPROP. CODES:** R30B21  
R30B23  
R30B24  
R30B25  
R30B26  
R30B27  
R30B28  
R30B29  
R30B30  
R30B31  
R30B34  
R30B36

|                           |                   |     |
|---------------------------|-------------------|-----|
| <b>RESIDENT BUSINESS:</b> | Agilix Labs, Inc. | No  |
|                           | Blackboard, Inc.  | No  |
|                           | Desire2Learn      | Yes |
|                           | Instructure, Inc. | No  |
|                           | Moodlerooms       | Yes |
|                           | eCollege.com      | No  |

|                          |                   |              |
|--------------------------|-------------------|--------------|
| <b>MD TAX CLEARANCE:</b> | Agilix Labs, Inc. | 11-2460-0000 |
|                          | Blackboard, Inc.  | 11-1938-1111 |
|                          | Desire2Learn      | 11-1942-1110 |
|                          | Instructure, Inc. | 11-1940-0000 |
|                          | Moodlerooms       | 11-1941-0111 |
|                          | eCollege.com      | 11-1939-1111 |

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**BOARD OF PUBLIC WORKS**

**THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**



**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 8-RP

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** Coppin State University

**DESCRIPTION:** Purchase property for the proposed Science and Technology Center.

**PROPERTY:** 1810 Thomas Avenue, Baltimore

**GRANTOR:** 2108 Bolton Street, Inc.

**GRANTEE:** State of Maryland to the use of the University System of Maryland on behalf of its constituent institution Coppin State University.

|                         |                  |             |
|-------------------------|------------------|-------------|
| <b>APPRAISED VALUE:</b> | Lipman, Frizzell | \$51,000.00 |
|                         | Delores McCoy    | 60,000.00   |

**FUND SOURCE:** MCCBL 2010: *Provide funds for site acquisition and detailed design for the new Science and Technology Center. Item 050.*

|               |              |                        |
|---------------|--------------|------------------------|
| <b>PRICE:</b> | Acquisition: | \$ 60,000.00           |
|               | Ground Rent: | \$ 1,200.00 *          |
|               | Relocation   | <u>\$ 36,321.60 **</u> |
|               | Total        | \$ 97,521.60           |

\* In addition, to obtain fee simple title, the underlying ground rent will be redeemed.  
\*\* Tenant will receive relocation assistance.

**REQUESTING INSTITUTION REMARKS:** This property is being purchased in support of the growth at Coppin State University and to provide a site for the construction of the new Science and Technology Center. This project will be constructed adjacent to the recently completed Health and Human Services Building. This acquisition was approved by the University System of Maryland Board of Regents at its meeting on October 17, 2008.

~~BOARD OF PUBLIC WORKS~~

**APPROVED**      **DISAPPROVED**  
**WITH DISCUSSION**

**THE ABOVE REFERENCED ITEM WAS:**

~~DEFERRED~~      ~~WITHDRAWN~~  
**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 9-RP

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** Coppin State University

**DESCRIPTION:** Purchase property for the proposed Science and Technology Center.

**PROPERTY:** 1730 Thomas Avenue, Baltimore

**GRANTOR:** K-Rock Properties Alpha, LLC

**GRANTEE:** State of Maryland to the use of the University System of Maryland on behalf of its constituent institution Coppin State University.

**APPRAISED VALUE:** Lipman, Frizzel & Mitchell \$55,000.00  
Grubb & Ellis Landauer \$51,000.00

**FUND SOURCE:** MCCBL 2010: *Provide funds for site acquisition and detailed design for the new Science and Technology Center. Item 050.*

**PRICE:** Acquisition: \$ 51,000.00  
Ground Rent: \$ 1,300.00 \*  
Relocation: \$ 35,755.00 \*\*  
Total: \$ 88,055.00

\* In addition, to obtain fee simple title, the underlying ground rent will be redeemed.  
\*\* Tenant will receive relocation assistance.

**REMARKS:** This is property being purchased in support of the growth at Coppin State University and to provide a site for the construction of the new Science and Technology Center. This project will be constructed adjacent to the recently completed Health and Human Services Building. This acquisition was approved by the University System of Maryland Board of Regents at its meeting on October 17, 2008.

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**BOARD OF PUBLIC WORKS - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 10-RP

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** Coppin State University

**DESCRIPTION:** Purchase property for the proposed Science and Technology Center.

**PROPERTY:** 1708 N. Warwick Avenue, Baltimore

**GRANTOR:** Keith Coleman

**GRANTEE:** State of Maryland to the use of the University System of Maryland on behalf of its constituent institution Coppin State University.

|                         |                  |               |
|-------------------------|------------------|---------------|
| <b>APPRAISED VALUE:</b> | Lipman, Frizzell | \$103,000.00  |
|                         | Grubb, Ellis     | \$ 102,500.00 |
|                         | J. Daniel Nolan  | \$124,500.00  |

**FUND SOURCE:** MCCBL 2010: *Provide funds for site acquisition and detailed design for the new Science and Technology Center. Item 050.*

|               |              |               |
|---------------|--------------|---------------|
| <b>PRICE:</b> | Acquisition: | \$ 115,000.00 |
|               | Ground Rent: | \$ 0.00       |
|               | Relocation   | \$ 0.00       |
|               | Total        | \$ 115,000.00 |

**REQUESTING INSTITUTION REMARKS:** This property is being purchased in support of the growth at Coppin State University and to provide a site for the construction of the new Science and Technology Center. This project will be constructed adjacent to the recently completed Health and Human Services Building. This acquisition was approved by the University System of Maryland Board of Regents at its meeting on October 17, 2008.

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**BOARD OF PUBLIC WORKS**  
**APPROVED**      **DISAPPROVED**  
                                  **WITH DISCUSSION**

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**THE ABOVE REFERENCED ITEM WAS:**  
**DEFERRED**      **WITHDRAWN**  
                                  **WITHOUT DISCUSSION**

SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 11-RP

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** Coppin State University

**DESCRIPTION:** Purchase property for the proposed Science and Technology Center.

**PROPERTY:** 1710 N. Warwick Avenue, Baltimore

**GRANTOR:** Keith Coleman

**GRANTEE:** State of Maryland to the use of the University System of Maryland on behalf of its constituent institution Coppin State University.

|                         |                  |               |
|-------------------------|------------------|---------------|
| <b>APPRAISED VALUE:</b> | Lipman, Frizzell | \$ 98,000.00  |
|                         | Grubb, Ellis     | \$ 96,000.00  |
|                         | J. Daniel Nolan  | \$ 116,500.00 |

**FUND SOURCE:** MCCBL 2010: *Provide funds for site acquisition and detailed design for the new Science and Technology Center.* Item 050.

|               |              |                 |
|---------------|--------------|-----------------|
| <b>PRICE:</b> | Acquisition: | \$ 115,000.00   |
|               | Ground Rent: | \$ 1,600.00 *   |
|               | Relocation   | \$ 48,200.00 ** |
|               | Total        | \$ 164,800.00   |

\* In addition, to obtain fee simple title, the underlying ground rent will be redeemed.

\*\* Owner will receive relocation assistance.

**REQUESTING INSTITUTION REMARKS:** This property is being purchased in support of the growth at Coppin State University and to provide a site for the construction of the new Science and Technology Center. This project will be constructed adjacent to the recently completed Health and Human Services Building. This acquisition was approved by the University System of Maryland Board of Regents at its meeting on October 17, 2008.

~~BOARD OF PUBLIC WORKS~~  
APPROVED      ~~DISAPPROVED~~  
WITH DISCUSSION

~~THE ABOVE REFERENCED ITEM WAS:~~  
~~DEFERRED~~      ~~WITHDRAWN~~  
WITHOUT DISCUSSION

SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA

**REAL PROPERTY:** Acquisition by Purchase

**ITEM:** 12-RP

**Agency Contact:** James Salt  
301-445-1987  
(jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** Coppin State University

**DESCRIPTION:** Purchase property for the proposed Science and Technology Center.

**PROPERTY:** 1705 Thomas Avenue, Baltimore

**GRANTOR:** K-Rock Properties Alpha, LLC

**GRANTEE:** State of Maryland to the use of the University System of Maryland on behalf of its constituent institution Coppin State University.

**APPRAISED VALUE:** Lipman, Frizzel & Mitchell \$45,300.00  
Grubb & Ellis Landauer \$45,000.00

**FUND SOURCE:** MCCBL 2010: *Provide funds for site acquisition and detailed design for the new Science and Technology Center. Item 050.*

**PRICE:** Acquisition: \$ 45,000.00  
Ground Rent: \$ 933.33 \*  
Relocation: \$ 33,600.00 \*\*  
Total: \$ 79,533.33

\* In addition, to obtain fee simple title, the underlying ground rent will be redeemed.  
\*\* Tenant will receive relocation assistance.

**REMARKS:** This is property being purchased in support of the growth at Coppin State University and to provide a site for the construction of the new Science and Technology Center. This project will be constructed adjacent to the recently completed Health and Human Services Building. This acquisition was approved by the University System of Maryland Board of Regents at its meeting on October 17, 2008.

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**BOARD OF PUBLIC WORKS - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**SERVICE CONTRACT**

**ITEM:** 13-S

**Agency Contact:** James Salt  
301-445-1987  
[jsalt@usmd.edu](mailto:jsalt@usmd.edu)  
USM Rep: Joe Evans

**INSTITUTION:** University of Maryland, Eastern Shore

**CONTRACT ID:** Bookstore Management Services  
ES11/12-#020

**DESCRIPTION:** Revenue-generating contract to manage University Bookstore

**AWARD:** Neebo  
A Division of Validis Resources & Nebraska Book Co.  
4700 S. 19<sup>th</sup> Street  
Lincoln, NE 68512

**CONTRACT TERM:** January 1, 2012 – December 31, 2017 (five-year initial term)  
with one 5-year renewal option.

**REVENUE AMOUNT:** Compensation to University:  
(1) Guaranteed annual amount is \$225,000  
(2) Plus 11.2% on sales up to \$1,500,000  
12.2% on sales \$1,500,000 - \$2,000,000  
13.2% on sales over \$2,000,000

**PROCUREMENT METHOD:** Competitive Sealed Proposals.

| <b>PROPOSALS:</b>        | <u>Tech Score</u> | <u>Financial Score</u> |
|--------------------------|-------------------|------------------------|
| Neebo<br>Lincoln, NE     | 240               | 150*                   |
| Follett<br>Oak Brook, IL | 226               | 118**                  |

\*Neebo proposed annual guaranteed payment of \$225,000 plus 11.2% on sales up to \$1.5 million; 12.2% on sales from \$1.5 to \$2 million; and 13.2% on sales over \$2 million

\*\* Follett proposed annual guaranteed payment of \$150,000 plus 9.75% on sales up to \$2 million.

**SUPPLEMENT C  
UNIVERSITY SYSTEM OF MARYLAND  
ACTION AGENDA**

**ITEM:** 13-S (continued)

**MBE PARTICIPATION:** 3%

**PERFORMANCE SECURITY:** Payment and Performance Bonds equal to the contract amount

**REQUESTING INSTITUTION REMARKS:**

The solicitation was advertised in *eMarylandMarketplace*, posted on the University bid board, and sent directly to ten vendors. Three proposals were received; one firm was determined non-responsive. Of the two remaining proposals, Neebo received the higher technical and financial score. Additionally Neebo's proposal included an investment of \$253,000 over a 5-year period for the current bookstore whereas Follett offered \$50,000 as a one time investment over a 5-year period. The management proposal from Neebo was superior and UMES believes that implementation of the initiatives and programs outlined in Neebo's technical proposal will increase the projected revenue returned to UMES.

**FUND SOURCE:** Revenue Generating

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2878-1111

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**BOARD OF PUBLIC WORKS**

**THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 1-IT**

**Agency Contact:**

Linda Lamone 410-269-2840  
llamone@elections.state.md.us  
Robert Krysiak (410) 260-7179  
Robert.Krysiak@doit.state.md.us

**DEPARTMENT/PROGRAM:**

State Board of Elections

**CONTRACT ID:** Maintenance and Support of Election Management System  
ADPICS No. D38B2400003

**CONTRACT DESCRIPTION:** Maintenance and Support of Election Management System

**AWARD:** Computer Sciences Corp.  
Hanover, MD

**TERM:** 1/01/2012 - 12/31/2012

**AMOUNT:** \$ 345,909.20

**PROCUREMENT METHOD:** Sole Source

**MBE PARTICIPATION:** 0%

**PERFORMANCE SECURITY:** None

**INCUMBENT:** Same

**REQUESTING AGENCY REMARKS:**

SBE has used the consulting services of CSC for the past four years under the CATS I master contract, which expires on December 31, 2011. Due to the nature of the election management system (EMS) and the short time before the 2012 Presidential Primary Election, only CSC can fulfill the requirements of this contract:

1. EMS is a unique computer program system which CSC has serviced and maintained for the State for over ten years. In the solicitation RFP for services and support, SBE received only one bid – from CSC.
2. The ballot preparation and essential candidate filing support functions occur within the first four months of calendar year 2012. It would be infeasible for a new vendor to understand the system functions and provide the support needed within that time.



**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 1-IT (cont.)**

This is a one-year contract while the agency develops and procures a new voting system.

The cost for this contract was reduced by \$14,091 from the price paid for the same services in 2011.

The MBE participation goal was set at 0% due to the proprietary nature of this service.

**FUND SOURCE:** 100% General Funds

**APPROP. CODE:** D38I0101

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2775-1111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 2-IT**

Agency Contact:  
Nancy Hevey (410) 234-3819  
[heveyn@mdmildep.org](mailto:heveyn@mdmildep.org)  
Robert Krysiak (410) 260-7179  
[Robert.Krysiak@doit.state.md.us](mailto:Robert.Krysiak@doit.state.md.us)

**DEPARTMENT/PROGRAM:**

Maryland Emergency Management Agency  
Grants Management

**CONTRACT ID:**

Grants Management Software  
GM-MIL-MEMA-12/17  
ADPICS BPO NO.D50B2400012

**CONTRACT DESCRIPTION:** Software licensing, maintenance and technical support to manage Department of Homeland Security grants.

**AWARD:**

K2Share, LLC.  
College Station, TX

**TERM:**

1/01/2012 -12/31/2017

**AMOUNT:**

\$123,840 (Year 1 includes \$63,000 for customization)  
\$68,400 (Year 2)  
\$68,400 (Year 3)  
\$79,250 (Year 4)  
\$79,250 (Year 5)  
\$419,140 Total

**PROCUREMENT METHOD:**

Sole-Source

**MBE PARTICIPATION:**

0%

**INCUMBENT:**

Same

**PERFORMANCE SECURITY:**

None

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 2-IT (Cont.)**

**REMARKS:** The Military Department's MEMA is responsible for coordinating the State's response to any major emergency or disaster. This includes supporting local governments and coordinating assistance with the Federal Emergency Management Agency and other related federal programs. Through mitigation efforts, MEMA strives to reduce or eliminate the impact of future disasters. MEMA's Grants Management provides reporting for the flow of millions of dollars of federal funding annually.

This software license provides a solution to improve the strategy, evaluation and reporting functions necessary to support the increasingly complex Department of Homeland Security grant award process. MEMA has found that this software significantly reduces the time and labor associated with DHS grant management.

K2 Share, LLC, a DHS information-technology service contractor, who presently hosts and manages 14 DHS applications, has developed a web-accessible State Preparedness Assessment and Reporting Service (SPARS) that provides state agencies with tools to support DHS grant monitoring, evaluation and reporting process. The service allows for the distribution of the grant workload to the Urban Area Workgroup, the regions and jurisdictions, while providing monitoring and reporting visibility at the jurisdiction, region, urban area and state levels.

Electronic grant management systems designed specifically for administration of DHS grants are not commonly available. Further, to require development of a new system would be cost prohibitive, considering the hours that would be required for additional training and re-entry of current data.

The purchase of this software has historically been approved by the control agency, the Department of Information Technology, on an annual basis at a cost of \$69,250. For this current approval, MEMA seeks a five-year contract and also a onetime modification of the software. MEMA has negotiated with the vendor for a reduction in annual costs in consideration of the five-year contract term: K2 Share agreed to a 12% reduction in the annual fee for years one, two and three, and locking in to current prices for years four and five.

The SPARS solution is a software-as-a-service (SaaS) solution and not a custom built software product for MEMA. The base SPARS product collects information about grants and how they are spent, however there are certain reports that are not included in the base product that MEMA would like to have available within the system. Additionally, there are MEMA specific

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 2-IT (Cont.)**

workflow requirements that are not met by SPARS (nor would be met by any COTS solution) and therefore some tailoring of the SPARS system is requested by MEMA to meet their internal business processes. For example:

- MEMA processes allow for the continued modification of project information throughout the review process. The SPARS system locks the project information once submitted/approved and as such, MEMA requires the system to be tailored to their business process.
- In order to better facilitate communication between MEMA and their sub-grantees, MEMA is asking for additional functionality within SPARS to allow them full control over email notifications generated by the system.
- State record-keeping requirements for a Grant Adjustment Notice is the onus for adding download functionality to SPARS for MEMA.

The MBE participation goal was set at 0% due to the proprietary nature of this service.

**FUND SOURCE:** 100% Federal (Urban Areas Security Initiative)

**APPROP. CODE:** D50H01

**RESIDENT BUSINESS:** NO

**MD TAX CLEARANCE:** 11-2832-0111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**      **DISAPPROVED**      **DEFERRED**      **WITHDRAWN**

**WITH DISCUSSION**      **WITHOUT DISCUSSION**

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 3-IT**

Agency Contact:  
James L. Knighton (410) 767-0820  
jknighton@mta.maryland.gov  
Robert Krysiak (410) 260-7179  
Robert.Krysiak@doit.state.md.us

**DEPARTMENT/PROGRAM:**

Maryland Department of Transportation  
Maryland Transit Administration

**CONTRACT ID:**

Maintenance and Upgrade of PASS Software  
System for Mobility Division  
MTA-1355  
ADPICS NO: J05B2400008

**CONTRACT DESCRIPTION:** Maintenance and support for existing PASS Software. The contract also provides for additional compatible software modules with maintenance and support. The additional software modules will be used to expand: (1) the scheduling, (2) the two way communication and (3) the reporting capabilities for Mobility ADA service.

**AWARD:**

Trapeze Software Group, Inc.  
Scottsdale, AZ

**TERM:**

12/21/2011-11/20/2014  
(w/1 two-year renewal option)

**AMOUNT:**

|                     |               |
|---------------------|---------------|
| \$1,401,124.00      | Base Period   |
| <u>\$811,505.00</u> | Option Period |
| \$2,212,629.00      | Total         |

**PROCUREMENT METHOD:**

Sole Source

**MBE PARTICIPATION:**

0%

**PERFORMANCE SECURITY:**

None

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 3-IT (Cont.)**

**REMARKS:** Work will consist of both maintenance and support of various models of the PASS software installed in the MTA Mobility Services Unit. The PASS Software System was procured from Trapeze in 1999 for approximately \$2.3 million to provide Mobility Services with real time communication, scheduling and vehicle positioning information as well as providing compatibility with the MTA Mentor System. A contract was initiated to provide additional system enhancement modules at a total cost of approximately \$1,450,000.00 beginning in September, 2007 along with providing overall system maintenance. Also, the enhancements that were undertaken in 2007 required additional phone lines to be provided and that MTA's software licensing agreement with Trapeze to be revised so that the system could accommodate a higher volume of trip schedules. Those revisions were provided by contract modifications #1 and #2 at no additional cost to the MTA.

The original contract was procured through the Sole Source Method, as was this contract, based on the proprietary nature of the system software and compatibility protocols. The software provider, Trapeze Software Group, is the sole authorized representative that can provide maintenance and support for the system currently installed at MTA as well as providing seamless integration of the additional modules that support the enhancements and provide expanded capabilities within the operational scheduling and communication system for Mobility Services. MTA conducted an online search for additional vendors but none were found that could provide software that is compatible with Trapeze software, nor could any vendors be found that had the ability to provide maintenance and support for Trapeze. The engineer's estimate for the three year base contract was \$1,455,000.00.

The Mobility phone system is an integral part of providing timely responses to Mobility patrons. MTA is required to respond to 90 % of the phone calls within two minutes, and to ensure that the number of dropped calls (calls in which the rider hangs up before reaching a customer service agent) along with the necessity for addressing late calls is held to a minimum. Additionally, the continuing upgrading and maintenance of the Mobility communications system provided by this renewal should reduce customer wait times and enhance efficiency by:

1. Decreasing the number no show calls and incorrect bookings.
2. Keeping clients informed of vehicle real time destination arrivals and allow clients access to cancel rides 24/7.
3. Confirming clients scheduled trips, checking status of trips on the scheduled day and receive call back for pick-up arrival along with reminders of scheduled arrivals the day before the scheduled trip.

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 3-IT (Cont.)**

The MBE participation goal was set at 0% due to the proprietary nature of this service.

**FUND SOURCE:** 100% State Budgeted Funds

**APPROPRIATION CODE:** J05H0105  
OBJ: 0831  
COBJ: 0854

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2350-0100

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**Board of Public Works Action - The above-referenced Item was:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**SUPPLEMENT D**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**ACTION AGENDA**

**ITEM: 4-IT**

**Agency Contact:**

John Bohns (410) 767-1095

[JBohns@dhmh.state.md.us](mailto:JBohns@dhmh.state.md.us)

Robert Krysiak (410) 260-7179

[Robert.Krysiak@doit.state.md.us](mailto:Robert.Krysiak@doit.state.md.us)

**DEPARTMENT/PROGRAM:**

Department of Health and Mental Hygiene  
Office of Systems, Operations and Pharmacy

**CONTRACT ID:**

Transition Period for Restructuring Project  
DHMH/OPASS - 12-10867  
ADPICS BPO No: M00B2400354

**CONTRACT DESCRIPTION:** Provide subject matter expert for Medicaid Enterprise Restructuring Project and outsourcing of Medicaid Program Operations.

**AWARD:**

DK Consulting  
Columbia, Maryland

**TERM:**

1/1/2012 – 6/30/2012

**AMOUNT:**

\$163,200

**PROCUREMENT METHOD:**

Sole Source

**MBE PARTICIPATION:**

0%

**PERFORMANCE SECURITY:**

None

**INCUMBENT:**

Same

**REQUESTING AGENCY REMARKS:** DK Consulting (DK) will provide a subject matter expert (SME) for the Medicaid Enterprise Restructuring Project (MERP) and the outsourcing of



**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 4-IT (Cont.)**

Medicaid Program Operations. DK Consulting currently provides essential MERP-related services. DK provides the program with the services of professionals with expertise related to state transitions to new MMISs and transition of Medicaid Operations to private vendors. In this case, DK will provide an individual who has worked on the MERP-project since its inception. Richard Wheeler has in-depth technical project knowledge of the MERP initiative. In addition, he has assisted with the formulation and drafting of the MERP RFP, and has maintained the related federally-required Advance Planning Documents and required updates. Mr. Wheeler has reviewed all major MERP project activities and provided technical expertise and guidance to key Program personnel, including upper-level decision-makers within the Office of System, Operations and Pharmacy. No substitutions or replacement of Mr. Wheeler is allowed. Mr. Wheeler is essential to the projects' success and the loss of him at this critical stage could seriously jeopardize the project.

The MBE participation goal was set at 0% due to the in-depth technical project knowledge required of this subject matter expert.

|                           |                                 |
|---------------------------|---------------------------------|
| <b>FUND SOURCE:</b>       | T801R0899 (10%) T8012 0899(90%) |
| <b>APPROP. CODE:</b>      | 32.17.01.08                     |
| <b>RESIDENT BUSINESS:</b> | Yes                             |
| <b>MD TAX CLEARANCE:</b>  | 11-26867-0111                   |

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

~~DEFERRED~~

~~WITHDRAWN~~

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 5-IT**

**Agency Contact:**  
Albert Annan (410)-767-0114  
[aannan@msde.state.md.us](mailto:aannan@msde.state.md.us)  
Robert Krysiak (410) 260-7179  
[Robert.Krysiak@doit.state.md.us](mailto:Robert.Krysiak@doit.state.md.us)

**DEPARTMENT/PROGRAM:**

Education  
Division of Instruction

**CONTRACT ID:**

Expansion of Science, Technology, Engineering and  
Mathematics Education (STEM)  
ADPICS No. R00B240026

**DESCRIPTION: Retroactive:** Establish partnership with the Maryland Business Roundtable to bring Science, Technology, Engineering and Mathematics (STEM) business and industry leaders into the education arena in order to support educator effectiveness, student engagement and enhance students career and college ready goals.

**AWARD:**

MD Business Roundtable for Education  
Baltimore, MD

**TERM:**

2/1/2011-9/30/2014

**AMOUNT:**

\$2,000,000 (3 Years; 8 Months)

**PROCUREMENT METHOD:**

Sole Source

**MBE PARTICIPATION:**

0%

**INCUMBENT:**

None

**REQUESTING AGENCY REMARKS:** This sole source contract, funded through federal Race to the Top grant, will bring STEM business and industry leaders into education arena by implementing a STEM Innovation Network which will include the STEMnet Teachers Hub and STEMnet Student Hub:

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 5-IT (Cont.)**

- The STEMnet Teachers Hub (Teachers Hub) will be a single online destination offering teachers three sets of STEM resources aligned to Maryland curriculum to include: STEM Specialists In the Classroom; STEM Resource Clearinghouse and STEM Connections. The Teachers Hub will link industry experts and the resources of their workplace to STEM instructional objectives. This Teachers Hub will allow teachers to easily identify experts from business and industry who can provide advice on best practices, share their authentic work and potentially open their work place for student visits.
- The STEMnet Student Hub (Student Hub) is a student-centered on-line portal consisting of STEM applications, projects, resources and contacts. This project will include development of three components, including: STEM Career Exploration; STEM Challenge Program and STEM Workplace Exposure Opportunities. The Student Hub will promote student engagement in STEM careers through on line direct communication between students and STEM experts in business and industry to include views of STEM workplace opportunities.

Because this STEM project with MBRT was included and approved in MSDE's RTTT grant application and MBRT had developed a unique STEM program with our local school systems, MSDE awarded RTTT funds to MBRT as a sub-grant to support and enhance that work through a Memorandum of Understanding with MBRT on February 1, 2011.

However, in a review by USDE on June 11, 2011, USDE discovered that the statute authorizing the RTTT grants does not contain a specific authorization for sub-grants to entities other than local education agencies (LEAs). This discovery was made *after* USDE advised states participating in RTTT to proceed with sub-grants to such entities. Like other RTTT grantees nationwide, MSDE has awarded sub-grants to several entities to obtain services described in the RTTT grant application based on the initial direction provided by USDE. In discussions with MSDE to seek resolution, USDE stated that, because the RTTT statute does not authorize sub-grants, an RTTT grantee must use only its procurement process, not its sub-grant process to obtain goods and services from entities other than LEAs. Accordingly, MSDE entered into a Memorandum of Understanding with MBRT. Thus, MSDE proposed a solution to USDE that it believes will solve the sub-grant problem. Specifically, the solution consists of bringing the MOU from the sub-grant category into the procurement category by converting the MOU into sole source contract following the rules applicable to sole source, including the approval of Board of Public Works.

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 5-IT (Cont.)**

Therefore, since this specific unique project was included in the RTTT grant and approved as part of the grant application, MSDE is requesting BPW's consideration and approval of this sole source contract to bring this contract into compliance with the revised USDE funding RTTT requirements.

**FUND SOURCE:** 100% Federal: Race to the Top

**APPROP. CODE:** R00A0101

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2371-0110

**DOIT REMARKS:** Retroactive approval is requested pursuant to State Finance and Procurement Article, §11-204(c), Annotated Code of Maryland.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 6-IT MOD**

**Agency Contact:**  
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Robert Krysiak (410) 260-7179  
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**DEPARTMENT:**

Maryland State Lottery Commission

**CONTRACT ID:**

Video Lottery Terminals and Related Services  
Master Contract #2009-12  
ADPICS No. E75B0400016  
COE04219

**CONTRACT APPROVED:**

DoIT Agenda 2-IT (April 7, 2010)

**CONTRACT DESCRIPTION:** Multiple-award master contracts with Video Lottery Terminal manufacturers to lease or purchase, install, implement, support and maintain VLTs at the facilities specified in the VLT Law.

**MODIFICATION DESCRIPTION:** (1) Increase the not-to-exceed amount of the Master Contract by \$200,000,000 for a total not to exceed amount of \$400,000,000; and (2) Place initial order for leasing, maintenance and related services of 4,719 VLTs for the Anne Arundel County facility (PPE Casino Resorts Maryland, LLC, Maryland Live! Casino at Arundel Mills Mall, Hanover, MD).

**ORIGINAL CONTRACT TERM:**

4/9/2010-3/31/2015

**MODIFICATION TERM:**

12/22/2011 – 3/31/2015

**ORIGINAL CONTRACT AMOUNT:**

\$200,000,000 NTE

**MODIFICATION AMOUNT:**

\$200,000,000

**REVISED TOTAL CONTRACT AMOUNT:**

\$400,000,000 NTE

**PERCENT +/- (THIS MODIFICATION):**

+ 100%

**ORIGINAL PROCUREMENT METHOD:**

Competitive Sealed Proposals

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 6-IT MOD (Cont.)**

**MBE PARTICIPATION OVERALL GOAL:** 25%

**MBE PARTICIPATION FOR ARUNDEL MILLS:** 19.7%

**PERFORMANCE SECURITY:** Yes

**REMARKS:** Reference is made to DoIT Item 2-IT (April 7, 2010) in which the Board of Public Works approved contracts with VLT manufacturers for the lease or purchase of VLTs at the various VLT facilities in Maryland. The Board required the Lottery to “return to the Board for approval of the initial order of VLT equipment/services for each facility opening” and imposed the limitation that “the 5-year base contract amount may not exceed \$200,000,000 without further Board approval.”

The contract expenditures to date for acquisition of VLTs for the two Facilities which are presently operational are:

|   |                   |                     |
|---|-------------------|---------------------|
| Cecil County-Penn National Hollywood Casino, Perryville | -1,500 VLTs       | \$63,968,014        |
| <u>Worcester County-Casino at Ocean Downs, Berlin</u>   | <u>- 800 VLTs</u> | <u>\$35,065,274</u> |
| <b>TOTAL</b>  | <b>2,300 VLTs</b> | <b>\$99,033,288</b> |

The addition of the \$168 million necessary to acquire the VLTs herein for the Anne Arundel County Facility will exceed the present not to exceed amount approved for the contract. Therefore, the Lottery Commission is requesting that the contract not to exceed amount be increased by an additional \$200,000,000 and therefore the 5-year base contract amount may not exceed \$400,000,000 without further Board approval. This amount will also accommodate a portion of the funds that are anticipated to be required for VLTs for the facilities in Baltimore City and Allegany County/Rocky Gap, which presently have license applications under review.

The Anne Arundel County/Maryland Live! Casino facility operator and the Lottery Commission selected specific types of VLTs that are needed to open the facility from the list of approved Master Contractors. On August 3, 2011, the Lottery issued Requests for Quotations to the eight master contractors who could provide those VLTs from the list of approved master contractors. All eight responded to the RFQs.

The Lottery sets VLT MBE subcontracting goals on an individual RFQ basis. For this set of RFQs, the Lottery set a 25% goal. Five of the RFQ responses meet or exceed the 25% participation goal. The other three RFQ responses requested a partial waiver of the goal which the Lottery granted after concluding that the contractors were unable to meet the full goal despite a good faith effort to do so. Each awarded task order in this set has an MBE subcontracting participation of at least 15%. The weighted average MBE participation for this set of RFQs is 19.7% (see Attachment 1).

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 6-IT MOD (Cont.)**

The Award Amount is based upon the number of VLTs (4,719) to be acquired under this group of RFQs. In this lot, the Lottery is leasing a total of 4,719 VLTs. This facility is presently licensed for a total of 4,750 VLTs. The balance of 31 VLTs needed are being relocated from the other existing VLT facilities. Delivery of VLTs from the manufacturers is anticipated to begin in February 2012, and the Maryland Live! Casino is presently targeted to open in early June 2012.

The weighted average goal of proposed MBE participation for all contractors as stated when the VLT order was submitted was 21.6% for Hollywood Casino Perryville and 20.4% for the Casino at Ocean Downs. The weighted average of actual MBE participation achieved through October 2011 is 20.2% for Hollywood and 21.3% for Ocean Downs.

**FUND SOURCE:** 100% Special (VLT Proceeds) and General  
**APPROP. CODE:** E75D0002  
**RESIDENT BUSINESS:** No  
**MD TAX CLEARANCE:** See Attachment

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**BOARD OF PUBLIC WORKS ACTION: THE ABOVE REFERENCED ITEM WAS:**

**APPROVED\***

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

*\* Approved 2-1. Comptroller voted 'NO'.*

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

6-IT MOD (Cont.)

Attachment 1

| RFQs for Maryland Live! Casino at Arundel Mills Mall            |                  |                     |                     |                  |                     |                    |                    |                     |                      |
|---|------------------|---------------------|---------------------|------------------|---------------------|--------------------|--------------------|---------------------|----------------------|
| Master Contractor   | AGS Partners     | Aristocrat Tech.    | Bally Gaming        | Diamond Game     | IGT                 | KGM Gaming         | Shuffle Master     | Spielo Manuf.       | Totals               |
| RFQ #   | 2009-12-020PPE   | 2009-12-021PPE      | 2009-12-022PPE      | 2009-12-023PPE   | 2009-12-024PPE      | 2009-12-025PPE     | 2009-12-026PPE     | 2009-12-027PPE      | ---                  |
| # VLTs  | 22               | 575                 | 853                 | 21               | 1,700               | 40                 | 160                | 1,348               | 4,719                |
| #VLTs Purchased   | 0                | 0                   | 0                   | 0                | 0                   | 0                  | 0                  | 0                   | 0                    |
| #VLTs Leased  | 22               | 575                 | 853                 | 21               | 1,700               | 40                 | 160                | 1,348               | 4,719                |
| Total Purchase Amt.   | 0                | 0                   | 0                   | 0                | 0                   | 0                  | 0                  | 0                   | 0                    |
| Total Maintenance*  | 0                | 0                   | 0                   | 0                | 0                   | 0                  | 0                  | 0                   | 0                    |
| Total Lease Amt*  | \$555,821        | \$18,977,272        | \$28,971,169        | \$534,324        | \$52,551,523        | \$1,420,293        | \$5,699,232        | \$56,642,374        | \$165,352,009        |
| Total Conversions   |                  |                     |                     |                  |                     |                    |                    |                     | \$3,200,000          |
| <b>TOTAL RFQ AMOUNT</b>   | <b>\$555,821</b> | <b>\$18,977,272</b> | <b>\$28,971,169</b> | <b>\$534,324</b> | <b>\$52,551,523</b> | <b>\$1,420,293</b> | <b>\$5,699,232</b> | <b>\$56,642,374</b> | <b>\$168,552,009</b> |
| Ave. Purchase Amt.  | n/a              | n/a                 | n/a                 | n/a              | n/a                 | n/a                | n/a                | n/a                 | ---                  |
| Ave. Maint Amt. per Year per VLT                                | n/a              | n/a                 | n/a                 | n/a              | n/a                 | n/a                | n/a                | n/a                 | ---                  |
| **Lease Amt. per Year per VLT(FDR or WPD)                       | \$8,927          | \$11,662            | \$12,001            | \$8,991          | \$10,923            | \$12,547           | \$12,587           | \$14,848            | ---                  |
| Md. Tax #   | 11-2793-1100     | 11-2709-1111        | 11-2710-1011        | 11-2711-0001     | 11-2712-0011        | 11-2713-0001       | 11-3738-0000       | 11-2714-0000        | ---                  |
| MBE Participation   | 25%              | 25.6%               | 25%                 | 25%              | 18.9%               | 25%                | 15%                | 15%                 | ---                  |
| Portion of total Amount   | 0.12%            | 3.12%               | 4.52%               | 0.11%            | 6.81%               | 0.21%              | 0.51%              | 4.28%               | ---                  |
| <b>Weighted average - MBE participation for all Contractors</b> |                  |                     |                     |                  |                     |                    |                    |                     | <b>19.7%</b>         |

Notes:

\* For balance of contract term through 3/31/2015

\*\* Assumes \$315 win per unit per day (WPD) according to Legislative Services study.



**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 7-IT**

**Agency Contact:**

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[jmhopkins@dpscs.state.md.us](mailto:jmhopkins@dpscs.state.md.us)  
Robert Krysiak (410) 260-7179  
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**DEPARTMENT/PROGRAM:**

Public Safety & Correctional Services

**CONTRACT ID:**

Local and Long Distance Inmate Payphone Services  
DPSCS Q0009005  
ADPICS BPO No. Q00B2400080

**CONTRACT DESCRIPTION: Retroactive:** Revenue-producing contract to provide payphone services to inmates.

**AWARD:**

T-Netx/Securus Technologies  
Dallas, TX  
(Principal office in Delmar, MD)

**TERM:**

1/1/2009-12/31/2011

**AMOUNT:**

\$21,000,000 (Revenue) EST

**PROCUREMENT METHOD:**

Sole Source

**MBE PARTICIPATION:**

10%

**PERFORMANCE SECURITY:**

None

**INCUMBENT:**

T-Netix/Securus Technologies  
Dallas, TX

**REQUESTING AGENCY REMARKS:**

The original contract was executed January 1, 2009, with a term of January 1, 2009, through December 31, 2010. In January, 2011 a modification was executed extending the contract a year (January 1, 2011 through December 31, 2011).

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 7-IT (Cont.)**

When the contract was signed in 2009, the Department of Budget and Management, the control agency at that time, concluded that, given the interpretation of Department of Public Safety and Correctional Services of certain statutory language, the contract for inmate telephone services was exempt from Division II of the State Finance and Procurement Article and did not require approval from DBM or the Board of Public Works.

When the contract was amended to extend the term for a year, that extension was also treated as exempt from Division II and therefore did not require approval from DBM or BPW. However, consistent with DoIT's view that an inmate payphone contract is subject to Division II, DPSCS has since reconsidered its prior interpretation, and now agrees that the procurement of a new inmate payphone contract is subject to Division II. This Item seeks retroactive approval of the prior inmate payphone contract and extension.

At one point, Guru (MBE subcontractor) was supplying dial-up lines. However, as of September 2009 when T-Netix changed technology and implemented a new system which uses T-1 circuits, Guru indicated they could not provide these services. DPSCS has determined that the contractor made a good faith effort to meet the 10% MBE Subcontract goal. This was based on the State's agreement with the contractor's change in technology and the State's extensive evaluation of the contractor's efforts to find MBE subcontractors. The contractor has achieved a 1.92% MBE participation.

T-Netix a wholly-owned subsidiary of SECURUS Technologies has consistently provided the required services for DPSCS under this contract, through which DPSCS has received an estimated \$7,000,000 annually with rates that have limited the financial burden on inmates' families.

**FUND SOURCE:** 100% Revenue

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2895-0001

**DOIT REMARKS:** Retroactive approval is requested pursuant to State Finance and Procurement Article, §11-204(c), Annotated Code of Maryland.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 8-IT**

**Agency Contact:**

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Robert Krysiak (410) 260-7179  
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**DEPARTMENT/PROGRAM:**

Public Safety & Correctional Services

**CONTRACT ID:**

Local and Long Distance Inmate Payphone Services  
DPSCS Q0012042  
ADPICS BPO No. Q00B2400080

**CONTRACT DESCRIPTION:** Revenue producing contract to provide payphone services to inmates.

**AWARD:**

T-Netx/Securus Technologies  
Dallas, TX  
(Principal office in Delmar, MD)

**TERM:**

1/1/2012-12/31/2012

**AMOUNT:**

\$7,000,000 (Revenue)

**PROCUREMENT METHOD:**

Sole Source

**MBE PARTICIPATION:**

None

**PERFORMANCE SECURITY:**

None

**INCUMBENT:**

T-Netix/Securus Technologies  
Dallas, TX

**REQUESTING AGENCY REMARKS:** Request for approval of one-year sole source contract is to allow time to complete the procurement process and award a new contract. The development of the Request for Proposals has taken much longer than expected. Turnover in the DPSCS's procurement office and the need to revise the scope from the last RFP (in 2005) has required additional time. DPSCS is working on the RFP and hopes to have the solicitation ready for release during the first quarter of 2012.

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 8-IT (cont'd)**

Reference is made to DoIT Agenda Item 7-IT on today's Agenda. T-Netix, a wholly-owned subsidiary of SECURUS Technologies, has consistently provided the required services for DPSCS since 2003. By continuing services with this contractor, DPSCS will continue to receive an estimated \$7,000,000 annually and the rates will remain constant to avoid putting a financial burden on inmates' families.

The MBE participation goal was set at 0% due to the nature of this service.

**FUND SOURCE:** 100% Revenue

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2895-0001

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**SUPPLEMENT D**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**ACTION AGENDA**

**ITEM 9-IT OPT**

**Agency Contact:**

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Robert.Krysiak@doit.state.md.us

**DEPARTMENT/PROGRAM:**

Department of Human Resources  
Office of Technology for Human Services

**CONTRACT ID:**

Electronic Benefits Transfer System  
OTHS/EBT-06-002-A4  
Option #1 ADPICS N00B1400196  
COE07860  
Option #2 ADPICS N00B2400285

**CONTRACT APPROVED:**

DBM Item 8-IT (4/18/2007)  
DoIT Item 3-IT-MOD (5/19/2010)  
DoIT Item 2-IT OPT (1/26/2011)

**CONTRACTOR:**

ACS State & Local Solutions, Inc.  
Fairfax, VA

**CONTRACT DESCRIPTION:** Implement, operate and maintain a Web-based Electronic Benefits Transfer System for the Public Assistance and Food Stamp Benefits Programs to meet State and Federal laws.

**MODIFICATION DESCRIPTION:** (1) Reflect caseloads which have increased and are projected to increase further; and (2) **RETROACTIVE:** reduce contractual rates 30% due to increase in caseload.

**OPTION DESCRIPTION:** Exercise second and final option.

**ORIGINAL CONTRACT:**

5/01/2007 - 2/28/2011  
(With 2 two-year renewal options)

**MODIFICATION TERM:**

10/01/2011 - 2/28/2015

**OPTION TERM:**

3/01/2013 - 2/28/2015

**ORIGINAL CONTRACT AMOUNT:**

\$6,325,421.72

**THIS MODIFICATION AMOUNT:**

\$2,879,180.74 Increase to option period # 1  
\$3,644,435.18 Increase to option period # 2  
\$6,523,615.82 Total

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 9-IT OPT (Cont.)**

|   |                              |
|---|------------------------------|
| <b>OPTION AMOUNT:</b>                   | \$4,500,456.24               |
| <b>PRIOR MODIFICATIONS/OPTIONS:</b>     | \$7,251,659.34               |
| <b>REVISED TOTAL CONTRACT AMOUNT:</b>   | \$24,601,153.22              |
| <b>PERCENT +/- (THIS MODIFICATION):</b> | 43%                          |
| <b>OVERALL PERCENT +/-:</b>             | 62%                          |
| <b>ORIGINAL PROCUREMENT METHOD:</b>     | Competitive Sealed Proposals |
| <b>MBE PARTICIPATION:</b>               | 14.6%                        |

**REQUESTING AGENCY REMARKS:** With an increase in the caseload, DHR was able to negotiate new rates for option period #1 which are retroactive to October 1, 2011.

The Cost Per Case Month will decrease from \$0.78 to \$0.54 for Food Stamps and \$0.65 to \$0.45 for Cash Assistance and \$1.49 to \$1.04 for Cash and Food Stamp combined cases. The 30% rate reduction represents a cost avoidance to the State in the amount of \$4,835,112.63. The calculation was derived as follows:

|   |                       |
|---|-----------------------|
| Projected Cost for Option Period 1 with the current pricing | \$8,998,133.82        |
| Projected Cost for Option Period 1 with the rate reduction  | <u>\$7,208,881.78</u> |
| Projected Cost Avoidance                                    | \$1,789,252.04        |
| <br>  |                       |
| Projected Cost for Option Period 2 with the current pricing | \$11,190,752.01       |
| Projected Cost for Option Period 2 with the rate reduction  | <u>\$8,144,891.78</u> |
| Projected Cost Avoidance                                    | \$3,045,860.59        |
| <br>  |                       |
| Total Projected Cost Avoidance                              | \$4,835,112.63        |

**SUPPLEMENT D  
DEPARTMENT OF INFORMATION TECHNOLOGY  
ACTION AGENDA**

**ITEM: 9-IT OPT (Cont.)**

The Electronic Benefits Transfer (EBT) System allows DHR's customers to electronically access Food Stamps and Temporary Cash Assistance benefits using ATM and Point of Sale technology. Maryland was the first state to implement a statewide EBT program. This contract ensures compliance with both State and federal mandates and provides DHR with an automated system that supports the electronic distribution of cash and food stamp benefits with a debit card. Benefits are accessible to over 760,000 Maryland residents receiving DHR services.

The MBE goal is 14.6% for ACS. However, the Contractor is not compliance with the goal. The current compliance rate is 7.94% of the goal. As part of its good faith effort, on 8/11/11 ACS hired Staff Quest Inc., an MBE to meet its 14.6% goal. Staff Quest will provide staff to support Maryland callers at its San Antonio, Texas call center.

**FUND SOURCE:** 52% Federal 48% General

**APPROP. CODE:** N00F004

**RESIDENT BUSINESS:** Yes

**DOIT REMARKS:** Retroactive approval is requested pursuant to State Finance and Procurement Article, Sect. 11-204(c), Annotated Code of Maryland.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

Sandra Clifford (410) 385-4833  
sclifford@marylandports.com

BPW – 12/21/11

DEPARTMENT OF TRANSPORTATION  
ACTION AGENDA

CONSTRUCTION CONTRACT

ITEM: 1-C

MARYLAND PORT ADMINISTRATION

CONTRACT ID: 511124  
Replace Breasting Dolphins @ Pier 10  
North Locust Point Marine Terminal  
ADPICS NO. P511124

CONTRACT DESCRIPTION: This contract provides for the replacement of the Breasting Dolphins at Pier 10 at the North Locust Point Marine Terminal.

AWARD: McLean Contracting Co.  
Glen Burnie, MD

AMOUNT: \$985,375

TERM: 120 Work Days

PROCUREMENT METHOD: Competitive Sealed Bidding

BIDS:

- McLean Contracting, Co. \$985,375  
Glen Burnie, MD
- Marine Technologies, Co. \$1,022,780  
Baltimore, MD
- Corman Marine Construction \$1,069,760  
Annapolis Junction, MD
- Precon Marine, Inc. \$1,091,900  
Chesapeake, VA
- Cianbro Corp. \$1,449,500  
Pittsfield, MD
- Marine Contracting Corp. \$1,547,685  
Virginia Beach, VA

MBE PARTICIPATION: 3%



ITEM: 1-C (Continued)

BPW – 12/21/2011

**PERFORMANCE SECURITY:** Performance and Payment Bond at 100% of the Contract Amount

**REMARKS:** The Engineer’s Estimate for this contract was \$1,162,830.

This Solicitation was advertised in eMaryland Marketplace. Ten (10) contractors received bid packages; six (6) were Maryland firms. Six (6) responsive and responsible bids were received.

Breasting Dolphins are structural facilities dedicated to berthing ships. They are made of one or more single flexible laterally-loaded piles capable of absorbing the impact energy of the berthing ship.

This contract consists of furnishing all materials and equipment and performing all labor to demolish and remove one existing concrete and steel pile breasting dolphin along with timber piles and falsework, two steel pile temporary panel dolphins and existing associated items; furnish and drive new steel piles, dynamic pile testing, and construction of three new cast-in-place concrete breasting dolphins, along with new rubber fenders, mooring hardware and associated items. The work includes salvaging the existing cylindrical rubber fenders from the existing dolphins, and turning them over to MPA.

**FUND SOURCE:** 100% Special Funds Budgeted to MPA

**APPROPRIATION CODE:** J03D0002

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2746-1111

**BOARD OF PUBLIC WORKS ACTION– THE ABOVE-REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

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BPW – 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

CONSTRUCTION CONTRACT

ITEM: 2-C

MARYLAND TRANSIT ADMINISTRATION:

CONTRACT ID: T-1351R  
 MARC Ancillary Repairs, Maintenance & Minor  
 Construction  
 ADPICS NO. T1351R

**CONTRACT DESCRIPTION:** The work to be performed under this contract includes the furnishing of services necessary for the accomplishment of miscellaneous minor construction, repairs, and maintenance work for the Administration's MARC rolling stock and maintenance facility equipment. Facilities located at Riverside, Martins, Frederick, and Brunswick are located in Maryland; and the Martinsburg facility is located in West Virginia. Operations facilities are also located in Anne Arundel, Baltimore, Cecil, Frederick, Harford, Howard, Montgomery, and Prince George's counties, Western Maryland and various West Virginia Counties. Work will include minor rolling stock repair and maintenance work performed in accordance with Original Equipment Manufacturer (OEM) requirements and facility equipment repair and maintenance work.

**AWARD:** Southern Improvement Company  
 Hunt Valley, Maryland

Denver-Elek, Inc.  
 Baltimore, Maryland

Rail Plan International  
 Baltimore, Maryland

**TERM:** 1,460 Calendar Days from NTP

**AMOUNT:** \$4,000,000 (Aggregate Amount NTE)

**PROCUREMENT METHOD:** Competitive Sealed Bidding

**BIDS:**

Southern Improvement Company \$400  
 Hunt Valley, Maryland

Denver-Elek, Inc. \$455  
 Baltimore, Maryland

Rail Plan International \$481  
 Baltimore, Maryland

ITEM: 2-C (Continued)

BPW – 12/21/11

DBE PARTICIPATION: 25%

PERFORMANCE SECURITY: Performance Bond at 100% of Contract Amount

HIRING AGREEMENT ELIGIBLE: Yes

REMARKS: The Engineer's Estimate for the first task under this contract was estimated at \$540.

This Solicitation was advertised in eMaryland Marketplace and on the MTA's website. Sixty-five (65) firms received bid packages and were placed on a "planholders list" for future notifications regarding the solicitation. Of the sixty-five firms on the list forty-four (44) were Maryland firms. On August 16, 2011, a total of three (3) sealed bids were received from interested firms and opened publicly. This is the first IFB solicitation initiated using the "new ancillary procedures" developed by the MTA to foster more competition for this type of ancillary contract award. The contract duration is for a three (3) year time period.

This is a multiple award contract. There will be a secondary competition for each task order. The first contract award will be awarded to the responsible Bidder with the lowest responsive bid based on the bid submitted for "sample task", as provided in the solicitation. The lowest bid amount for the sample task does not represent the total amount for which the contract could be awarded because each bidder will have an opportunity to compete for subsequent tasks issued by the MTA. In addition, each Contractor will only be compensated for the actual work, satisfactorily completed and accepted, on a Task-by-Task and Item by Item basis, as required by the MTA and in accordance with the General Provisions and Special Provisions of this contract. Furthermore, the MTA does not imply or guarantee with this contract award that only one Contractor will receive either the "Grand Total", price bid, or the "Amount Budgeted" during the life of this Contract.

FUND SOURCE: 80% Federal Funds Budgeted to MTA  
20% Special Funds Budgeted to MTA

APPROPRIATION CODE: J05H0105

RESIDENT BUSINESSES: No

MD TAX CLEARANCE: 11-2854-0111

BOARD OF PUBLIC WORKS ACTION - THE ABOVE-REFERENCED ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

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BPW – 12/21/11

**DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA**

**CONSTRUCTION CONTRACT MODIFICATION**

**ITEM: 3-C-MOD**

**MARYLAND TRANSIT ADMINISTRATION:**

**CONTRACT NO. & TITLE:** T-1269 A&B  
 Ancillary Repairs, Maintenance & Minor  
 Construction-Construction Division  
 ADPICS NO. CO280054 & CO280055

**ORIGINAL CONTRACT APPROVED:** Item 3-C, DOT Agenda 12/03/08

**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Bidding

**CONTRACTOR:** Denver-Elek, Inc. (T-1269A)  
 Brawner Builders, Inc. (T-1269B)

**MODIFICATION:** Change Order No. 1 is a modification to increase the contract value and extend for a one year time period the ancillary contract previously awarded to the Contractors identified above. The purpose of this modification is to allow for continuation of existing services and proactively respond to urgent repair or maintenance projects as required.

**AMOUNT:** \$1,500,000 each for Contracts A&B

**ORIGINAL CONTRACT AMOUNT:** \$9,014,670 (T-1269A)  
 \$9,514,260 (T-1269B)

**TERM:** 01/05/09 to 01/04/12 (Original)  
 01/04/12 to 01/05/13 (Change Order No. 1)

**MBE PARTICIPATION:** 30%

**REVISED CONTRACT AMOUNT:** \$10,514,670 (T-1269A)  
 \$10,654,260 (T-1269B)

**PERCENTAGE INCREASE:** 16.64% (T-1269A)  
 15.77% (T-1269B)

**REMARKS:** The purpose for requesting a modification to this contract is to allow MTA sufficient time to complete a new procurement for these services under MTA's new ancillary contract process. MTA previously conducted a procurement for ancillary construction services in 2010, but all bids

ITEM:

3-C-MOD (Continued)

BPW – 12/21/11

solicited for that contract (T-1314) were rejected "in the best interests of the State", in accordance with procurement regulations. The MTA rendered this decision following a solicitation and lengthy evaluation of the original bids received. In the original solicitation (T-1314), the intent was to award a contract to ensure the continuity of services while maintaining some overlap with the existing general purpose contracts T-1269 A&B. The solicitation for a new contract was advertised on June 15, 2010 (T-1314) and bids were opened on July 28, 2010. Four sealed bids were received and a three-way tie for award of a \$10,004,505. contract was read to those persons in attendance.

Upon reviewing the bids closely, the MTA initially resolved the tie by issuing a Procurement Officer's Decision based on the tie-breaking requirements found in State procurement regulations. However, over the next several months, this procurement was the subject of two protests and multiple public information act requests from the bidders who were dissatisfied with the initial Procurement Officer's Decision. During that same time period, the MTA was instructed to institute a new method to award ancillary contracts. Therefore, upon further consultation and advice from the MTA's Office of Attorney General, it was decided that it would be in the best interest of the State to reject all bids and cancel the solicitation for T-1314.

Currently the Construction Division of MTA's Office of Engineering is operating with only two active general purpose ancillary contracts, T-1296 A and B, which MTA now seeks to modify. . Approval of this modification will allow the MTA to continued providing a wide range of construction services, on a task order basis, throughout the agency. If these contracts were to expire, MTA would have no existing contract authority for task order work involving construction repair or maintenance activities. This would severely impact the MTA's ability to respond to the constantly emerging maintenance and minor construction needs for which the contracts were initially awarded. In addition, at the current rate in which funding is being utilized, there is a strong likelihood that remaining contract authority will be expended by the end of calendar year 2011. Therefore, MTA seeks to increase the amount of contract authority to ensure that work can continue.

The type of tasks typically provided under this ancillary are things such as bus stop sign replacement, replacement of bridges on State-owned freight rail lines, security upgrades to facilities, and various emergency repairs on MTA-operated rail lines (Metro Subway and Light Rail) to remedy the impact of severe weather events.

FUND SOURCE:

Federal and Special Funs Budgeted to MTA

APPROPRIATION CODE:

J05H0105

BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

129

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BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
ACTION AGENDA

MAINTENANCE CONTRACT

ITEM: 4-M

MARYLAND AVIATION ADMINISTRATION

**CONTRACT ID:** MAA-MC-12-009  
MUFIDS/BIDS Repair and Maintenance at BWI  
Thurgood Marshall Airport (BWI Marshall)  
ADPICS NO. MAAMC12009

**CONTRACT DESCRIPTION:** This contract provides for the preventive maintenance and repairs to the Multi-Use Flight and Baggage Information Display Systems (MUFIDS) at BWI Marshall. The MUFIDS system will provide for more visible, free-standing displays, expand the system's capacity to better integrate with airline flight information systems and to ensure timely and accurate data for airport users.

**AWARD:** Signature Technologies, Inc. t/a Com-Net Software  
Miamisburg, OH

**TERM OF CONTRACT:** Two (2) Years from NTP with two (2), one (1) year  
renewal option  
(January 15, 2012 – January 14, 2014)

**AMOUNT:** \$1,726,144 NTE

**PROCUREMENT METHOD:** Sole Source

**MBE PARTICPATION:** 5%

**REMARKS:** This contract is considered proprietary because Signature Technologies, Inc. is the only vendor that can perform maintenance services on the software. Signature Technologies continues to provide an acceptable level of service in regards to production, responsiveness, quality of service, and cost effectiveness.

In accordance with COMAR 21.05.05.02.A.(2), a sole source procurement is needed due to the proprietary nature of the unique components of the System, built specifically for BWI.

**FUND SOURCE:** 100% Special Funds Budgeted to MAA

**APPROPRIATION CODE:** J0610002

**RESIDENT BUSINESS:** No

**MD TAX CLEARANCE:** 11-2857-1111

BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:

|                 |                    |                    |                  |
|-----------------|--------------------|--------------------|------------------|
| <b>APPROVED</b> | <b>DISAPPROVED</b> | <b>DEFERRED</b>    | <b>WITHDRAWN</b> |
| WITH DISCUSSION |                    | WITHOUT DISCUSSION |                  |

Cheryl Hill – (410) 545-0402  
Chill@sha.state.md.us

BPW – 12/21/11

**DEPARTMENT OF TRANSPORTATION  
ACTION AGENDA**

**MAINTENANCE CONTRACT**

**ITEM: 5-M**

**STATE HIGHWAY ADMINISTRATION**

**CONTRACT ID:** D3JANT2013  
Janitorial/Custodial & Carpet Care Services for Prince  
George’s and Montgomery Counties (District 3)  
ADPICS NO. D3JANT2013

**CONTRACT DESCRIPTION:** This contract provides all labor, supervision, and equipment to provide janitorial, custodial & carpet care services to the SHA Office and the four maintenance shops in District 3.

**AWARD:** Lyles Cleaning Service  
Westminster, MD

**TERM OF CONTRACT:** 01/01/2012 – 12/31/2013

**AMOUNT:** \$266,813 NTE

**PROCUREMENT METHOD:** Community Service Provider

**MBE PARTICIPATION:** 100%

**REMARKS:** Prices and contract amount were certified as a fair market price by the Pricing and Selection Committee for the Employment Works Program.

**FUND SOURCE:** 100% Special Funds Budgeted to SHA

**APPROPRIATION CODE:** J02B0101/J02B0102

**MD TAX CLEARANCE:** 11-2464-0000

**RESIDENT BUSINESS:** Yes

**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

|                          |                    |                           |                  |
|--------------------------|--------------------|---------------------------|------------------|
| <b>APPROVED</b>          | <b>DISAPPROVED</b> | <b>DEFERRED</b>           | <b>WITHDRAWN</b> |
| <b>WITH DISCUSSION ✓</b> |                    | <b>WITHOUT DISCUSSION</b> |                  |

Cheryl Hill 410-545-0402  
chill@sha.state.md.us

BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

MAINTENANCE CONTRACT

ITEM: 6-M

STATE HIGHWAY ADMINISTRATION

**CONTRACT ID:** 5492A51413SB  
 Highway Maintenance Contract Support for the  
 Administration's Annapolis Shop in Southern Anne  
 Arundel County  
 ADPICS NO. 5492A51413

**CONTRACT DESCRIPTION:** This Contract consists of highway maintenance contract support for SHA's Annapolis Shop in Southern Anne Arundel County.

**AWARD:** Thomas Jones Contractor, Inc.  
 Fort Washington, MD

**AMOUNT:** \$459,800 NTE

**TERM OF CONTRACT:** January 2, 2012 through December 31, 2013

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Small Business Reserve)

**BIDS:**

|  |           |
|--|-----------|
| Thomas Jones / Contractor<br>Fort Washington, MD | \$459,800 |
| Just Business, LLC<br>Baltimore, MD              | \$461,120 |
| BWWS, LLC<br>Baltimore, MD                       | \$477,840 |
| Unified Solutions Service, LLC<br>Columbia, MD   | \$492,800 |
| JPEX Corporation<br>Towson, MD                   | \$499,840 |
| Earn Contractors<br>Gaithersburg, MD             | \$505,200 |



**ITEM: 6-M (Continued)**

**BPW – 12/21/11**

**BIDS (Cont'd):**

Colossal Contractors, Inc \$506,340  
Burtonsville, MD

K & M Professional Services, LLC \$521,520  
Pikesville, MD

**MBE PARTICIPATION:** 100%

**PERFORMANCE SECURITY:** None

**REMARKS:** The Solicitation was advertised on eMaryland Marketplace and SHA's Internet Web Page. One hundred eighty seven (187) contractors were notified for this project on eMaryland Marketplace; Twenty nine (29) of which were MDOT Certified MBE's.

All bids are a result of Contractor submitted unit prices or labor rates extended by SHA estimated quantities.

The MBE goal established for this contract was 0%, however 100% of the work will be performed by a Certified Small Business Enterprise/ Minority Business Enterprise.

**FUND SOURCE:** 100% Special Funds Budgeted to SHA

**APPROPRIATION CODE:** J02B0102

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2328-0111

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**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**      **DISAPPROVED**      **DEFERRED**      **WITHDRAWN**  
**WITH DISCUSSION**      **WITHOUT DISCUSSION**

Cheryl Hill 410-545-0402  
chill@sha.state.md.us

BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

MAINTENANCE CONTRACT

ITEM: 7-M

STATE HIGHWAY ADMINISTRATION

**CONTRACT ID:** 5492G51413  
 Highway Maintenance Contract Support for the  
 Administration's Shops in the Glen Burnie Area in  
 Northern Anne Arundel County  
 ADPICS NO. 5492G51413

**CONTRACT DESCRIPTION:** This Contract consists of highway maintenance contract support for SHA's Shops in the Glen Burnie Area in Northern Anne Arundel County.

**AWARD:** Just Business, LLC  
 Baltimore, MD

**AMOUNT:** \$409,860 NTE

**TERM OF CONTRACT:** January 2, 2012 through December 31, 2013

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Small Business Reserve)

**BIDS:**

|  |           |
|--|-----------|
| Just Business, LLC<br>Baltimore, MD                | \$409,860 |
| K & M Professional Services, LLC<br>Pikesville, MD | \$435,270 |
| JPEX Corporation<br>Towson, MD                     | \$440,550 |
| Bowie Lawn Service<br>Upper Marlboro, MD           | \$445,500 |
| Thomas Jones / Contractor<br>Fort Washington, MD   | \$453,750 |
| BWWS, LLC<br>Baltimore, MD                         | \$467,940 |

ITEM: 7-M (Continued)

BPW – 12/21/11

**BIDS (Cont'd):**Colossal Contractors, Inc  
Burtonsville, MD \$506,550Earn Contractors  
Gaithersburg, MD \$511,500**MBE PARTICIPATION:** 0% (single elements of work)**PERFORMANCE SECURITY:** None**REMARKS:** The Solicitation was advertised on eMaryland Marketplace and SHA's Internet Web Page. One hundred eighty seven (187) contractors were notified for this project on eMaryland Marketplace; Twenty nine (29) of which were MDOT Certified MBE's.

All bids are a result of Contractor submitted unit prices or labor rates extended by SHA estimated quantities.

100% of the work will be performed by a Certified Small Business Enterprise.

**FUND SOURCE:** 100% Special Funds Budgeted to SHA**APPROPRIATION CODE:** J02B0102**RESIDENT BUSINESS:** Yes**MD TAX CLEARANCE:** 11-2677-0000

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**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:****APPROVED****DISAPPROVED****DEFERRED****WITHDRAWN****WITH DISCUSSION****WITHOUT DISCUSSION**

Cheryl Hill 410-545-0402  
chill@sha.state.md.us

BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

MAINTENANCE CONTRACT

ITEM: 8-M

STATE HIGHWAY ADMINISTRATION

**CONTRACT ID:** 54916L1413SB  
 Highway Maintenance Support for the Administration's  
 Laurel Shop in Prince George's County  
 ADPICS NO. 54916L1413

**CONTRACT DESCRIPTION:** This Contract consists of highway maintenance support for  
 SHA's Laurel Shop in Prince George's County.

**AWARD:** Just Business, LLC  
 Baltimore, MD

**AMOUNT:** \$623,520 NTE

**TERM OF CONTRACT:** January 2, 2012 through December 31, 2013

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Small Business Reserve)

**BIDS:**

|  |           |
|--|-----------|
| Just Business, LLC.<br>Baltimore, MD               | \$623,520 |
| The Akamai Group, LLC<br>Alexandria, VA            | \$636,000 |
| K & M Professional Services, LLC<br>Pikesville, MD | \$652,320 |
| Colossal Contractors, Inc.<br>Burtonsville, MD     | \$719,520 |
| Earn Contractors<br>Gaithersburg, MD               | \$729,120 |

**MBE PARTICIPATION:** 0% (single elements of work)

**PERFORMANCE SECURITY:** None

**ITEM: 8-M (Continued)**

**BPW – 12/21/11**

**REMARKS:** The Solicitation was advertised on eMaryland Marketplace and SHA's Internet Web Page. One hundred ninety three (193) contractors were notified for this project on eMaryland Marketplace; Thirty-three (33) of which were MDOT Certified MBE's.

All bids are a result of Contractor submitted unit prices or labor rates extended by SHA estimated quantities.

100% of the work will be performed by a Certified Small Business Enterprise.

**FUND SOURCE:** 100% Special Funds Budgeted to SHA

**APPROPRIATION CODE:** J02B0102

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2667-1000

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**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

Cheryl Hill 410-545-0402  
chill@sha.state.md.us

BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

MAINTENANCE CONTRACT

ITEM: 9-M

STATE HIGHWAY ADMINISTRATION

**CONTRACT ID:** 54916M1413SB  
 Highway Maintenance Support for the Administration's  
 Marlboro Shop in Prince George's County  
 ADPICS NO. 54916M1413

**CONTRACT DESCRIPTION:** This Contract consists of highway maintenance support for  
 SHA's Marlboro Shop in Prince George's County.

**AWARD:** K & M Professional Services, LLC  
 Pikesville, MD

**AMOUNT:** \$612,000 NTE

**TERM OF CONTRACT:** January 2, 2012 through December 31, 2013

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Small Business Reserve)

**BIDS:**

|  |           |
|--|-----------|
| K & M Professional Services, LLC<br>Pikesville, MD | \$612,000 |
| Just Business, LLC.<br>Baltimore, MD               | \$621,600 |
| The Akamai Group, LLC<br>Alexandria, VA            | \$622,560 |
| Thomas Jones / Contractor<br>Fort Washington, MD   | \$671,520 |
| A2Z Enterprise Services<br>Waldorf, MD             | \$718,080 |
| Colossal Contractors, Inc<br>Burtonsville, MD      | \$719,520 |
| Earn Contractors<br>Gaithersburg, MD               | \$732,000 |

ITEM: 9-M (Continued)

BPW – 12/21/11

MBE PARTICIPATION: 0% (single elements of work)

PERFORMANCE SECURITY: None

REMARKS: The Solicitation was advertised on eMaryland Marketplace and SHA's Internet Web Page. One hundred ninety three (193) contractors were notified for this project on eMaryland Marketplace; Thirty three (33) of which were MDOT Certified MBE's.

All bids are a result of Contractor submitted unit prices or labor rates extended by SHA estimated quantities.

100% of the work will be performed by a Certified Small Business Enterprise.

FUND SOURCE: 100% Special Funds Budgeted to SHA

APPROPRIATION CODE: J02B0102

RESIDENT BUSINESS: Yes

MD TAX CLEARANCE: 11-2596-0000

BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

Suzette Moore - (410) 859-7792  
smoore2@bwiairport.com

BPW – 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

SERVICE CONTRACT

ITEM: 10-S

MARYLAND AVIATION ADMINISTRATION

CONTRACT ID: MAA-SV-11-002 A-N  
 Comprehensive Real Estate Services at BWI Thurgood  
 Marshall (BWI Marshall) & Martin State (MTN) Airports  
 ADPICS NOS: MAASV11002

CONTRACT DESCRIPTION: This multiple award contract shall provide survey, title & settlement and appraisal services in support of Maryland Aviation Administration (MAA), Office of Real Estate Programs.

AWARDS: SURVEY SERVICES

RDA Engineering Company /  
 Upper Marlboro, MD

Precision Measurements, Inc. /  
 Virginia Beach, VA

Johnson, Mirmiran & Thompson, Inc.  
 Sparks, MD

J.A. Rice, Inc.  
 Millersville, MD

EBA Engineering /  
 Baltimore, MD

Taylor, Wiseman & Taylor -  
 Mt. Laurel, NJ

TITLE & SETTLEMENT SERVICES

Property Title and Escrow, LLC /  
 Baltimore, MD

Answer Title /  
 Washington, DC

Bay Title Company /  
 Annapolis, MD

APPRAISAL SERVICES

Karen H. Belinko Appraisals, LLC /  
 Sykesville, MD

Peabody & Associates, LLC /  
 Annapolis, MD

Muller-Casella Associates, Inc. /  
 Towson, MD

Melville E. Peters t/a Associated Appraisers  
 Beltsville, MD

Diversified Property Services, Inc. /  
 Timonium, MD

TERM OF CONTRACT:

Three (3) years after NTP, with one (1) two (2) year  
 renewal option

AMOUNT:

\$675,000 NTE



**ITEM: 10-S (Continued)**

**BPW – 12/21/11**

**PROCUREMENT METHOD:** Competitive Sealed Bidding

**SURVEY SERVICE BIDS:** Representative Bids

RDA Engineering Company \$32,500  
Upper Marlboro, MD

Johnson, Mirmiran & Thompson, Inc. \$35,410  
Sparks, MD

EBA Engineering \$39,400  
Baltimore, MD

Precision Measurements, Inc. \$46,893  
Virginia Beach, VA

J.A. Rice, Inc. \$47,200  
Millersville, MD

Taylor, Wiseman & Taylor \$55,000  
Mt. Laurel, NJ

**TITLE & SETTLEMENT BIDS:** Representative Bids

Property Title and Escrow, LLC \$90,850  
Baltimore, MD

Answer Title \$104,200  
Washington, DC

Bay Title Company \$106,500  
Annapolis, MD

**APPRAISAL BIDS:** Representative Bids

Karen H. Belinko Appraisals, LLC \$38,500  
Sykesville, MD

Muller-Casella Associates, Inc. \$43,000  
Towson, MD

Diversified Property Services, Inc. \$44,670  
Timonium, MD

Peabody & Associates, LLC \$55,000  
Annapolis, MD

Melville E. Peters t/a \$56,500  
Associated Appraisers  
Beltsville, MD

**MBE PARTICIPATION:** 0% (See Remarks)

**ITEM: 10-S (Continued)**

**BPW – 12/21/11**

**REMARKS:** The Solicitation was advertised on eMarylandMarketplace and on the MAA website. The Solicitation was sent to the Governor’s Office of Minority Affairs on August 2, 2011. A total of twenty-two (22) sets of specifications were sold and fourteen (14) bids were received.

These services are needed to assist the MAA in the disposition of 190 parcels purchased with noise mitigation grant funds. In 1985, the MAA began acquiring properties that were deemed incompatible due to aircraft noise through BWI-Marshall’s 14 CFR Code of Federal Regulations Part 150 Program. MAA purchased these properties with contributions from FAA Airport Improvement Program (AIP) Grants and from the State of Maryland. The FAA AIP grant assurances tied to these funds, requires the MAA to dispose of the noise land when it is no longer needed for noise compatibility reasons.

The MAA obtained FAA approval of a Reuse Plan in June 2010 and will dispose of the 190 parcels over the next five years. These properties will be disposed of at their current fair market value (FMV) upon approval of the Board of Public Works and the federal share is declared as disposal proceeds. The disposal proceeds are placed into an escrow and can be used for other FAA approved noise compatibility projects or returned to the AIP Trust Fund.

In an effort to promote competition and control costs, after award contractors will be required to compete on specific individual tasks. MAA reserves the right to award any task to one of the successful contractors when a specific expertise is required or when the continuation of a prior task is required.

The contract amount is based on the final budget amount. None of the contractors have a guaranteed minimum or maximum amount, except for the overall budget limitation.

The zero percent MBE goal is due to the requirements that all firms providing appraisal services must be on the Maryland State Highway Administration’s approved appraisal list and there were limited MBEs certified to perform title and settlement services. To encourage MBE participation, MAA directly solicited five (5) firms for services. Six of the recommended firms for award are certified MBEs and three are certified Small Businesses.

**FUND SOURCE:** 100% Special Funds Budgeted to MAA

**APPROPRIATION CODE:** J06I0003

**RESIDENT BUSINESSES:** Yes, All Resident Business except Taylor, Wiseman & Taylor and Precision Measurements, Inc.

**MD TAX CLEARANCES:**

|                                 |              |  |              |
|---------------------------------|--------------|--|--------------|
| RDA Engineering Company         | 11-2850-1111 | Johnson, Mirmiran & Thompson, Inc.           | 11-2816-1111 |
| EBA Engineering                 | 11-2828-1111 | Precision Measurements, Inc.                 | 11-2809-0000 |
| J.A. Rice                       | 11-2829-1111 | Taylor, Wiseman & Taylor                     | 11-2892-0111 |
| Property Title and Escrow, LLC  | 11-2810-0111 | Answer Title                                 | 11-2817-0110 |
| Bay Title Company               | 11-2818-0001 | Karen H. Belinko Appraisals, LLC             | 11-2819-0110 |
| Muller-Casella Associates, Inc. | 11-2807-0111 | Diversified Property Services, Inc.          | 11-2812-0111 |
| Peabody & Associates, LLC       | 11-2808-0110 | Melville E. Peters t/a Associated Appraisers | 11-2806-0110 |

**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

Suzette Moore – (410) 859-7792  
 smoore2@bwiairport.com

BPW -- 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

SERVICE CONTRACT

ITEM: 11-S

MARYLAND AVIATION ADMINISTRATION

**CONTRACT ID:** MAA-SV-12-003 A & B  
 Commercial Facilities Planning &  
 Analysis Services at BWI Thurgood Marshall  
 Airport (BWI Marshall)  
 ADPICS NO. MAASV12003

**DESCRIPTION:** This contract provides for airport commercial facilities planning and analysis services at BWI Marshall.

**AWARD:**

|   |              |
|---|--------------|
| Leigh Fisher, Inc.<br>Burligame, CA     | (Contract A) |
| Landrum & Brown, Inc.<br>Cincinnati, OH | (Contract B) |

**AMOUNT:** \$1,024,000 NTE

**TERM OF CONTRACT:** Three (3) years after NTP, with one (1) two (2) year renewal option

**PROCUREMENT METHOD:** Competitive Sealed Proposals

| <b>PROPOSALS:</b>                       | <u>Technical Ranking</u> | <u>Financial Offer Ranking</u> | <u>Overall Ranking</u> |
|---|--------------------------|--------------------------------|------------------------|
| Leigh Fisher, Inc.<br>Burligame, CA     | 1                        | \$315,500 (2)                  | 1 (Contract A)         |
| Landrum & Brown, Inc.<br>Cincinnati, OH | 2                        | \$244,500 (1)                  | 2 (Contract B)         |

**MBE PARTICIPATION:** 15% (Contract A)  
 30% (Contract B)

**REMARKS:** The Solicitation was advertised on eMarylandMarketplace and on the MAA website. The solicitation was sent to five (5) MBE firms on July 18, 2011. Three (3) proposals were received.

These contracts provide on-call airport commercial facilities planning and analysis services for BWI. Services include, but are not limited to: updating the Master Concessions Facilities Plan; airport commercial activity demand forecasting; development of cost estimates/schedules for commercial

**ITEM: 11-S (Continued)**

**BPW - 12/21/11**

facilities; development of conceptual design plans; review of architectural/design plans; and development of commercial facilities plans for terminal development.

Consultant will provide assistance to MAA in preparing airport financial analyses and develop financial benchmarks for short, mid and long term capital needs.

Consultant(s) will provide analysis and guidance relative to airline industry dynamics and relations with the Federal Aviation Administration and air carriers. Services also include development of plans for usage of Passenger Facility Charges (PFCs) and preparation of a commercial plan for Martin State Airport. The award is being recommended to two (2) firms. Tasks will be assigned to the contractors based on technical expertise and utilizing the hourly rates submitted in the cost proposals.

After completion of the evaluation process the Panel determined that Leigh Fisher, Inc. and Landrum & Brown, Inc. offer value to the State and recommended that both firms be awarded contracts. The Selection Panel (Panel) ranked Leigh Fisher, Inc. the highest of the offerors, considering the combination of technical expertise of the proposed key staff and the overall experience of the firm. Leigh Fisher, Inc. has broad experience in financial consulting and concessions in commercial planning at large hub airports. The Panel felt given Leigh Fisher and its' team experience with BWI Marshall's and airports throughout the world, a contract award to Leigh Fisher provides the State with the most qualified staff to perform the tasks required by the contract.

Additionally, Landrum & Brown and its' team also has extensive financial and commercial planning experience at major airports including BWI Marshall and are highly qualified in their respective areas. Landrum & Brown's experience and strengths combined with those of Leigh Fisher, Inc. will be of value to the State.

A third offeror was deemed not susceptible for award because they did not have the required experience as specified in the Request for Proposals (RFP).

The MBE goal established for this contract was 15%; however Landrum & Brown, Inc. (Contract B) will be exceeding the goal by 15%.

The contract amount is based on the final budget amount. None of the contractors have a guaranteed minimum or maximum amount, except for the overall budget limitation.

|                             |                                    |              |
|-----------------------------|------------------------------------|--------------|
| <b>FUND SOURCE:</b>         | 100% Special Funds Budgeted to MAA |              |
| <b>APPROPRIATION CODE:</b>  | J06I0003                           |              |
| <b>RESIDENT BUSINESSES:</b> | No                                 |              |
| <b>MD TAX CLEARANCES:</b>   | Landrum & Brown, Inc.              | 11-2881-0011 |
|                             | Leigh Fisher, Inc.                 | 11-2837-0001 |

**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

John Thornton (410) 385-4850  
[jthornton@marylandports.com](mailto:jthornton@marylandports.com)

BPW – 12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

**CONTRACT MODIFICATION:** (Service)

**ITEM:** 12-S-MOD

**MARYLAND PORT ADMINISTRATION:**

**CONTRACT ID:** 290023-S  
 Janitorial Services, Cruise Terminal  
 CO279059

**ORIGINAL CONTRACT APPROVED:** DCAR 05/27/09

**ORIGINAL PROCUREMENT METHOD:** Competitive Sealed Bidding

**CONTRACTOR:** Ameri-Klean Services, Inc.  
 Baltimore, MD

**MODIFICATION:** Renewal Option No. 2 is the final one-year renewal option to extend the contract for the period June 17, 2012 through June 16, 2013.

**AMOUNT:** \$95,863

**ORIGINAL CONTRACT AMOUNT:** \$117,621

**REVISED CONTRACT AMOUNT:** \$355,775

**PERCENTAGE INCREASE:** 82 % (Renewal Option No. 2)  
 202 % (Overall)

**TERM:** 6/17/09 – 6/16/11 (Original)  
 6/17/11 – 6/16/12 (Renewal Option No. 1)  
 6/17/12 – 6/16/13 (Renewal Option No. 2)

**MBE PARTICIPATION:** 5% (Original)  
 5% (Renewal Option No. 2)

**REMARKS:** The Contractor provides janitorial services at South Locust Point Cruise Terminal. The original contract term was June 17, 2009 through June 16, 2011 with the MPA having the unilateral right to renew for two (2) additional one (1) year periods, subject to Consumer Price Index price increases during the renewal terms not to exceed 4%. Prices chargeable by the Contractor and the not-to-exceed value for the renewal term (\$95,863.00) include a CPI increase of 3.87%.

**ITEM: 12-S-MOD (Continued)**

**BPW – 12/21/11**

The MPA wishes to renew the contract as the contractor has performed well, keeping the Cruise Terminal clean and cruise customers happy while enabling MPA Cruise Operations to operate the Cruise Terminal efficiently and without incident.

**FUND SOURCE:** 100% Special Funds Budgeted to MPA

**APPROPRIATION CODE:** J0300001

**RESIDENT BUSINESS:** Yes

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**BOARD OF PUBLIC WORKS ACTION—THE ABOVE REFERENCED ITEM WAS:**

**APPROVED**      **DISAPPROVED**      **DEFERRED**      **WITHDRAWN**  
**WITH DISCUSSION**      **WITHOUT DISCUSSION**

## ATTACHMENT I

|                           | <b>Amount</b> | <b>Term</b>          | <b>BPW/DCAR<br/>Date</b> | <b>Reason</b>  |
|---------------------------|---------------|----------------------|--------------------------|--|
| <b>Original Contract</b>  | \$117,621.00  | 6/17/09 – 6/16/11    | DCAR 6/5/09              |  |
| <b>Modification No. 1</b> | \$0           | 6/17/09 – 6/16/11    | N/A                      | Allowed substitution of approved MBE subcontractor (due to inability of original MBE to obtain TWICS for employees). |
| <b>Modification No. 2</b> | \$50,000.00   | 6/17/09 – 6/16/11    | DCAR<br>11/17/10         | Increased NTE value by \$50,000 due to increase in cruise business.  |
| <b>Modification No. 3</b> | \$84,791.00   | 6/17/11 – 06/16/12   | BPW                      | First renewal Option   |
| <b>Modification No. 4</b> | \$ 7,500.00   | 3/30/2011 – 06/16/12 | N/A                      | Added cleaning of the new Cruise Terminal Passenger Boarding Bridge  |

Suzette Moore (410) 859-7792  
smoore2@bwiairport.com

BPW – 12/21/11

**DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA**

**EQUIPMENT CONTRACT**

**ITEM: 13-E**

**MARYLAND AVIATION ADMINISTRATION:**

**CONTRACT ID:** MAP6202979  
 2000kW Trailer Mounted Generator at BWI  
 Thurgood Marshall Airport  
 ADPICS NO: MAP6202979

**CONTRACT DESCRIPTION:** This contract provides for one (1) 2000kW No. 2 trailer mounted diesel fueled engine-generator.

**AWARD:** Kelly Generator and Equipment, Inc.  
 Owings, MD

**TERM:** One (1) Year from NTP

**AMOUNT:** \$525,767

**BIDS:**

|   |             |
|---|-------------|
| Kelly Generator and Equipment, Inc.<br>Owings, MD | \$525,767   |
| Fidelity Power Systems, Inc.<br>Sparks, MD        | \$665,729   |
| Cummins Power Systems, LLC<br>Glen Burnie, MD     | \$686,000   |
| National Electric Systems, Inc.<br>Boonville, NY  | \$820,244   |
| Alban Engine Power Systems, Inc.<br>Elkridge, MD  | \$995,200   |
| Western Branch Diesel, Inc.<br>Manassas, VA       | \$1,204,378 |

**PROCUREMENT METHOD:** Competitive Sealed Bidding

**MBE PARTICIPATION:** 0% (proprietary)

**PERFORMANCE SECURITY:** None



ITEM: 13-E (Continued)

BPW - 12/21/11

REMARKS: The Solicitation was advertised on eMaryland Marketplace and a direct solicitation was sent to seven (7) vendors. The notification was sent to the Governor's Office of Minority Affairs on October 5, 2011. A total of six (6) bids were received.

The generator is associated with the Central Utility Plant Generator Improvements Contract which includes the concrete pad and the electrical connections between the emergency generator and the Central Utility Plant. The generator will be used for emergency backup purposes.

FUND SOURCE: 100% Special Funds Budgeted to MAA

APPROPRIATION CODE: J06I00002

MD TAX CLEARANCE: 11-2815-1111

RESIDENT BUSINESS: Yes

BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION

James L. Knighton (410)-767-0820  
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BPW—12/21/11

**DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA**

**GENERAL MISCELLANEOUS**

**ITEM: 14-GM**

**MARYLAND TRANSIT ADMINISTRATION**

**CONTRACT ID:** T8000-0353  
 Commuter Bus Service between Howard and Montgomery  
 Counties, Maryland-Line No. 203  
 ADPICS NO. T80000353

**CONTRACT DESCRIPTION:** The purpose of this contract is to provide commuter bus services for the MTA between Snowden River Park and Ride, Howard County, and the Medical Center Metro in Bethesda, Montgomery County, Maryland via one route. Line 203 provides for a total of seven (7) daily trips per day. There are three (3) trips in the morning, one (1) mid-day and three (3) evening trips.

**AWARD:** Eyre Bus Services, Inc.  
 Glenelg, Maryland

**TERM:** Three (3) years from NTP, with one (1) two-year option renewal

**AMOUNT:** \$1,419,953 (\$1,386,945 base contract amount plus  
 \$33,008 for fuel surcharges)  
\$1,080,047 (additional service allowance)  
 \$2,500,000

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Multi-Step)

**BIDS:**

Eyre Bus Services, Inc. \$1,386,945  
 Glenelg, MD

S & L Enterprises, Inc. \$1,459,569  
 dba Atlantic Coast Charters  
 Hagerstown, MD

Gold Lines, Inc. \$1,541,698  
 Tuxedo, MD

**MBE PARTICIPATION:** 9.6%

ITEM: 14-GM (Continued)

BPW – 12/21/11

**PERFORMANCE SECURITY:** A Performance Bond in the amount of 10% of the contract amount is in place

**REMARKS:** This Solicitation was advertised on eMaryland Marketplace, on the MTA’s website and distributed to the Governor’s Office of Minority Affairs. In response, four technical proposals were received in response to our Invitation for Bid for Route 203. Three firms were found responsive and responsible to the technical requirements.

This service is in support of the multi-modal InterCounty Connector (ICC - MD Rte 200). The ICC Financing Plan assumed \$20 million for transit services on the ICC. This contract and a related contract (MTA Contract T-8000-0354, Item 15-GM) provide transit service along the ICC corridor. Line No. 203 will make stops in Howard County at Snowden River Park and Ride and; The Columbia Town Center and travel southbound to Scaggsville Park and Ride, Burtonsville Park and Ride and westbound to Georgia Avenue Park and Ride and terminate its route at Medical Center Metro in Bethesda, Montgomery County, Maryland.

The total contract value for which MTA seeks Board approval is \$2,500,000. This amount includes a base contract value of \$1,386,945 with \$33,008 for fuel surcharges. Also the MTA has included \$1,080,047 for anticipated increase in ridership or required changes to the service.

The MTA will lease three (3) buses to Eyre Bus Service, Inc. These buses were purchased with funds from the ICC Financing Plan.

The MBE goal established for this contract was 5%; however, the Contractor is exceeding the goal by 4.6%.

**FUND SOURCE:** 100% Special Funds Budgeted to MTA

**APPROPRIATION CODE:** J05H0106

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2705-0111

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**BOARD OF PUBLIC WORKS ACTION - THE ABOVE-REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

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BPW—12/21/11

DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA

GENERAL MISCELLANEOUS

ITEM: 15-GM

MARYLAND TRANSIT ADMINISTRATION

**CONTRACT ID:** T8000-0354  
 Commuter Bus Service between Frederick, Montgomery  
 and Prince George's counties, Maryland-Line Nos. 204 &  
 205  
 ADPICS NO. T80000354

**CONTRACT DESCRIPTION:** The purpose of this contract is to provide commuter bus services for the MTA between Monocacy MARC Station, Frederick County and College Park Metro/Marc, Stations, Prince George's County, Maryland via one route served by two lines. Line 204 provides for a total of eight (8) daily trips per day. There are four (4) trips in the morning and four (4) evening trips. The line 205 provides services for the MTA between College Park Metro/MARC Station, Prince George's County to Germantown Transit Center, in Montgomery County, Maryland. This line provides for a total of seven (7) daily trips per day. There are three (3) trips in the morning, one (1) afternoon and three (3) evening trips.

**AWARD:** Eyre Bus Services, Inc.  
 Glenelg, Maryland

**TERM:** Three (3) years from NTP, with one (1) two-year option  
 renewal

**AMOUNT:** \$3,823,755 (\$3,735,285 base contract, plus \$88,470 for fuel  
 surcharges)  
 \$1,000,000 (additional service allowance)  
\$1,576,245 (one, two-year renewal option)  
 \$6,400,000 (aggregate value)

**PROCUREMENT METHOD:** Competitive Sealed Bidding  
 (Multi-Step)

**BIDS:**

|  |             |
|--|-------------|
| Eyre Bus Service, Inc.<br>Glenelg, MD                                    | \$3,735,285 |
| S & L Enterprises, Inc.<br>dba Atlantic Coast Charters<br>Hagerstown, MD | \$4,042,745 |
| Gold Lines, Inc.<br>Tuxedo, MD   | \$4,053,433 |

**ITEM: 15-GM (Continued)**

**BPW – 12/21/11**

**MBE PARTICIPATION:** 10%

**PERFORMANCE SECURITY:** A Performance Bond in the amount of 10% of the contract amount is in place

**REMARKS:** This Solicitation was advertised on eMaryland Marketplace, on the MTA’s website and distributed to the Governor’s Office of Minority Affairs. In response, three technical proposals were received in response to our Invitation for Bid for Line Nos. 204 & 205. All firms were found responsive and responsible to the technical requirements.

This service is in support of the multi-modal InterCounty Connector (ICC - MD Rte 200). The ICC Financing Plan assumed \$20 million for transit services on the ICC. This contract and a related contract (MTA Contract T-8000-0353, Item 14-GM) provide transit service along the ICC corridor.

Line No. 204 will make stops in Frederick County at Monocacy MARC Station and then travel south on MD 355 to the Urbana Park and Ride and Gaithersburg Park and Ride, and to the New Georgia Avenue Park and Ride, White Oak, then continue to the University of Maryland Campus with a stop at Stadium Drive before it terminates at the College Park Metro/MARC Station, Prince George’s County, Maryland.

Line No. 205 will make stops in Prince George’s County, at College Park Metro/MARC Station, Muirkirk MARC Station and then westbound to New Georgia Avenue Park & Ride, Shady Grove Metro Station, and to Shady Grove Hospital it would travel a short distance to the Life Sciences Center and continue to Human Genome Sciences, Natl. Inst. of Standards & Tech. and complete its route at Germantown Transit Center, Montgomery County, Maryland.

The total contract value for which MTA seeks Board approval is \$4,823,155. This amount includes a base contract value of \$3,735,285, plus \$88,470 for fuel surcharges. Also the MTA has included \$1,000,000 for anticipated increase in ridership or required changes to the service.

The MTA will lease four (4) buses to Eyre Bus Service, Inc. These buses were purchased with funds from the ICC Financing Plan.

The MBE goal established for this contract was 6%, however, the Contractor is exceeding the goal by 4.2%.

**FUND SOURCE:** 100% Special Funds Budgeted to MTA

**APPROPRIATION CODE:** J05H0106

**RESIDENT BUSINESS:** Yes

**MD TAX CLEARANCE:** 11-2706-0111

**BOARD OF PUBLIC WORKS ACTION - THE ABOVE-REFERENCED ITEM WAS:**

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

Cheryl Hill 410-545-0402  
 chill@sha.state.md.us

BPW -- 12/21/11

**DEPARTMENT OF TRANSPORTATION  
 ACTION AGENDA**

**CONTRACT MODIFICATION:** (Architectural/Engineering)

**ITEM:** 16-AE-MOD

**STATE HIGHWAY ADMINISTRATION:**

**CONTRACT NO. & TITLE:** See Attachment I  
 ADPICS NO. See Attachment

**ORIGINAL CONTRACT APPROVED:** See Attachment I

**ORIGINAL PROCURMENT METHOD:** Maryland Architectural and Engineering Services Act

**CONTRACTOR:** See Attachment I

**MODIFICATION:** Time extension modifications are being requested for 66 contracts detailed in the attached listing. Twelve to eighteen month extensions are needed to complete new procurements on contracts with expiration dates of January 1, 2012 through November 1, 2012. No additional funds are being requested as there are sufficient remaining funds to complete any task orders issued under these contracts until new awards can be made.

**TERM:** See Attachment I

**AMOUNT:** \$0

**ORIGINAL CONTRACT AMOUNT:** See Attachment I

**REVISED CONTRACT AMOUNT:** See Attachment I

**PERCENTAGE INCREASE:** 0%

**DBE PARTICIPATION:** See Attachment I

**REMARKS:** State Highway Administration (SHA) is responsible for all Maryland numbered highways, with the exception of those within Baltimore City. This includes designing and building roadways, managing traffic safety programs, responding to emergencies including severe weather events, crashes and other incidents, and managing the federal-aid highway program. To facilitate this effort, contracts are procured with firms in the community who can provide expertise unavailable at SHA.

As a result of an audit released in July, 2011, SHA has been assessing the current process of procuring A&E contracts to better support the business needs of the organization. SHA has determined that contract extensions are addressed in accordance with BPW Advisory No. 1995-1 Revised.

ITEM: 16-AE-MOD (Continued)

BPW – 12/21/11

This agenda item requests approval to extend 66 contracts in order to complete new procurements. These contracts, originally awarded with terms of 4 to 6 years, have expiration dates ranging from January 1, 2012 through November 1, 2012. There are over 30 different vendors performing the work in these 66 contracts. The vendors are providing functions that include but are not limited to: roadway inventories (7); environmental and storm water management (8); traffic standards and design (16); and engineering services (35).

Five contracts that would have expired on December 1, 2011 have had 60-day bridge letters executed to allow ongoing tasks to continue until a longer term contract extension could be presented to the Board of Public Works (identified with \* on the list). The other 61 have not had any prior extensions and new procurements are under way.

A 12-month or 18-month extension is needed on each contract based on the anticipated notice to proceed date of the new procurement. The attached list details: Contract Number & Title, Firm, Original Value, Original BPW & Approval, Current Expiration Date, ADPICS No., Extension Period & New Expiration Date and Contract Description. SHA initiated a thorough review of all contract extension requests to ensure that the services needed were critical to SHA and that no other contracts were in place to provide these services.

**FUND SOURCE:** Federal and Special Funds Budgeted to SHA

**APPROPRIATION CODE:** J02B0101

**RESIDENT BUSINESS:** Yes

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**BOARD OF PUBLIC WORKS ACTION - THE ABOVE REFERENCED ITEM WAS:**

APPROVED ✓

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION ✓

WITHOUT DISCUSSION

## ATTACHMENT I

| Contract Number & Title                                | Firm                                | Original Value | MBE | Original BPW & Approval | Current Exp. Date | ADPICS No. | Ext. Period & New Exp. Date | Contract Description   |
|--|-------------------------------------|----------------|-----|-------------------------|-------------------|------------|-----------------------------|--|
| SBCS2005-13A<br>Preliminary & Final Engineering Design | Wallace Montgomery & Associates LLP | 5,000,000      | 22% | 08-AE<br>3/21/07        | 03/01/12          | CO279683   | 18 mos<br>Sept 2013         | This contract series provides for the performance of preliminary & final engineering design services associated w/ highway projects including highway & structural design; noise analysis & mitigation; hydrology/hydraulics; wetland identification & mitigation; traffic engineering, signing, lighting, signalization, maintenance of traffic; utility design, traffic operations & accident analysis; urban streetscape and landscape design; preparation of environmental permits; surveys & right-of-way plats, value engineering, construction management & claims analysis, & may be required to act as General Eng. Consultant to provide oversight and management of projects being designed by other Consultants. |
| SBCS2005-13B<br>Preliminary & Final Engineering Design | Johnson Mirmiran & Thompson         | 5,000,000      | 22% | 06-AE<br>2/28/07        | 02/01/12          | CO279684   | 18 mos<br>Aug 2013          |  |
| SBCS2005-13C<br>Preliminary & Final Engineering Design | Rummel Klepper & Kahl               | 5,000,000      | 22% | 04-AE<br>4/18/07        | 04/01/12          | CO279685   | 18 mos<br>Oct 2013          |  |
| SBCS2005-13D<br>Preliminary & Final Engineering Design | Whitman Requardt & Associates       | 5,000,000      | 22% | 06-AE<br>2/28/07        | 02/01/12          | CO279686   | 18 mos<br>Aug 2013          |  |
| SBCS2005-13E<br>Preliminary & Final Engineering Design | McCormick Taylor Inc                | 5,000,000      | 22% | 08-AE<br>3/21/07        | 03/01/12          | CO279687   | 18 mos<br>Sept 2013         |  |
| SBCS2005-13F<br>Preliminary & Final Engineering Design | Century Engineering Inc             | 5,000,000      | 22% | 03-AE<br>5/23/07        | 05/01/12          | CO279688   | 12 mos<br>May 2013          |  |
| SBCS2005-13G<br>Preliminary & Final Engineering Design | Jacobs Engineering Group Inc        | 5,000,000      | 22% | 08-AE<br>3/21/07        | 03/01/12          | CO279689   | 18 mos<br>Sept 2013         |  |
| SBCS2005-13H<br>Preliminary & Final Engineering Design | URS Corporation                     | 5,000,000      | 22% | 03-AE<br>5/23/07        | 05/01/12          | CO279690   | 12 mos<br>May 2013          |  |
| SBCS2005-13I<br>Preliminary & Final Engineering Design | STV/WBCM JV                         | 5,000,000      | 22% | 04-AE<br>4/18/07        | 04/01/12          | CO279691   | 18 mos<br>Oct 2013          |  |



|   |                                   |           |     |                  |          |          |                        |  |
|---|-----------------------------------|-----------|-----|------------------|----------|----------|------------------------|--|
| SBCS2005-13J<br>Preliminary &<br>Engineering<br>Design          | The Wilson<br>T Ballard Co        | 5,000,000 | 22% | 04-AE<br>4/18/07 | 04/01/12 | CO279692 | 18 mos<br>Oct<br>2013  | This contract series provides for the performance of preliminary and final engineering design services associated with highway projects including highway & structural design; noise analysis & mitigation; hydrology/hydraulics; wetland identification & mitigation; traffic engineering, signing, lighting, signalization, maintenance of traffic; utility design, traffic operations & accident analysis; urban streetscape & landscape design; preparation of environmental permits; surveys and right-of-way plats, value engineering, construction management & claims analysis, & may be required to act as General Eng. Consultant to provide oversight and management of projects being designed by other Consultants. |
| SBCS2005-13K<br>Preliminary &<br>Final<br>Engineering<br>Design | AMT/HNTB                          | 5,000,000 | 22% | 04-AE<br>4/18/07 | 04/01/12 | CO279693 | 18 mos<br>Oct<br>2013  |  |
| SBCS2005-13L<br>Preliminary &<br>Final<br>Engineering<br>Design | Gannett<br>Fleming/PB<br>Americas | 5,000,000 | 22% | 03-AE<br>5/23/07 | 05/01/12 | CO279694 | 12 mos<br>May<br>2013  |  |
| SBCS2005-17L<br>Survey &<br>Engineering<br>Services             | Nolan<br>Associates,<br>Inc.      | 1,000,000 | 23% | 11-AE<br>7/26/06 | 07/01/12 | CO279695 | 12 mos<br>July<br>2013 | This contract provides for engineering services related to field investigations, land surveys, hydrologic & hydraulic services, drafting, engineering reports, metes & bound right-of-way plats, final design, preparation of contract plans, documents and specifications and estimates, and of traffic in District 7.  |
| SBCS2006-16A<br>Traffic Design<br>Study &<br>Research           | Rummel<br>Klepper<br>& Kahi       | 1,000,000 | 20% | 03-AE<br>8/20/08 | 08/01/12 | CO279696 | 12 mos<br>Aug<br>2013  | This contract series provides for development, maintenance, standardization design procedures, processes, special provisions, standards and design manuals for the Office of Traffic and Safety.   |
| SBCS2006-16B<br>Traffic Design<br>Study &<br>Research           | Ram &<br>Sabra Wang<br>JV         | 1,000,000 | 20% | 03-AE<br>8/20/08 | 08/01/12 | CO279697 | 12 mos<br>Aug<br>2013  |  |

|   |   |           |     |                   |          |          |                        |   |
|---|---|-----------|-----|-------------------|----------|----------|------------------------|---|
| SBCS2006-17A<br>Storm Water<br>Management &<br>E/S Control<br>Review                      | Wallace<br>Mont &<br>Assoc/A M<br>Thomas &<br>Assoc | 1,000,000 | 18% | 04-AE<br>1/30/08  | 01/02/12 | CO279701 | 18 mos<br>July<br>2013 | This contract series provides for engineering review of projects, plans, reports, documents and construction activities for compliance with Maryland Department of the Environment regulations and requirements pertaining to erosion and sediment control, storm water management, and dam safety requirements.      |
| SBCS2006-17C*<br>Storm Water<br>Management &<br>E/S Control<br>Review                     | RK&K/<br>Century                                    | 1,000,000 | 18% | 05-AE<br>12/12/07 | 02/01/12 | CO279702 | 18 mos<br>Aug<br>2013  |   |
| SBCS2006-17D1*<br>Storm Water<br>Management &<br>E/S Control<br>Review                    | Whitney<br>Bailey<br>Cox &<br>Magnani<br>LLP        | 1,000,000 | 18% | 05-AE<br>12/12/07 | 02/01/12 | CO279703 | 18 mos<br>Aug<br>2013  |   |
| SBCS2006-17E*<br>Storm Water<br>Management &<br>E/S Control<br>Review                     | McCormick<br>Taylor/DMJ<br>M                        | 1,000,000 | 18% | 05-AE<br>12/12/07 | 02/01/12 | CO279704 | 18 mos<br>Aug<br>2013  |   |
| SBCS2006-17F*<br>Storm Water<br>Management &<br>E/S Control<br>Review                     | Whitman<br>Requardt &<br>Associates                 | 1,000,000 | 18% | 05-AE<br>12/12/07 | 02/01/12 | CO279706 | 18 mos<br>Aug<br>2013  |   |
| SBCS2006-18A<br>Environmental<br>Engineering<br>Compliance and<br>Remediation<br>Services | EA Eng<br>Science &<br>Technology<br>Inc            | 4,000,000 | 25% | 04-AE<br>2/27/08  | 02/01/12 | CO279707 | 12 mos<br>Feb<br>2013  | This contract series provides for environmental design, engineering, compliance, inspections, and remediation for SHA facilities including office buildings, service garages, material testing laboratories, vehicle fueling stations, rest areas, drawbridges, weigh stations and salt storage structures statewide. |
| SBCS2006-18B<br>Engineering &<br>Environmental<br>for SHA<br>Facilities                   | Earth<br>Resources<br>Technology<br>Inc.            | 4,000,000 | 25% | 05-AE<br>3/12/08  | 03/01/12 | CO279709 | 12 mos<br>Mar<br>2013  |   |
| SBCS2006-18C<br>Environmental<br>Compliance &<br>Remediation<br>Services                  | KCI<br>Technologies<br>Inc                          | 4,000,000 | 25% | 04-AE<br>2/27/08  | 02/01/12 | CO279710 | 12 mos<br>Feb<br>2013  |   |

|   |                                     |           |     |                  |          |          |                       |   |
|---|-------------------------------------|-----------|-----|------------------|----------|----------|-----------------------|---|
| SBCS2007-04A<br>Survey &<br>Engineering<br>District 4 | URS<br>Corporation                  | 1,500,000 | 23% | 07-AE<br>2/27/08 | 02/01/12 | CO279711 | 12 mos<br>Feb<br>2013 | This contract series provides for engineering services related to field investigations, land surveys, hydrologic & hydraulic services, drafting, engineering reports, metes & bound right-of-way plats, final design, preparation of contract plans, documents and specifications and estimates, and of traffic in District 4 and District 6. |
| SBCS2007-04B<br>Survey &<br>Engineering<br>District 4 | McCormick<br>Taylor Inc             | 1,500,000 | 23% | 06-AE<br>1/30/08 | 01/02/12 | CO279712 | 12 mos<br>Jan<br>2013 |   |
| SBCS2007-04C<br>Survey &<br>Engineering<br>District 4 | Johnson<br>Mirmiran &<br>Thompson   | 1,500,000 | 23% | 07-AE<br>2/27/08 | 02/01/12 | CO279713 | 12 mos<br>Feb<br>2013 |   |
| SBCS2007-04D<br>Survey &<br>Engineering<br>District 4 | Rummel<br>Klepper &<br>Kahl         | 1,500,000 | 23% | 07-AE<br>2/27/08 | 02/01/12 | CO279714 | 12 mos<br>Feb<br>2013 |   |
| SBCS2007-04E<br>Survey &<br>Engineering<br>District 4 | Whitman<br>Requardt &<br>Associates | 1,500,000 | 23% | 07-AE<br>2/27/08 | 02/01/12 | CO279715 | 12 mos<br>Feb<br>2013 |   |
| SBCS2007-04F<br>Survey &<br>Engineering<br>District 4 | STV Inc                             | 1,500,000 | 23% | 07-AE<br>2/27/08 | 02/01/12 | CO279716 | 12 mos<br>Feb<br>2013 |   |
| SBCS2007-04G<br>Survey &<br>Engineering<br>District 6 | Nolan<br>Associates,<br>Inc.        | 1,000,000 | 35% | 06-AE<br>3/12/08 | 03/01/12 | CO279717 | 12 mos<br>Mar<br>2013 |   |
| SBCS2007-04H<br>Survey &<br>Engineering<br>District 6 | Brudis &<br>Associates<br>Inc       | 1,000,000 | 35% | 06-AE<br>3/12/08 | 03/01/12 | CO279718 | 12 mos<br>Mar<br>2013 |   |

|   |                                     |           |     |                   |          |          |                       |   |
|---|-------------------------------------|-----------|-----|-------------------|----------|----------|-----------------------|---|
| SBCS2007-05A<br>Traffic<br>Engineering<br>District 2  | Gannett<br>Fleming Inc              | 1,000,000 | 21% | 06-AE<br>6/25/08  | 06/01/12 | CO279719 | 18 mos<br>Dec<br>2013 | This contract series provides for traffic engineering studies, analysis and/or design, which may include field investigations, hydrologic and hydraulic computations, studies, drafting, engineering report preparation, metes and bounds right-of-way plats design for District 2, 3, 5,6 and 7. |
| SBCS2007-05B<br>Traffic<br>Engineering<br>District 2  | Kittelson &<br>Associates           | 1,000,000 | 21% | 06-AE<br>6/25/08  | 06/01/12 | CO279720 | 18 mos<br>Dec<br>2013 |   |
| SBCS2007-05D<br>Traffic<br>Engineering<br>District 3  | WBCM/<br>Edwards &<br>Kelcy         | 1,000,000 | 21% | 08-AE<br>04/30/08 | 04/01/12 | CO280049 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-05F<br>Traffic<br>Engineering<br>District 3  | Rummel,<br>Kleppel &<br>Kahl        | 1,000,000 | 21% | 07-AE<br>03/12/08 | 03/01/12 | CO280050 | 12 mos<br>Mar<br>2013 |   |
| SBCS2007-05G<br>Traffic<br>Engineering<br>District 3  | Johnson<br>Mirmiran &<br>Thompson   | 1,000,000 | 21% | 07-AE<br>03/12/08 | 03/01/12 | CO280051 | 12 mos<br>Mar<br>2013 |   |
| SBCS2007-05H<br>Traffic<br>Engineering<br>District 6  | KCI<br>Technologies<br>Inc          | 1,000,000 | 21% | 10-AE<br>5/21/08  | 05/01/12 | CO279721 | 18 mos<br>Oct<br>2013 |   |
| SBCS2007-05I<br>Traffic<br>Engineering<br>District 6  | PB Americas<br>Inc                  | 1,000,000 | 21% | 05-AE<br>6/25/08  | 06/01/12 | CO279722 | 18 mos<br>Dec<br>2013 |   |
| SBCS2007-05J<br>Traffic<br>Engineering<br>District 7  | DFI/Baker<br>JV                     | 1,000,000 | 21% | 11-AE<br>5/21/08  | 05/01/12 | CO279723 | 18 mos<br>Nov<br>2013 |   |
| SBCS2007-05K<br>Traffic<br>Engineering<br>District 7  | Brudis &<br>Associates<br>Inc       | 1,000,000 | 21% | 11-AE<br>5/21/08  | 05/01/12 | CO279724 | 18 mos<br>Nov<br>2013 |   |
| SBCS2007-07C<br>Survey &<br>Engineering<br>District 3 | Whitman<br>Requardt &<br>Associates | 1,500,000 | 15% | 08-AE<br>4/30/08  | 10/01/12 | CO279725 | 12 mos<br>Oct<br>2013 |   |
| SBCS2007-07D<br>Survey<br>Engineering<br>District 3   | Rummel<br>Klepper &<br>Kahl         | 1,500,000 | 15% | 09-AE<br>7/16/08  | 04/01/12 | CO279726 | 18 mos<br>Oct<br>2013 |   |

|  |                                     |           |     |                   |          |          |                       |   |
|--|-------------------------------------|-----------|-----|-------------------|----------|----------|-----------------------|---|
| SBCS2007-07A<br>Survey & Engineering<br>District 3 | STV Inc                             | 1,500,000 | 15% | 03-AE<br>12/17/08 | 02/01/13 | CO279727 | 12 mos<br>Feb<br>2013 | This contract series provides for traffic engineering studies, analysis and/or design, which may include field investigations, hydrologic and hydraulic computations, studies, drafting, engineering report preparation, metes and bounds right-of-way plats design for District 2, 3, 5,6 and 7. |
| SBCS2007-07F<br>Survey & Engineering<br>District 3 | McCormick Taylor Inc                | 1,500,000 | 15% | 04-AE<br>11/19/08 | 11/01/12 | CO279728 | 12 mos<br>Oct<br>2013 |   |
| SBCS2007-07G<br>Survey & Engineering<br>District 3 | PB Americas Inc                     | 1,500,000 | 15% | 03-AE<br>12/17/08 | 12/01/12 | CO279729 | 12 mos<br>Dec<br>2013 |   |
| SBCS2007-07H<br>Survey & Engineering<br>District 3 | Century Engineering Inc             | 1,500,000 | 15% | 04-AE<br>11/19/08 | 11/01/12 | CO279730 | 12 mos<br>Nov<br>2013 |   |
| SBCS2007-07I<br>Survey & Engineering<br>District 5 | URS Corporation                     | 1,500,000 | 15% | 10-AE<br>4/30/08  | 04/01/12 | CO279731 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07J<br>Survey & Engineering<br>District 5 | Wallace Montgomery & Associates LLP | 1,500,000 | 15% | 10-AE<br>4/30/08  | 04/01/12 | CO279732 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07K<br>Survey & Engineering<br>District 5 | The Wilson T Ballard Co             | 1,500,000 | 15% | 13-AE<br>5/21/08  | 05/01/12 | CO279733 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07L<br>Survey & Engineering<br>District 5 | DFI/Pennoni                         | 1,500,000 | 15% | 13-AE<br>5/21/08  | 05/01/12 | CO279734 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07M<br>Survey & Engineering<br>District 7 | Brudis & Associates Inc             | 1,000,000 | 23% | 11-AE<br>4/30/08  | 04/01/12 | CO279735 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07N<br>Survey & Engineering<br>District 7 | Jacobs Engineering Group Inc        | 1,000,000 | 23% | 11-AE<br>4/30/08  | 04/01/12 | CO279736 | 12 mos<br>Apr<br>2013 |   |
| SBCS2007-07O<br>Survey & Engineering<br>District 7 | Whitney Bailey Cox & Magnani LLP    | 1,000,000 | 23% | 11-AE<br>4/30/08  | 04/01/12 | CO279738 | 12 mos<br>Apr<br>2013 |   |

|  |   |           |     |                   |          |          |                        |   |
|--|---|-----------|-----|-------------------|----------|----------|------------------------|---|
| SBCS2007-09A<br>Pavement<br>Management<br>Services                       | Mactec<br>Engineering<br>&<br>Consulting<br>Inc | 2,000,000 | 15% | 08-AE<br>2/27/08  | 02/01/12 | CO279740 | 12 mos<br>Feb<br>2013  | This contract series provides support and enhancement for current pavement management system, including the development of data processing and retrieval routines, development of pavement models, development of optimization routines, and special studies related to pavement and asset management.  |
| SBCS2007-09B<br>Pavement<br>Management for<br>Office of<br>Maintenance   | Applied<br>Research<br>Associates<br>Inc        | 2,000,000 | 15% | 12-AE<br>4/30/08  | 04/01/12 | CO279741 | 12 mos<br>Apr<br>2013  | This contract provides for engineering studies, analysis, design, construction & maintenance support services in District 1.  |
| SBCS2007-12A<br>Supplemental<br>Engineering<br>Support                   | Wallace<br>Montgomery<br>& Assoc/GPI            | 2,000,000 | 24% | 07-AE<br>1/30/08  | 01/02/12 | CO279742 | 18 mos<br>July<br>2013 | This contract series provides for engineering improvements associated with the design and upgrade of new and existing truck weigh and inspection stations, which may include computer software integration and/or upgrade for CVISN; traffic engineering, site planning and MCSAP program needs for the Office of Traffic and Safety, Motor Carrier Division. |
| SBCS2007-15A<br>Truck Weigh<br>Station Design                            | Whitman<br>Requardt &<br>Associates             | 1,000,000 | 26% | 13-AE<br>4/30/08  | 04/01/12 | CO279743 | 18 mos<br>Oct<br>2013  | This contract provides for supplemental construction inspection services, including highways and structures for District 2.   |
| SBCS2007-15B<br>Truck Weigh<br>Station Design                            | Brudis &<br>Associates<br>Inc                   | 1,000,000 | 26% | 13-AE<br>4/30/08  | 04/01/12 | CO279744 | 18 mos<br>Oct<br>2013  |   |
| SBCS2007-16B<br>Supplemental<br>Construction<br>Inspection<br>District 2 | KCI/WMA   | 3,000,000 | 25% | 05-AE<br>12/17/08 | 12/01/11 | CO279745 | 18 mos<br>June<br>2013 |   |

|  |   |           |     |                   |          |          |                       |   |
|--|---|-----------|-----|-------------------|----------|----------|-----------------------|---|
| SBCS2007-22A<br>Manual &<br>Machine Traffic<br>Count | Johnson<br>Mirmiran &<br>Thompson                     | 5,000,000 | 25% | 11-AE<br>10/15/08 | 10/01/12 | CO279746 | 12 mos<br>Oct<br>2013 | This contract series provides for the performance of manual & machine traffic count services including turning movement, vehicle classification, lane occupancy & vehicle occupancy counts; queue length measurements; travel time/speed & delay measurements; transit ridership, traffic control observance & protection use counts; license plate surveys and origin-destination surveys; speed, gap & headway studies for the Highway Information Services Division. |
| SBCS2007-22B<br>Manual &<br>Machine Traffic<br>Count | RBA<br>Group/Sabra<br>Wang &<br>Associates            | 5,000,000 | 25% | 11-AE<br>10/15/08 | 10/01/12 | CO279747 | 12 mos<br>Oct<br>2013 |   |
| SBCS2007-22C<br>Manual &<br>Machine Traffic<br>Count | Whitney<br>Bailey Cox<br>Magnani/<br>Traffic<br>Group | 5,000,000 | 25% | 05-AE<br>8/20/08  | 08/01/12 | CO279748 | 12 mos<br>Aug<br>2013 |   |
| SBCS2007-22D<br>Manual &<br>Machine Traffic<br>Count | A Morton<br>Thomas &<br>Associates<br>Inc             | 5,000,000 | 25% | 11-AE<br>10/15/08 | 10/01/12 | CO279749 | 12 mos<br>Oct<br>2013 |   |
| SBCS2007-24A<br>Roadway<br>Inventory Data<br>Service | Whitney<br>Bailey Cox<br>& Magnani<br>LLP             | 1,500,000 | 21% | 06-AE<br>11/19/08 | 11/01/12 | CO279750 | 12 mos<br>Nov<br>2013 |   |
| SBCS2007-24B<br>Roadway<br>Inventory Data<br>Service | A Morton<br>Thomas &<br>Associates<br>Inc             | 1,500,000 | 21% | 06-AE<br>11/19/08 | 11/01/12 | CO279751 | 12 mos<br>Nov<br>2013 | This contract series provides for the accurate and complete collection of physical and administrative roadway features, assets, Global Positioning System information and other highway engineering related data.   |
| SBCS2007-24C<br>Roadway<br>Inventory Data<br>Service | Brudis &<br>Associates<br>Inc                         | 1,500,000 | 21% | 06-AE<br>11/19/08 | 11/01/12 | CO279752 | 12 mos<br>Nov<br>2013 |   |

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**A/E SERVICE CONTRACT MODIFICATION**

**ITEM**            1-AE-MOD (Revised)

**DEPARTMENT OF NATURAL RESOURCES**    Tuckahoe State Park  
Queen Anne, MD (Caroline County)

**CONTRACT NO. AND TITLE**                    Project No. P-055-081-010;  
Upper Chesapeake Rail Trail Connector  
ADPICS NO. COE06622

**ORIGINAL PROCUREMENT METHOD**            Maryland Architectural and Engineering  
Services Act

**ORIGINAL CONTRACT APPROVED**            DGS/DPRB 03/11/2008; Item 11-E-008

**CONTRACTOR**                                    Whitman, Requardt & Associates, LLP.  
Baltimore, MD

**CONTRACT DESCRIPTION**                    This project provides for design services to  
create an approximately 2.5 mile long ADA accessible multi-use trail within Tuckahoe State  
Park to serve as a trail spur from the proposed Atkins Arboretum Trailhead/Visitors Center and  
the future Upper Chesapeake Rail Trail.

**MODIFICATION DESCRIPTION**                This modification provides for additional  
design services to survey the agricultural areas that the proposed trail transverses to determine if  
they need to be classified as farmed wetlands; and to provide a new trail alignment around a  
designated non-tidal wetlands area. The original trail alignment used boardwalks to cross the  
wetlands. Additionally, it changes funding sources to MCCBL Bond funds. A prior modification  
for this contract took the amount over the DGS Delegated authority without BPW approval.  
DGS therefore requests approval for this procurement action exceeding \$200,000.00, funding  
change and additional design services.

**TERM OF ORIGINAL CONTRACT**                365 days from NTP

**TERM OF MODIFICATION**                    Same

**AMOUNT OF ORIGINAL CONTRACT**            \$199,778.00

**AMOUNT OF MODIFICATION**                \$31,384.00



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**A/E SERVICE CONTRACT MODIFICATION**

**ITEM**            1-AE-MOD (Cont.)

**PRIOR MODIFICATIONS/OPTIONS**            \$18,210.00

**REVISED TOTAL CONTRACT AMOUNT**        \$249,372.00

**PERCENT +/- (THIS MODIFICATION)**        15.7 %

**OVERALL PERCENT +/-**                        24.8 %

**REMARKS**                                        These modifications are required to meet MDE requirements to obtain a non-tidal wetlands permit for this project.

**FUND SOURCE**                                    MCCBL 2010/011 (Provide Funds to design, construct, and equip capital development projects on Department of Natural Resources property.)

**RESIDENT BUSINESS**                            Yes

**MD TAX CLEARANCE**                           11-2422-1111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT**

**ITEM**            2-M

**DEPARTMENT OF PUBLIC SAFETY AND  
CORRECTIONAL SERVICES**

Baltimore City Correctional Center  
Baltimore MD

**CONTRACT NO. AND TITLE**

Project No. KL-901-110-001;  
Replace CCTV System  
ADPICS NO. 001B2400289

**DESCRIPTION**

Approval requested for a contract to replace the non-functioning closed circuit television system at the facility. The new system will include new cameras, monitors, conduit, wiring and all miscellaneous materials to allow for security monitoring at the Baltimore City Correctional Center (BCCC).

**PROCUREMENT METHOD**

Competitive Sealed Bids (SBR) REBID

**BIDS OR PROPOSALS**

Only one acceptable bid received

**AWARD**

Pinnacle Intergrated/DBA/P2 ABC Controls  
Exton, PA (SBR # SB10-7395)

**TERM**

120 Calendar Days from NTP

**AMOUNT**

\$289,900.00

**MBE PARTICIPATION**

25 %

**PERFORMANCE BOND**

100% of full contract amount

**HIRING AGREEMENT ELIGIBLE**

No

**REMARKS**

A notice of availability of a Invitation for Bids (IFB) was posted on the DGS Web Site, Bid Board and *eMaryland Marketplace.com*. Only one acceptable bid was received.

The existing CCTV System at the facility is over thirty (30) years old, is not fully functional and does not have the capability to record. The new system has the capability to view all areas necessary, record all monitored actions and provide the facility with a complete, reliable and safe means to monitor inmate activity. Failure to replace the system presents a major security risk.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT**

**ITEM**        2-M (Cont.)

The recommended contractor has committed to providing 25% Minority Business Enterprise Subcontractor participation in this project by utilizing a certified MBE subcontractor.

There were two additional bids received that were deemed not susceptible of being selected for award, the price proposals were returned unopened.

**FUND SOURCE**

MCCBL 2010/Item 010 (Provide funds for the State Capital Facility Renewal Program-Statewide)

**RESIDENT BUSINESS**

No

**TAX COMPLIANCE NO.**

11-2262-0001

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT****ITEM**        3-M**DEPARTMENT OF GENERAL SERVICE**Elkton District Court and Multi- Purpose  
Center (DC/MSC)**CONTRACT NO. AND TITLE**Unarmed Uniformed Guard Services Elkton  
(DC/MSC)  
ADPICS NO. 001B2400263**DESCRIPTION**Approval is requested for a contract to  
provide unarmed uniformed guard services at the Elkton DC/MSC located at 170 E. Main St.  
Elkton, MD 21921.**PROCUREMENT METHOD**

Competitive Sealed Bids (SBR)

**BIDS OR PROPOSALS**

|  | <b><u>AMOUNT</u></b> |
|--|----------------------|
| KR Contracting, Inc., Hagerstown, MD                           | \$306,424.80         |
| Twenty-Nine Sixteen Protective, Lutherville, MD                | \$306,687.60         |
| Triad Security Services, Inc., Silver Spring, MD               | \$312,469.20         |
| Eelon Security Inc., Suitland, MD                              | \$348,735.60         |
| Dunbar Guard Services, Baltimore, MD                           | \$372,650.40         |
| Thru Christ Enterprises, Inc. DBA All Saint,<br>Greensboro, NC | \$375,804.00         |

**AWARD**KR Contracting Inc.  
Hagerstown, MD  
(SBR# 11-1450)**TERM**

1/01/2012-12/31/2014

**AMOUNT**

\$306,424.80

**MBE PARTICIPATION**

5%

**PERFORMANCE BOND**

No

**HIRING AGREEMENT ELIGIBLE**

Yes

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT**

**ITEM**            3-M (Cont.)

**REMARKS**

A notice of availability of a Invitation for Bids (IFB) was posted on the DGS Web Site, Bid Board and *eMaryland Marketplace.com*. Copies of the solicitation were mailed or emailed to 230 prospective bidders, 83 of which were Maryland firms, and included 9 MBEs. A copy was also sent to the Governor's Office of Minority Affairs. Six (6) acceptable priced bids were received from perspective vendors of which one is a certified MBE and five (5) are SBR vendors.

This contract will provide unarmed uniformed guard services 24 hours a day, 7 days per week and 365 days a year over three, eight-hour shifts. A guard supervisor will man the first daily shift from 7:00 a.m. to 3:00 p.m. The contract also includes labor, equipment, supplies, training and uniforms necessary to perform the unarmed uniformed guard services.

The recommended awardee, KR Contracting, confirmed their bid price and is a certified SBR vendor. (SBR# 11-1450)

By letter dated August 22, 2011, the Maryland Rehabilitation and Employment Program have waived interest in the contract.

**FUND SOURCE**

Using Agency Operating Funds FY12-15  
H00 2012 33501 0823  
H00 2013 33501 0823  
H00 2014 33501 0823  
H00 2015 33501 0823

**RESIDENT BUSINESS:**

Yes

**TAX COMPLIANCE NO.**

11-2430-0110

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT****ITEM** 4-M**DEPARTMENT OF GENERAL SERVICES**Revenue (Tax) & Treasury Buildings and  
Legislative Building**CONTRACT NO. AND TITLE**Environmentally Safe Janitorial Services  
Revenue (Tax) & Treasury Building and  
Legislative Building  
ADPICS NO. 001B2400317**CONTRACT DISCRPTION**

Approval is requested for a contract to provide environmentally safe janitorial services at the Revenue (Tax) & Treasury Buildings and Legislative Building located at the following locations; 110 Carroll Street, 80 Calvert Street and 90 State Circle in Annapolis, MD 21240, for a period of three (3) years.

**PROCUREMENT METHOD**

Competitive Sealed Proposals

**BIDS OR PROPOSALS**

| <u>Offerors</u>                            | <u>Tech.<br/>Rank</u> | <u>Financial<br/>Price (Rank)</u> | <u>Overall<br/>Rank*</u> |
|--|-----------------------|-----------------------------------|--------------------------|
| East West, Falls Church, VA.               | 2                     | \$ 612,571.17 (1)                 | 1                        |
| MultiCorp, Inc., Westminster, MD           | 1                     | \$1,244,780.40 (4)                | 2                        |
| C.J. Maintenance, Columbia, MD             | 3                     | \$ 693,217.46 (2)                 | 3                        |
| Jani-King of Baltimore,<br>Glen Burnie, MD | 4                     | \$1,074,720.00 (3)                | 4                        |

\*Technical factors and financial factors had equal weight in the overall award determination.

**AWARD**East West  
Falls Church, VA  
(MBE # 07-312/SBR #10-6238)**TERM**

1/1/2012-12/31/2014

**AMOUNT**

\$612,571.17 (3 Years)

**MBE PARTICIPATION**

100% (See Remarks below)

**PERFORMANCE BOND**

Yes



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT MODIFICATION**

**ITEM**            5-M-MOD

**DEPARTMENT OF HUMAN RESOURCES**

Baltimore City Department of Social  
Services (BCDSS)  
Baltimore, MD

**CONTRACT NO. AND TITLE**

Project No. 001B9200094;  
Armed/Unarmed Guard Services  
ADPICS NO. COE05984

**ORIGINAL CONTRACT APPROVED**

11/5/2008 DGS/BPW Item: 7-M

**CONTRACTOR**

Watkins Security Agency, Inc.  
Baltimore, MD

**CONTRACT DESCRIPTION**

The contractor shall provide armed and unarmored uniformed guard services for the Baltimore City Department of Social Services at 16 locations in Baltimore City for a period of three (3) years beginning January 1, 2009 through December 31, 2011.

**MODIFICATION DESCRIPTION**

Approval is requested for a modification to extend the current contract for sixty (60) days to allow for the award of a new contract.

**TERM OF ORIGINAL CONTRACT**

1/1/2009-12/31/2011

**TERM OF MODIFICATION**

1/1/2012-2/29/2012

**AMOUNT OF ORIGINAL CONTRACT**

\$7,010,058.22

**AMOUNT OF MODIFICATION**

\$389,447.28 (60 days)

**REVISED TOTAL CONTRACT AMOUNT**

\$7,399,505.50

**PERCENT +/- (THIS MODIFICATION)**

5.6%

**OVERALL PERCENT +/-**

5.6%

**ORIGINAL PROCUREMENT METHOD**

Competitive Sealed Bids



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**MAINTENANCE CONTRACT MODIFICATION**

**ITEM**          5-M-MOD (Cont.)

**ORIGINAL MBE PARTICIPATION**                  30%

**REMARKS**    Specifications for the new contract were sent to MD Works on September 27, 2011 for review as part of the Preferred Provider requirement. A meeting was held between MD Works, the intended Provider and DGS personnel on November 3, 2011 to determine the recommended Providers qualifications for performing the Contract. As a result of that meeting, MD Works provided a waiver for this contract on November 4, 2011. DGS is currently advertising on *eMaryland Marketplace.com* to procure a long-term contract. This modification shall allow time on the existing contract until DGS can complete the long-term procurement.

All other terms and conditions shall remain unchanged. Due to the nature of the service, it is crucial that services not be interrupted.

**FUND SOURCE**    FY 12 G0010 0819 72400 \$253,640.98  
Fed 46.18% Gen 53.82%  
FY 12 G3010 0819 72400 \$66,198.30  
Fed 19.82 % Gen 80.18%  
FY 12 G4100 0819 72400 \$21,057.00  
Fed 19.82% Gen 80.18%  
FY 12 G5000 0819 72400 \$48,551.00  
Fed 40.59% Gen 59.41%

**RESIDENT BUSINESS**    Yes

**MD TAX CLEARANCE:**    11-2813-1111

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION**

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**GENERAL MISCELLANEOUS**

**ITEM**           6-GM (Revised)

**REFERENCE**

In accordance with provisions of the State Finance and Procurement Article, Section 8-301, Annotated Code of Maryland, the Board of Public Works approval is requested for the use of General Obligation Bond funding for the contract(s) noted below in the total amount of \$24,909.86 (1 item)

A. Department of Health and Mental Hygiene           Western Maryland Hospital Center  
Hagerstown, MD

**DESCRIPTION**

This project provides architectural and engineering design, construction administration services for the rehabilitation work to the existing patient patio concrete surface at the Western Maryland Hospital Center in order to comply with ADA access route requirements.

**REMARKS**

An approved list of consultants was developed for DGS to provide civil engineering services for construction projects through the State's SBReserve program. Under this process individual contract awards may not exceed \$25,000.00. Selected firms may be awarded more than one contract in rotation basis.

**CONTRACT NO. & TITLE**

Project No. DS-430-120-001;  
Full ADA Access to Patient Patio

**PROCUREMENT METHOD**

Maryland Architectural and Engineering Services Act

**AWARD**

Kennedy, Porter & Associates, Inc.  
Baltimore, MD

**AMOUNT**

\$24,909.86

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**GENERAL MISCELLANEOUS**

**ITEM**        6-GM

**FUND SOURCE**

MCCBL 2010/Item 008 (Provide Funds to Design and Construct Handicapped Accessibility Modifications at State owned Facilities)

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**REAL PROPERTY**

**ITEM**        7-RP

**DEPARTMENT OF AGRICULTURE**

Maryland Agricultural Land Preservation Foundation (MALPF)  
Agricultural Land Preservation Easements (Various Properties)

**REFERENCE**

Approval is requested for the Maryland Agricultural Land Preservation Foundation, Department of Agriculture, to accept option contracts for the purchase of agricultural preservation easements on the following properties:

**SPECIAL CONDITIONS**

Grantor relinquishes all rights to develop or subdivide the land for industrial, commercial, or residential use. Land shall be preserved solely for agricultural use in accordance with provisions of the Agricultural Article. No commercial signs or bill boards are permitted, and there shall be no dumping on land except as is necessary to normal farming operations. Grantor shall manage the property in accordance with sound agricultural practices. Grantee shall have the right to enter land for inspection. No public rights are granted. The term of these easements shall be in perpetuity pursuant to Agriculture Article Section 2-514.1.

A) As to item 1, pursuant and subject to the provisions of Agriculture Article Section 2-513, the Grantor has elected to reserve the right to apply for release of a lot to convey to himself or his children for the purpose of constructing a dwelling for personal use as follows: one lot of one acre or less if the subject property is at least 20 acres, but less than 70 acres, two lots of one acre or less if the subject property is at least 70 acres, but less than 120 acres, or three lots of one acre or less if the subject property is 120 acres or more.

B) As to items 2 through 8, pursuant and subject to the provisions of Agriculture Article Section 2-513, Grantor has elected to reserve to himself, and his assigns, the right to apply for release of one unrestricted lot, that may be conveyed to himself or others.

| <b><u>Grantor</u></b>                     | <b><u>Property</u></b> | <b><u>Price</u></b>  |                  |
|---|------------------------|----------------------|------------------|
| <b><u>FAMILY LOTS</u></b>                 |                        |                      |                  |
| <b><u>Charles County</u></b>              |                        |                      |                  |
| 1. Frances E. Warring, et al.<br>08-11-03 | 143.51 Ac              | \$434,828.63         |                  |
|   |                        | \$ 3,030.00/acre     |                  |
|   | (Appraised Value)      | (Agricultural Value) | (Easement Value) |
| a. Hooper (fee)                           | \$ 917,000.00          | \$79,457.11          | \$ 837,542.89    |
| b. Peters (fee)                           | \$ 731,000.00          | \$79,457.11          | \$ 651,542.89    |
| Review Appraiser: Kelleher                |                        |                      |                  |

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**REAL PROPERTY****ITEM**      7-RP (Cont.)**UNRESTRICTED LOTS****Caroline County**

|                           |                   |                      |                  |
|---------------------------|-------------------|----------------------|------------------|
| 2. Wayne Wheatley, et al. | 228.81Ac          | \$546,586.51         |                  |
| 05-07-14                  | Less 1 acre       | \$ 2,399.31/acre     |                  |
|                           | Per dwelling      |                      |                  |
|                           | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Cadell (fee)           | \$1,050,000.00    | \$239,822.11         | \$ 810,177.89    |
| c. Cline (fee)            | \$ 910,000.00     | \$239,822.11         | \$ 670,177.89    |

Review Appraiser: Kelleher

**Charles County**

|                   |                   |                      |                  |
|-------------------|-------------------|----------------------|------------------|
| 3. Melissa Gibson | 49.2 Ac           | \$266,726.96         |                  |
| 08-11-04          | Less 1 acre       | \$ 5,533.75/acre     |                  |
|                   | Per dwelling      |                      |                  |
|                   | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Hooper (fee)   | \$294,000.00      | \$27,273.04          | \$266,726.96     |
| b. Peters (fee)   | \$265,000.00      | \$27,273.04          | \$237,726.96     |

Review Appraiser: Kelleher

|                     |                   |                      |                  |
|---------------------|-------------------|----------------------|------------------|
| 4. Anna Stonestreet | 200 Ac            | \$1,194,000.00       |                  |
| 08-11-05            | Less 1 acre       | \$ 6,000.00/acre     |                  |
|                     | Per dwelling      |                      |                  |
|                     | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Kelleher (staff) | \$1,393,000.00    | \$73,753.33          | \$1,319,246.67   |
| b. Hooper (fee)     | \$1,686,000.00    | \$73,753.33          | \$1,612,246.67   |
| c. Peters (fee)     | \$1,194,000.00    | \$73,753.33          | \$1,120,246.67   |

Review Appraiser: Kelleher

|                            |                   |                      |                  |
|----------------------------|-------------------|----------------------|------------------|
| 5. Wicomico Westfield, LLC | 150.14 Ac         | \$671,134.50         |                  |
| 08-11-07                   | Less 1 acre       | \$ 4,500.00/acre     |                  |
|                            | Per dwelling      |                      |                  |
|                            | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Hooper (fee)            | \$805,000.00      | \$82,344.74          | \$722,655.26     |
| b. Peters (fee)            | \$820,300.00      | \$82,344.74          | \$737,955.26     |

Review Appraiser: Kelleher

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**REAL PROPERTY****ITEM**      7-RP (Cont.)**Harford County**

|                          |                   |                      |                  |
|--------------------------|-------------------|----------------------|------------------|
| 6. Benfield Family Trust | 94.5 Ac           | \$661,500.00         |                  |
| 12-11-02                 |                   | \$ 7,000.00/acre     |                  |
|                          | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Page (fee)            | \$ 945,000.00     | \$98,576.81          | \$ 846,423.19    |
| b. Cline (fee)           | \$1,760,000.00    | \$98,576.81          | \$1,661,423.19   |

Review Appraiser: Kelleher

**St. Mary's County**

|                       |                   |                      |                  |
|-----------------------|-------------------|----------------------|------------------|
| 7. Old Gum Supply Co. | 96.9 Ac           | \$362,804.77         |                  |
| 18-05-04              |                   | \$ 3,744.12/acre     |                  |
|                       | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Cline (fee)        | \$ 420,000.00     | \$57,195.23          | \$ 362,804.77    |
| b. Peters (fee)       | \$ 242,250.00     | \$57,195.23          | \$ 185,054.77    |

Review Appraiser: Kelleher

|                               |                   |                      |                  |
|-------------------------------|-------------------|----------------------|------------------|
| 8. Estate of Frances Beitzell | 70.85 Ac          | \$417,328.87         |                  |
| 18-11-04                      |                   | \$ 5,890.32/acre     |                  |
|                               | (Appraised Value) | (Agricultural Value) | (Easement Value) |
| a. Kelleher (staff)           | \$ 460,500.00     | \$43,171.13          | \$ 417,328.87    |
| b. Cline (fee)                | \$ 410,000.00     | \$43,171.13          | \$ 366,828.87    |
| c. Peters (fee)               | \$ 708,500.00     | \$43,171.13          | \$ 665,328.87    |

Review Appraiser: Kelleher

**FUND SOURCES**

|               |                           |                           |
|---------------|---------------------------|---------------------------|
|               | \$ 348.48                 | 615 09501 AY 09           |
|               | \$1,974,891.28            | 615 10075 AY10            |
|               | <del>\$1,302,699.39</del> | <del>L00 10460 AY12</del> |
| #2,579,670.48 | <del>\$1,276,971.09</del> | L00 A11.11 County SF-12   |
|               | \$4,554,910.24            | Total                     |

\* see attachment

**TOTAL ACRES (TA)**      1033.91**TA LESS DWELLINGS**      1029.91**AVERAGE PRICE PER ACRE**      \$4,422.63

Ms. Sheila McDonald, Esq.  
Page 2

BPW October 19, 2011  
Item 7-RP  
Pages 14-20  
Agricultural Land Preservation  
Easements  
Maryland Agricultural Land  
Preservation Foundation

FROM:\$ 2,337,778.23 – 615 09501 AY09  
3,376,745.72 – L00 A11.11 State SF12  
2,605,243.89 – L00 A11.11 County SF12  
TO:\$ 2,337,429.75 – 615 09501  
2,076,043.55 – 615 10075  
3,905,713.74 – L00 A11.11

REMARKS: L00 A11.11 includes \$2,605,011.57 county funds

Reason: Incorrect coding assignment for State and County Funds. Also, decrease in total due to reduction of value of the Anders property (Queen Anne's County).

BPW December 21, 2011  
Item 7-RP  
Pages 13-16  
Agricultural Land Preservation  
Easements  
Maryland Agricultural Land  
Preservation Foundation

FROM:\$ 348.48 – 615 09501 AY 09  
1,974,891.28 - 615 10075 AY10  
1,302,699.39 – L00 10460 AY12  
1,276,971.09 – L00 A11.11 County SF 12  
TO:\$ 348.48 – 615 09501  
1,974,891.28 – 615 10075  
2,579,670.48 – L00 A11.11

REMARKS: L00 A11.11 includes \$1,276,971.09 county funds

Reason: Incorrect coding assignment for State and County Funds.

Thank you for your attention to this matter. If you need further information, please call me at (410) 767-4960 or have a member of your staff contact Rio Woodard, Administrator, Capital Projects Accounting, at (410) 767-4236.

Sincerely yours,



Alvin C. Collins  
Secretary

cc: The Honorable Martin O'Malley  
The Honorable Peter Franchot  
The Honorable Nancy K. Kopp

Martin O'Malley  
Governor

Anthony G. Brown  
Governor



Alvin C. Collins  
Secretary

MARYLAND DEPARTMENT OF GENERAL SERVICES  
OFFICE OF THE SECRETARY

January 10, 2012

Sheila McDonald, Esq.  
Secretary to the Board of Public Works  
Louis L. Goldstein Treasury Building, Room 213  
Annapolis, Maryland 21401-1991

SUBJECT: Changes to the December 1, 2010, September 21, 2011, October 19, 2011, and  
December 21, 2011 Board of Public Works Action Agenda

Dear Ms. McDonald:

This is to advise you of the following changes to the Board of Public Works Action Agenda  
Items previously approved by the Board of Public Works.

|                             |  |
|-----------------------------|--|
| <u>BPW December 1, 2010</u> | FROM:\$ 890,081.00 – MCCBL 2009 Item 007 |
| Item 2-M                    |  |
| Pages 4-5                   | TO:\$ 877,289.00 – MCCBL 2009 Item 007   |
| Elevator Modernization      | 12,792.00 – H00 12 33351 0812            |
| 300 W. Preston Street       |  |

Reason: Maintenance costs not covered utilizing capital funds.

|  |  |
|--|--|
| <u>BPW September 21, 2011</u>                        | FROM:\$ 2,103,866.50 - 615 09501 AY 09 |
| Item 9 RP  | 1,494,843.27 – L00 A11.11 State SF12   |
| Pages 19-22  | 853,475.99 – L00 A11.11 County SF12    |
| Maryland Agricultural Land<br>Preservation Easements | TO:\$ 2,103,866.50 – 615 09501         |
| Maryland Agricultural Land                           | 1,272,261.30 – 615 10075               |
| Preservation Foundation                              | 1,076,057.96 – L00 A11.11              |

REMARKS: L00 A11.11 includes \$853,475.99 county funds

Reason: Incorrect coding assignment for State and County Funds



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**REAL PROPERTY**

**ITEM**        7-RP (Cont.)

**REMARKS**

1.        The Department of Agriculture recommends acceptance of these contracts.
  
2.        The Department of General Services has reviewed the appraisals and has recommended that each appraisal "a." listed above be the appraised value of the land on which the easement is to be acquired.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**LANDLORD LEASE****ITEM**        8-LL**BALTIMORE CITY COMMUNITY COLLEGE**

(Baltimore City, MD)

**Tenant**Professional Pharmacy Services, Inc.  
2600 Liberty Heights Ave., Suite 135  
Baltimore, MD 21215**Property Location**2600 Liberty Heights Avenue, Suite 135  
Baltimore, MD 21215**Space Type**    Office**Lease Type**    New**Square Feet** 678**Duration**     1 Year**Effective**     1/1/2012**Annual Rent** \$11,905.68**Square Foot Rate** \$17.56**Utilities Responsibility**

Landlord

**Custodial Responsibility**

Landlord

**Previous Board Action(s)**

N/A

**Special Conditions**

1. The Tenant shall maintain the Demised Premises, including all improvements constructed and situated on the Demised Premises, in a neat, orderly, safe, and habitable condition.
2. The Tenant shall defend and hold Landlord harmless against any and all claims of liability.
3. The Tenant shall pay as additional rent the sum of \$2,034.00 per annum for common area maintenance.
4. Tenant shall maintain at its expense insurance for not less than a minimum coverage of \$2,000,000.00 against loss or liability in connection with bodily injury, death, property damage or destruction to the Demised Premises.
5. Landlord has the right to termination this lease for convenience.
6. The lease incorporates four (4) use-in-common parking spaces.

**Remarks**

1. This space will be used by Professional Pharmacy Services, Inc. ("Neighbor Care") for a professional retail pharmacy and related purposes, included but not limited to, the sale of legend drugs, over-the-counter drugs, pharmaceuticals, durable medical equipment and disposable supplies.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**LANDLORD LEASE**

**ITEM**      8-LL (Cont.)

2.      The approval of this lease will enable Professional Pharmacy Services, Inc. to continue to offer retail pharmacy services in the community.
  
3.      The short term lease was requested by the Tenant to provide time to evaluate its current space needs.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**LANDLORD LEASE****ITEM** 9-LL

**DEPARTMENT OF PUBLIC SAFETY AND** Westover, MD  
**CORRECTIONAL SERVICES** (Somerset County)

**Tenant** ECOCORP, Inc.  
1211 S. Eads Street, Ste. 803  
Arlington, VA 22202

**Property Location** 30420 Revells Neck Rd.  
Westover, MD 21890

|                           |          |                         |            |                       |         |
|---------------------------|----------|-------------------------|------------|-----------------------|---------|
| <b><u>Space Type</u></b>  | Land     | <b><u>Type</u></b>      | New        | <b><u>Acre(s)</u></b> | 4.2 +/- |
| <b><u>Duration</u></b>    | 30 Years | <b><u>Effective</u></b> | 12/15/2011 |                       |         |
| <b><u>Annual Rent</u></b> | \$100.00 |                         |            |                       |         |

**Utilities Responsibility** Tenant  
**Custodial Responsibility** Tenant  
**Previous Board Action(s)** N/A

**Reference**

The Department of Public Safety and Correctional Services is the owner of the land and currently operates and maintains a state correctional facility on the Property known as the Eastern Correctional Institution (ECI).

The Maryland Environmental Service (MES) solicited through a competitive solicitation process to procure renewable energy as a voluntary initiative to promote clean energy development to meet long term energy needs and to provide an alternative means to manage the nutrients contained in animal manure and food waste in an environmentally sound manner.

ECOCORP Inc., the successful respondent to MES, is seeking to enter into a ground lease agreement for land around ECI for the purposes of constructing and operating an Anaerobic Digester Facility which will supply a portion of the electrical power needs of ECI.

ECOCORP Inc. has entered into a Power Purchase Agreement ("PPA") which details how MES will purchase power from the tenant. The Board of Public Works is now requested to approve the land lease with ECOCORP Inc.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**LANDLORD LEASE**

**ITEM**        9-LL (Cont.)

**SPECIAL CONDITIONS**

1. The lease provides for a renewal term of thirty (30) years subject to BPW approval.
2. The Power Purchase Agreement (PPA) is incorporated and made part of the lease agreement. This lease is contingent upon the Tenant meeting all contingencies contained in the PPA including all local, state and federal permits and project financing.
3. The Lease contains a termination for convenience provision.
4. The Tenant shall have the right to pledge or encumber its leasehold interest in the Demised Premises or to execute a collateral assignment of its interest in the Lease as security for any financing to be obtained by Tenant in connection with the construction or operation of the project.
5. The Tenant shall maintain at its expense, throughout the Term insurance identical to the types and amounts set forth in the PPA during the term of this Lease.
6. The Lessee shall pay promptly when due, all taxes assessed in connection with the Tenant's use and occupancy of the Demised Premises, including but not limited to, federal and state income taxes, retail sales, employment, energy production taxes, fees, or other impositions, and Real Property taxes assessed against the Demised Premises.
7. The Tenant shall be responsible for, and shall indemnify and hold harmless the Landlord from any and all claims, action, causes of actions, suite, rights, judgments, damages, costs and expenses arising out of personal injuries or property damage relation to conditions on the property or off the property in connection with the Tenant's use of the property as an Anaerobic Digester Facility. Tenant further indemnify and hold harmless the State of Maryland, and the Department of Public Safety and Correctional Services and its members, officers, and employees against and from, any and all liability or claim of liability (including reasonable attorneys' fees) directly arising out of the Lessee's use, occupancy, conduct, operation or management of the Demised Premises during the Term.

Note: This item previously appeared on the DGS/BPW Agenda on 12-7-2011 as Item 11-LL and was withdrawn.

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Board of Public Works Action - The above referenced Item was:

APPROVED ✓

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION ✓

WITHOUT DISCUSSION

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE**

**ITEM**      10-LT

**DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES**      Parole and Probation  
Frederick, MD  
(Frederick County)

**Landlord**      City of Frederick  
101 N. Court St.  
Frederick, MD 21701

**Property Location**      West Patrick Street Garage  
138 West Patrick St.  
Frederick, MD 21701

|                           |                       |                                      |                     |                                |
|---------------------------|-----------------------|--------------------------------------|---------------------|--------------------------------|
| <b><u>Space Type</u></b>  | Garage Parking        | <b><u>Lease Type</u></b>             | New                 | <b><u>Number of Spaces</u></b> |
| <b><u>Duration</u></b>    | 2 Years               | <b><u>Effective</u></b>              | 1/1/2012            | 14                             |
| <b><u>Annual Rent</u></b> | \$ 7,812.00 (6 mos.)  | <b><u>Rate/Space/Month</u></b>       | \$93.00 (6 months)  |                                |
|                           | \$24,192.00 (18 mos.) |                                      | \$96.00 (18 months) |                                |
|                           |                       | <b><u>Prev. Rate/Space/Month</u></b> | \$80.00             |                                |

**Utilities Responsibility**      Landlord  
**Custodial Responsibility**      Landlord

**Previous Board Action(s)**      12/16/2009 Item 9-LT; 7/11/2007 Item 23-LT

**Fund Source**      100% General 35.03.02, PCA 32110, AOBJ 7050

**Remarks**

1. These spaces are used by employees of the Division of Parole and Probation, Criminal Supervision staff.
2. The rental rates listed above are determined by the City of Frederick.
3. The number of spaces is below the 2:1 ratio established for this area.
4. The lease contains a termination for convenience clause.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE****ITEM** 11-LT-OPT**DEPARTMENT OF AGRICULTURE**  
(Forest Pest Management)Forest Hill, MD  
Harford County**Master Landlord**Colgate Investments, a Maryland General Partnership  
2101 Rock Spring Rd.  
Forest Hill, MD 21050**Sub-Landlord**Harford County, Maryland, a body corporate and politic  
220 S. Main St.  
Bel Air, MD 21014**Property Location**2353 Rock Spring Rd., Suite #170  
Forest Hill, MD 21050**Space Type** Office  
**Duration** 1 Year, 5 Months  
**Annual Rent** \$8,486.40**Lease Type** Renewal  
**Effective** 1/1/2012  
**Square Foot Rate** \$10.20  
**Prev Square Foot Rate** \$10.00**Square Feet** 832**Utilities Responsibility**  
**Custodial Responsibility**  
**Previous Board Actions**Landlord  
Landlord  
6/25/08-10-LT; 3/5/03 – 11-L**Fund Source**

100% General L00A14.02 PCA 42101

**Special Conditions**

1. The lease incorporates 12 parking spaces to accommodate State pickup trucks, vans and employees' personal vehicles.

**Remarks**

1. This space has been used by the Forest Pest Management Unit since 2003. The unit conducts gypsy moth monitoring, spraying and evaluation in Harford, Cecil, Kent and Baltimore Counties and Baltimore City. The office also is involved in the survey and detection of other forest pests.
2. The lease contains a termination for convenience clause.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE**

**ITEM**      11-LT-OPT (Cont.)

3. Harford County is continuing the master lease agreement for the entire building which houses the County Farm Bureau, the County Extension Service, 4H offices and the Department of Agriculture. The rental rate reflects the actual rate paid by the County.
4. The master lease term was extended through May 31, 2013 and upon expiration the landlord, Colgate Investments, will retake the demises premises for its own use. The Department of Agriculture, Forest Pest Management will need to relocate.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE****ITEM** 12-LT-OPT**DEPARTMENT OF ASSESSMENTS & TAXATION**Oakland, MD  
(Garrett County)

**Landlord** Garrett County Commissioners  
203 South 4<sup>th</sup> St.  
Oakland, MD 21550

**Property Location** 203 South 4<sup>th</sup> St.  
Oakland, MD 21550

|   |            |                                |          |                           |       |
|---|------------|--------------------------------|----------|---------------------------|-------|
| <b><u>Space Type</u></b>                | Office     | <b><u>Lease Type</u></b>       | Renewal  | <b><u>Square Feet</u></b> | 2,243 |
| <b><u>Duration</u></b>                  | 6 months   | <b><u>Effective</u></b>        | 1/1/2012 |                           |       |
| <b><u>Monthly Rent</u></b>              | \$2,865.43 | <b><u>Square Foot Rate</u></b> | \$15.33  |                           |       |
| <b><u>Previous Square Foot Rate</u></b> | \$14.85    |                                |          |                           |       |

**Utilities Responsibility** Landlord  
**Custodial Responsibility** Landlord  
**Previous Board Action(s)** 12/12/1984-53-L; 9/20/1989-19-L; 7/26/1995-15-L;  
2/21/2001-14-L; 3/15/2006-7-L

**Fund Source** 100% General Funds E50C00.02. PCA 26101 Obj. 1301

**History/Administrative Review** An administrative review of the lease file for this location revealed that the agency has continually occupied the leased space since 1985. The contractual six month lease holdover period expired on 9/30/2011. Now, therefore, the Board is requested to retroactively approve the leasing of this space for the 3 month period, from 10/1/2011 to 12/31/2011 pursuant to the State Finance and Procurement Article 11-204(c)(1). The total funds for the retroactive period are \$8,327.13.

**Special Conditions**

1. Tenant has the absolute right to extend the lease for a six (6) month period.
2. Landlord shall give Tenant written notice no later than 6/30/2012 if the Demised Premises is not available for the continued occupancy by the Tenant after the expiration of the six (6) month extension period.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE**

**ITEM**      12-LT-OPT (Cont.)

**Remarks**

1.      This space has been used since 1985 as the Garrett County assessment office. The assessment office is responsible for assessing all real property in Garrett County as well as assisting home and business owners in the assessment appeal process.
2.      The lease contains a termination for convenience clause.
3.      This is a short term lease to allow ample time to complete the Request for Proposal process for new office space.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE****ITEM** 13-LT-OPT

**DEPARTMENT OF PUBLIC SAFETY AND** Baltimore, MD  
**CORRECTIONAL SERVICES**

**Landlord** Reisterstown Plaza Associates, LLC.  
2901 Butterfield Rd.  
Oak Brook, IL 60523

**Property Location** 6776 Reisterstown Road Plaza  
Baltimore, MD 21215

|                           |                       |                                       |                |                           |         |
|---------------------------|-----------------------|---------------------------------------|----------------|---------------------------|---------|
| <b><u>Space Type</u></b>  | Office                | <b><u>Lease Type</u></b>              | Renewal        | <b><u>Square Feet</u></b> | 130,766 |
| <b><u>Duration</u></b>    | 10 years              | <b><u>Commencement</u></b>            | 1/1/2012       |                           |         |
| <b><u>Annual Rent</u></b> | \$1,641,113.30 (avg.) | <b><u>Square Foot Rate</u></b>        | \$12.55 (avg.) |                           |         |
|                           |                       | <b><u>Prev. Sq. Ft. Rate</u></b>      | \$12.95        |                           |         |
|                           |                       | <b><u>Eff. Sq. Ft. Rate</u></b>       | \$14.75 (avg.) |                           |         |
|                           |                       | <b><u>Prev. Eff. Sq. Ft. Rate</u></b> | \$14.60        |                           |         |

**Utilities Responsibility** Tenant  
**Custodial Responsibility** Landlord

**Previous Board Action(s)** Item 8-L dated 2/11/04; Item 16-L dated 5/10/00; Item 8-L dated 12/6/95; Item 21-B-L dated 8/26/87; Item 53-L dated 12/17/86; Item 26-L dated 4/24/85.

**Fund Source** Q00A01

**Special Conditions**

1. The lease provides for escalations for janitorial services and real estate taxes.
2. The lease provides for 45 reserved parking spaces at no cost and ample use in common parking.
3. The contains the right to renew for 5 years subject to an 18 month prior notice, rental rate negotiations and Board of Public Works approval.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE****ITEM** 13-LT-OPT (Cont.)**Remarks**

1. The agency began its occupancy of the office space at this location in 1985. The space serves as the agency operation headquarters for Division of Corrections, Information Technology and Communications Division, Criminal Justice Information System, Division of Parole and Probations, Maryland Parole Commission, Division of Capital Construction and Facilities Maintenance and Human Resources Services.
2. The rental rate commences at \$11.04 per net usable square foot and increases by two percent (2%) annually resulting in an average annual rental rate of \$12.55 per net usable square over the term of the lease.
3. The landlord shall perform renovations valued at \$1,634,575.00 within the demised premises. The renovations include expanded emergency generator service, electronic card access to the premises, new restrooms, and construction of new offices.
4. In addition to the \$1,634,575.00 provided by the landlord to renovate the demised premises, the landlord shall perform the base building improvements consisting of the replacement of 140 HVAC units over the first 5 years of the lease, window replacements at North Tower skywalks, roof replacement and renovations to the North Elevator Lobby.
5. Through negotiations, the Office of Real Estate achieved a cost avoidance of \$133,834.00 per year, or \$1,338,340.00 over the 10 year term of the lease.
6. The leased area increased by 2,381 net usable square feet (128,385 to 130,766) as a result of the CADD re-measurement of the space.
7. The lease contains a modified termination for convenience clause requiring a 12 month prior notice. The termination for convenience clause may not be exercised in the first three (3) years of the lease.
8. This space was acquired by sole source in accordance with the DGS Space Management Manual, Paragraph 6-605 E., as authorized by COMAR 21.02.05.05. The Department of General Services, in conjunction with the using Agency, recommends the approval of this item.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE****ITEM** 14-LT-OPT**MARYLAND DEPARTMENT OF TRANSPORTATION**

Maryland Aviation Administration (MAA)  
Linthicum, MD  
(Anne Arundel County)

**Landlord**

RPH Industrial, LLC.  
8280 Greensboro Dr., Suite 550  
McLean, VA 22120

**Property Location**

991 Corporate Boulevard, First Floor  
Linthicum, MD 21090

|                           |              |  |          |                           |        |
|---------------------------|--------------|--|----------|---------------------------|--------|
| <b><u>Space Type</u></b>  | Office       | <b><u>Lease Type</u></b>               | New      | <b><u>Square Feet</u></b> | 45,394 |
| <b><u>Duration</u></b>    | 10 years     | <b><u>Effective</u></b>                | 1/1/2012 |                           |        |
| <b><u>Annual Rent</u></b> | \$692,258.50 | <b><u>Square Foot Rate</u></b>         |          | \$15.25                   |        |
|                           |              | <b><u>Prev. Sq. Ft. Rate</u></b>       |          | \$15.25                   |        |
|                           |              | <b><u>Eff. Square Foot Rate</u></b>    |          | \$16.95                   |        |
|                           |              | <b><u>Prev. Eff. Sq. Foot Rate</u></b> |          | \$16.95                   |        |

**Utilities Responsibility**

Tenant

**Custodial Responsibility**

Landlord

**Previous Board Action(s)**

12/15/99-21-L; 8/10/05-10-L; 7/28/10-13-LT-0PT

**Fund Source**

J06I000102 43269 1370 – 100% Special

**Special Conditions**

1. The lease includes one (1) renewal option for five (5) years.
2. The lease contains escalations for real estate taxes and janitorial expenses.
3. The lease provides for use-in-common parking spaces free of charge.

**Remarks**

1. The agency currently utilizes 34,892 net usable square feet to house various divisions of the MAA at this location. Adjacent space consisting of 10,457 net usable square feet is available to accommodate the desired expansion of the space for the MAA Office of Finance at this location. Upon acceptance and commencement of the 10,457 net usable square feet, the original lease of 34,892 shall terminate and a new lease for 45,349 net usable square feet will become effective.

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**TENANT LEASE**

**ITEM**      14-LT-OPT (Cont.)

2. The MAA Offices of Finance and Human Resources were relocated from leased space (901 Elkridge Landing Road) in January 2010 to locations in the BWI Marshall Terminal Building as a cost-savings measure. The Office of Finance was relocated to an area of the Terminal that will now be impacted by the construction/expansion occurring related to the B/C Connector, presented to the Board of Public works for approval on December 7, 2011. The B/C Connector project was not foreseen when the relocation occurred. No space currently exists in the Terminal Building to relocate the Office of Finance.
3. Through negotiations, the Office of Real Estate secured eight (8) months of rent abatement on the 10,457 new usable square feet resulting in a rent savings of \$106,312.83.
4. Landlord is responsible for performing work to meet LEED Silver criteria for commercial interiors including, among other items, low-flow water closets and urinals, occupancy sensor lights, LED exit lights, and programmable thermostats.
5. The lease contains a termination for convenience clause.
6. This space was acquired by sole source in accordance with the DGS Space Management Manual, Paragraph 6-605 E., as authorized by COMAR 21.02.05.05. The Department of General Services, in conjunction with the using Agency, recommends the approval of this item.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**CAPITAL GRANTS AND LOANS**

**ITEM**            15-CGL

**RECOMMENDATION** That the Board of Public Works certify matching funds and enter into a grant agreement for the following grant:

*Board of Trustees of Stevenson University (Baltimore County)*

*MICUA - Stevenson University*

“To assist in the planning, design, construction, renovation, and capital equipping of the former gymnasium on Stevenson University's Greenspring Campus or the acquisition, planning, design, construction, and renovation of a 28-acre site adjacent to the Owings Mills Campus, The Owings Mills campus currently houses a 150,000 square foot main building and an 18,000 square foot Tech Center surrounded by 532 parking spaces.”

***\$3,000,000.00***

Maryland Consolidated Capital Bond Loan of 2010 (MICUA - Chapter 483, Acts of 2010 and as amended by Chapter 396, Acts of 2011) *DGS Item G010, SL-052-100-038*

**MATCHING FUND** The MCCBL requires the grant recipient to provide a matching fund no later than 6/1/2012 and the Board of Public Works to certify the matching fund. The Board of Trustees of Stevenson University has submitted documentation that it has \$33,250,000.00 in Revenue Bonds to meet the matching fund requirement for this project.

**BACKGROUND**

|                              |                        |
|------------------------------|------------------------|
| Total Project                | \$10,500,000.00        |
| <b>10-G010 (This Action)</b> | <b>\$ 3,000,000.00</b> |
| Local Cost                   | \$ 7,500,000.00        |

**REMARKS**

- (1) This action is in accordance with the enabling legislation and complies with the tax-exempt bond provisions of the Internal Revenue Code.
- (2) The grant recipient shall consult with the Maryland Historical Trust pursuant to Sections 5A-325 to 328, State Finance and Procurement Article, Annotated Code of Maryland, and convey a perpetual preservation easement pursuant to the terms of the enabling legislation.
- (3) The Comptroller may not disburse State funds until after the Comptroller verifies that the grant recipient has expended the matching fund and the required amount for reimbursement.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

**DISAPPROVED**

**DEFERRED**

**WITHDRAWN**

**WITH DISCUSSION** ✓

**WITHOUT DISCUSSION**

**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**CAPITAL GRANTS AND LOANS**

**ITEM**            16-CGL

**DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

**NAME OF GRANTEE/BORROWER**

Way Station, Inc.  
230 West Patrick St.  
Frederick, MD 21705-3826

**PROJECT NO. AND TITLE**

Project No. MHA-CB-09807-01;  
Acquisition of: 205 South Jefferson St.  
Frederick, MD 21701

**DESCRIPTION**

Approval is requested for a State grant of \$521,550.00 to assist Way Station, Inc., a nonprofit organization, in the cost of acquiring a single, garden style apartment building housing 7 two bedroom units. The contract price is \$692,000.00, and the home will provide housing for fourteen (14) individuals with severe mental illness and co-occurring developmental disabilities. Two appraisals were obtained for the property; both have been reviewed by the DGS. The appraisals are as follows:

**APPRAISALS**

\$715,000.00 William G. Bowen, Inc., Hagerstown, MD

\$700,000.00 Brady Appraisal Services, Walkersville, MD

\$692,000.00 William T. Beach, DGS Appraisal Review

Based on these appraisals, DGS approved the fair market value of the real estate at \$692,000.00. Way Station, Inc. has a contract of sale to purchase this property for \$692,000.00

Eligible project costs are \$695,400.00. This includes \$692,000.00 for acquisition and \$3,400.00 for appraisals. These costs will be funded as follows:

**AMOUNT**

\$695,400.00\*

**FUND SOURCES**

\$173,850.00 (25%) Applicant's Share  
\$521,550.00 (75%) State's Share (MCCBL  
2009, Community Health Facilities Fund)



**DEPARTMENT OF GENERAL SERVICES**  
**ACTION AGENDA**

**CAPITAL GRANTS AND LOANS**

**ITEM**        16-CGL (Cont.)

**REMARKS**

\*The State is participating in 75% of the acquisition cost of 692,000.00, as well as 75% of the cost of the appraisals (\$3,400.00). State participation is limited to the lesser of the value approved by the Department of General Services, based upon the appraisals or the actual acquisition cost.

Established in 1978 Way Station, Inc. provides a comprehensive continuum of care including: crisis intervention, outpatient treatment, mobile treatment, psychiatric rehabilitation, housing, and supported employment services to low-income individuals including veterans, with serious mental illness. Way Station, Inc., serves over 7,000 individuals in six Maryland counties.

In accordance with Subtitle 6 of the Health-General Article of the *Annotated Code of Maryland*, the Board's approval is further contingent upon the State's right of recovery being included in the Deed(s) or otherwise recorded among the Land Records of Frederick County.

No State funds will be disbursed until the grantee has presented suitable evidence to the Comptroller that it has expended the required matching funds for this project. After the grantee has met this requirement, all future invoices will be submitted to the Comptroller, who will disburse the State portion in amounts equal to the invoices submitted.

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Board of Public Works Action - The above referenced Item was:

**APPROVED**

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

**WITHOUT DISCUSSION**

There being no further business, the meeting of December 21, 2011 was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheila McDonald". The signature is written in black ink and is positioned above the printed name and title.

Sheila C. McDonald, Esq.  
Executive Secretary

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STATE OF MARYLAND  
BOARD OF PUBLIC WORKS  
GOVERNOR'S RECEPTION ROOM  
SECOND FLOOR, STATE HOUSE  
ANNAPOLIS, MARYLAND

December 21, 2011

10:19 a.m.

December 21, 2011

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;  
ALVIN C. COLLINS, Secretary, Department  
of General Services;  
T. ELOISE FOSTER, Secretary, Department  
of Budget and Management;  
DARRELL B. MOBLEY, Deputy Secretary,  
Department of Transportation;  
LISA WARD, Land Acquisition and Planning,  
Department of Natural Resources;  
LUWANDA JENKINS, Special Secretary,  
Governor's Office of Minority Affairs;  
MARY JO CHILDS, Procurement Advisor, Board of  
Public Works; and,  
MARION BOSCHERT, Recording Secretary, Board  
of Public Works.

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P R O C E E D I N G S

GOVERNOR O'MALLEY: Good to see you. Good morning, everyone. Welcome to the Board of Public Works. Today's date is, yes it is, December 21st already. And we have a number of items today, and including some important naming at the Department of Natural Resources. We have a presentation from Jim Harkins on the anaerobic digestion -- hold one second, John. And we also have, we also have, is there a third one? No. We have a contested procurement or two. I know the Comptroller has some questions on the latest slots thing. So we've got a great Agenda. We're not lacking for any work, this week before Christmas.

TREASURER KOPP: Why does the phrase, "Ho, ho, ho," come to mind?

(Laughter)

GOVERNOR O'MALLEY: So let me ask the Treasurer and the Comptroller if they have any comments as we begin, here?

COMPTROLLER FRANCHOT: Madam Treasurer?

TREASURER KOPP: No, except it's good to be here. It's good to be back home. I was out of state

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for a while and came back to see the newspaper headline about increasing jobs in Maryland.

GOVERNOR O'MALLEY: It's great.

TREASURER KOPP: And that's what you like to see when you get off the airplane.

GOVERNOR O'MALLEY: Three months in a row, positive job growth. Mr. Comptroller?

COMPTROLLER FRANCHOT: Thank you. Gosh knows we need them. And but let me just reach out to those of you that have perhaps not done your Christmas shopping. I feel guilty sitting here knowing that I've got to get out in the next couple of days. I advocate, of course, shop local. But frankly at this point --

TREASURER KOPP: Comptroller --

COMPTROLLER FRANCHOT: -- frankly I've just got to get out and shop.

(Laughter)

TREASURER KOPP: Could I, yeah, could I, I meant to say and I apologize that not only for those of you who have not done Christmas shopping but those of you who know that today is the second day of Hanukkah

and you've got several days to go, listen to what the Comptroller has to say. Thank you.

(Laughter)

COMPTROLLER FRANCHOT: Well I have shopped local all over the State with these local entourages of local officials. And people say, well, haven't you gotten gifts? And I have a very tight budget when I'm out there. And I'm just, a Christmas ornament will not work for my wife. You need to, so anyway, many best wishes for the holiday season. It's such a great time of the year, because we're able to look back over the year and realize what we're grateful for as far as family and friends and all the blessings, frankly, that we have. I continue to love being your Comptroller and I beat William Donald Schaefer, the Babe Ruth of politics. Whoever would have thought that that could have happened? Yet, here we are. That's the wonder and humbleness, frankly, of being in this seat.

But one of the things that I really want to just reach out and extend some appreciation during this season for are the amazing people that I get to work with as Comptroller. I see the Speaker standing here,

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and I worked with him for 20 years in the Legislature. But as Comptroller I've been able to work with 1,200 people in my agency who are phenomenal people. I've been able to work with the Governor and the Treasurer, and all the talented people around the table here with the Board of Public Works. Sheila McDonald, and frankly with each of you in the audience who have always demonstrated such great professionalism, passion, done such a great job working in your different positions. And I just want to reach out and say I appreciate the dedication that everybody represents here. And I wish all of you a great holiday season.

I also just want to mention quickly that it's a tough season for those of us who have lost close friends or loved ones here on the Board of Public Works. We lost Dave Boschert, a great Marine, friend of all of us. Hannah White. I'd also like to remember Ron Smith who recently passed away after a valiant battle with pancreatic cancer. And from time to time I would go on Ron Smith's show and he would always control the people in his audience who took great

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delight in criticizing anybody on his show, I think, that was involved with politics.. But Ron Smith was a gentleman and a voice of reason, and he would calm people down. He wouldn't always agree with you. And I think Senator Cardin made a very great statement about that, that you know you can disagree, have philosophical differences, be liberal or conservative. But I think what Ron Smith showed was at the end of the day we are all the same. But my condolences go out to his wife June and the entire family.

And Governor, on a happy note let me just conclude by wishing you and your family a healthy and happy season, and the Treasurer, and Merry Christmas, Happy Hanukkah. I know there's a list of others. I'd love to go through it. But, yes. It's a great season.

TREASURER KOPP: Yesterday the Comptroller was moved to say that for a moment he had caught the Christmas spirit.

COMPTROLLER FRANCHOT: Yes.

TREASURER KOPP: Did he tell you that? And he's done it again. And I thank you, and returns to you and your family.

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COMPTROLLER FRANCHOT: Thank you.

GOVERNOR O'MALLEY: And to all those in Whoville.

(Laughter)

GOVERNOR O'MALLEY: Mr. Speaker, which one are you here for?

SPEAKER BUSCH: I'm here for the Bozman property.

GOVERNOR O'MALLEY: The Bozman property?

MS. WARD: That's on our Agenda. It's DNR, Item 10A.

GOVERNOR O'MALLEY: With your permission, both of you having been from the House of Delegates, I'd like to exercise a little bit of prerogative of the Chair and call the Bozman property off of the --

SECRETARY MCDONALD: Item 10A --

GOVERNOR O'MALLEY: Item 10A on the --

SECRETARY MCDONALD: -- on the DNR Agenda.

GOVERNOR O'MALLEY: On the DNR Agenda. Not Open Space, but DNR?

SECRETARY MCDONALD: Well, because they have a lot of other things in addition to Open Space on

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their Agenda now. But yes, this Item 10A is a Program Open Space item.

SPEAKER BUSCH: Yes. Well, it's really generated by the Department of Natural Resources. If I could ask the Secretary to come up as well and talk a little bit about the Bozman property. It was a piece of property that was owned by the Audubon Society. And I believe about a decade ago the State was actually interested in purchasing the property. But at the time it was prohibitive because of the cost. It's a wonderful piece of property to preserve. But I think also that the management of the property was an issue for the Department of Natural Resources as well. It's eight miles of waterfront, I believe about 900 acres. And the fact of the matter is is that it was in great disrepair when the Audubon Society sold it to Mr. Pascal, who also owns property on the Eastern Shore that has been put into the Environmental Trust through the State of Maryland.

He has 44 buildable lots on that. But in our discussions with both Secretary Griffin and myself, how nice it would be if there was some kind of public

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access that would be granted to the citizens of the State of Maryland on the property in some kind of controlled manner. I think the Secretary has laid out numerous programs that could take place there.

Mr. Pascal will be granted an easement for his ability to give up the right to develop 44 pieces of property. The easement granted by the State would be one that would take place. It would qualify for federal and State tax credits if they were granted by the federal government. It is somewhat of a risk. If the federal government does not grant him the tax credits the easement still stays in place, and the fact of the matter is the 44 individual lots would not be developed.

Secretary Griffin has come to me and asked me what I thought of the project. I think it's, in this tough economic time when we're struggling with the transfer tax to continue to preserve Open Space property across the State of Maryland to put this in perpetuity as a permanent piece of Open Space on a magnificent piece of waterfront which is upgraded each year by Mr. Pascal to the tune of about half a million

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dollars to keep up the six buildings and the rest of the farm, I think it would be very beneficial considering the fact that he would also open it up to the general public on certain times and dates of the year. Which I think is extraordinary compared to the easements we give out to other private individuals which does not require any public access.

I would ask for any questions that, of detail to go to Mr. Griffin. But I've been to the property. The reason I'm here, I've been to the property when it was owned by the Audubon Society. They had great discussions on the fact that they could not keep it up. They were looking for a purchaser who was going to preserve the property. It used to be owned by the DuPont family. And Mr. Pascal, who has been a preservationist on the Eastern Shore for many years, has stepped up to the plate to do that. He wants to bring in Wounded Warrior projects, so they can bring their families down there and enjoy the farm and the outdoors, children's groups, and others that would be directed by the Department of Natural Resources.

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I don't know if I missed anything, Secretary Griffin? But before I step aside I want to wish everyone a happy holiday season. And just say to each and every one of you that I hope all the districts that you have, you like. Because we spent a lot of time doing that and I'm glad that's behind us as well.

(Laughter)

GOVERNOR O'MALLEY: So John, this is not a purchase of Open Space? This is a purchase of development rights?

MR. GRIFFIN: Governor, Comptroller, Madam Treasurer, good morning. No, it's not a purchase. It's a donated conservation easement.

GOVERNOR O'MALLEY: I see.

MR. GRIFFIN: So we're not purchasing anything directly. If the donor, like all of the other donors whose easements are presented to you, and if you approve them, they potentially are eligible for federal income tax credits. Those roll through to the State level. There's a small State income tax credit. And I believe there may be some State and local property tax abatements that would apply. But I guess my point is,

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any donor at the time they come before you with a donated easement to be accepted, they do not know then necessarily whether what they are donating will be, will meet the variety of requirements imposed and stipulated by the IRS to qualify it as a qualified easement for purposes of an income tax deduction.

But of course the whole purpose for those tax credits and property tax abatements are to induce philanthropy by conservation minded property owners around the State. And we have a great history of and track record of that, through local land trusts, through the original land trust in the State, the Maryland Environmental Trust. The reason that we accepted this easement, if you are wondering, not a local land trust or the Maryland Environmental Trust, is because of the work we've done when Audubon owned the property and since then with Mr. Pascal. Helping to develop conservation plans for the property, helping to schedule in groups who have used the property since he's purchased it. And we'll be working with him if you approve this easement to schedule in a variety of groups. Not only our Wounded Warriors, but we've done

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a lot of work with, as you know Governor under your initiative on, partnership with Children in Nature, for kids to get out and reconnect with nature. We've worked with the Talbot County Parks and Recs Department, federal agencies, to develop a lot of potential plans for group use of the property that would be scheduled in.

I might say, this is fairly unique among donated easements. Most property owners, as you know, continue to own the land. Many live on the land. And normally they resist somewhat understandably, the notion of granting public access on their property, particularly at this level of intended use. So as the Speaker said, in these days when revenues are very tight it's always a welcome opportunity, it seems to me, to accept an easement like this. And to preserve this 950-acre piece of property with eight miles of shoreline and to allow the public to use it.

GOVERNOR O'MALLEY: Great. And so this is being, this is being donated?

MR. GRIFFIN: It's a donated easement.

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GOVERNOR O'MALLEY: And the donor receives tax credits?

MR. GRIFFIN: May receive. I'm sure Mr. Pascal, I'm not speaking for him, like any other donor that comes before you with donated easements hopes to secure the tax credits that he may be entitled to. But that's a fairly lengthy process, particularly at the federal level, in order to qualify for that.

GOVERNOR O'MALLEY: I see. And from the public standpoint, Mr. Pascal is giving to the public for perpetuity?

MR. GRIFFIN: Yes.

GOVERNOR O'MALLEY: The assurance that this will never be developed?

MR. GRIFFIN: Correct.

GOVERNOR O'MALLEY: Great. Mr. Pascal, anything you want to say?

MR. PASCAL: Well, thank you. Nice to see you all.

GOVERNOR O'MALLEY: Good to see you, Mr. Pascal.

MR. PASCAL: Real quick --

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GOVERNOR O'MALLEY: And thank you for doing this.

MR. PASCAL: It's real quick. That piece of property is probably one of the more unique pieces left on the Eastern Shore. And it's just too big and too great to have one man hoard. And I just thought this was an opportunity to share it with as many people as possible without losing the ability to use it yourself. So I contacted DNR. We had all kinds of people that wanted to do it on the conventional easement way. And I said, "What about DNR? What can we do?" And we just hosted lady hunters. There were 15 or 20 ladies came, and they wanted to hunt a deer. Well, that got a little edgy --

(Laughter)

MR. PASCAL: But they had a, they had a great time. And we've got the, the Wounded Warriors are going to have one of the developments there, to go out and utilize on weekends with their families and fish and do whatever they want to do. And we're having schoolchildren come down and walk around and take pictures and enjoy the environment.

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So, this is my bucket list. And this is a great way to spend whatever time left you've got on Earth to do something like that.

GOVERNOR O'MALLEY: That's a wonderful thing you're doing.

MR. PASCAL: Yes.

GOVERNOR O'MALLEY: Thank you, Mr. Pascal.  
Mr. Franchot?

COMPTROLLER FRANCHOT: Mr. County Executive, I want to just thank you for this because obviously this is a gem.

MR. PASCAL: Pardon me?

COMPTROLLER FRANCHOT: This is a gem.

MR. PASCAL: Absolutely.

COMPTROLLER FRANCHOT: A jewel on the Shore that you are in effect giving to the citizens. And I think everybody is very excited about the significance of it and you are to be applauded. How will the public access work? Is it something that you --

MR. PASCAL: At my discretion.

COMPTROLLER FRANCHOT: Your discretion? And



MR. PASCAL: Along with the department. To open it up every day is just not the way to go on this. So we are going to pick our spots and handle it in that way.

COMPTROLLER FRANCHOT: And I take it the 44 lots passed perc tests and are, could have been developed? Or sold? Or --

MR. PASCAL: For sure.

COMPTROLLER FRANCHOT: So what you are giving us is very significant. As a tax collector I'm obviously sorry to see whatever tax revenues go, but that's okay.

(Laughter)

COMPTROLLER FRANCHOT: This far outweighs that issue and I think the Governor is right in saying we're not paying for this, you are approaching us. But I had one detail question because I noticed that a familiar name, Mr. David Sutherland, is listed as a consultant. And he came up four years ago in a very controversial situation before this Board. In effect, we were paying almost \$2 million more than the purchase, the original purchase price for a piece of

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public property. And I'm not going to go through that Gardner deal again. But --

GOVERNOR O'MALLEY: Where was that one?

COMPTROLLER FRANCHOT: -- I guess I want to know what exactly was Mr. Sutherland's role in this, if any? And Mr. Secretary, is Mr. Sutherland involved in other deals right now with the State that I am not aware of?

MR. PASCAL: He had a lot of contacts with Audubon and helped us put the deal together.

COMPTROLLER FRANCHOT: And Secretary Griffin, is he involved with other --

MR. GRIFFIN: The only thing I'm aware of he does have, he is employed by the National, or the U.S. Civil War Trust which is, you may know the President and CEO of that is former, also a former Anne Arundel County Executive and Secretary of Transportation James Lighthizer. And he's working on some properties around the country, including with federal funds that Mr. Lighthizer secured from Congress he's working on some acquisitions up at South Mountain, which is near Antietam, that's a State Park preserving that Civil War

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battlefield. Other than that I'm not aware of anything else he's doing with us.

COMPTROLLER FRANCHOT: Well give him my regards. Tell him this is a great project.

MR. GRIFFIN: Thank you.

COMPTROLLER FRANCHOT: And good luck to you.

MR. PASCAL: Thank you very much.

TREASURER KOPP: Bob, I just want to add?

MR. PASCAL: Sure.

TREASURER KOPP: Almost a thousand acres dedicated in perpetuity to the public I think is outstanding. I mean, it's a great model. You were County Executive during tough times and you know how hard it is to see something like this and have to make it go away and develop into townhouses or whatever because the public doesn't have the funds to devote to something like this. And I just think we all wish we could do it, and we are very, very happy and proud that there are those who do do it and allow us to continue to use the resources we have in projects that are, as the Comptroller would say, shovel ready and job producing while there are other ways to procure the

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Open Space for our children and children's children forever. And I just, this is a great Christmas gift to the people of the State of Maryland.

MR. PASCAL: Well, thank you. And I'm going to invite you all personally to come down and tour it. You've really got to see it to appreciate it.

TREASURER KOPP: Well an interdependent mosaic of migratory bird habitat is indeed --

MR. PASCAL: Thank you.

(Laughter)

TREASURER KOPP: Thank you. Thank you. Beautiful.

GOVERNOR O'MALLEY: When I was about a stone's throw from there, about parallel with there, my dad used to take me down to Peach Blossom Creek --

MR. PASCAL: There you go.

GOVERNOR O'MALLEY: -- to a couple little lots that he had down there. And when I was a little boy I thought those two little lots in the woods, and the ducks, and everything there were all the beauty of creation in one little place. So this is a big place. And I'm going to take you up on your offer.

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MR. PASCAL: Do that. I would appreciate it.

Thank you.

GOVERNOR O'MALLEY: Mr. County Executive, thank you. The Comptroller moves approval of 10A, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: And the ayes have it. We thank you, gentlemen. We now move on to, we're going to put your Agenda items on hold. We're going to skip around a little bit here. And I'd like Jim Harkins, Jim, are you here?

MR. COLLINS: Yes, sir. Item --

GOVERNOR O'MALLEY: We're going to the DGS portion of the Agenda, and this item is, Secretary Collins?

MR. COLLINS: Item 9-LL, Jim Harkins.

GOVERNOR O'MALLEY: 9-LL?

MR. COLLINS: 9-LL on my Agenda.

GOVERNOR O'MALLEY: 9-LL?

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MR. COLLINS: Yes, sir, LL.

GOVERNOR O'MALLEY: On the Department of General Services Agenda.

MR. HARKINS: Good morning, Governor, members of the Board.

GOVERNOR O'MALLEY: Good morning, Mr. Secretary. I'm very excited about this.

MR. HARKINS: Yes, sir.

GOVERNOR O'MALLEY: I told the Treasurer this has been like a David Lean epic movie, five years in the making, on six continents.

MR. HARKINS: Geez, with that kind of build up, Governor, we're going to talk about chicken manure, so. I want to begin by saying that this is a project that does have a history. As you know, Governor, it started with the genesis of a study that we did, a grant that came to the Maryland Environmental Service from the Maryland Energy Administration. Working cooperatively with the Department of General Services, with Maryland Agriculture, Department of Agriculture, we did a survey of all the technologies that exist, at the time, to take chicken manure and make power out of

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it. Forty-five different respondents, some off the wall, some a little more contemporary. We took those five, honed them down to the five most promising, and then put together a work group and began to look at them. The five most promising included the project that's in front of you today, a thermophilic anaerobic digester. If you look at the overhead --

TREASURER KOPP: Say that three times quickly.

MR. HARKINS: It rolls off the tongue after you've worked on it a while, Madam Treasurer. I know more about these things now than I ever wanted to know. The project, let's see if we can get it right here, lean it over that way. All right. Yep. You know I can build a digester but I'm technologically challenged when it comes to changing the -- I got it. The project overview, what is an anaerobic digester? Why develop an AD in Maryland? Phases of the AD development at ECI, the current activities, and the milestones.

GOVERNOR O'MALLEY: And ECI, for everyone, is what?

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MR. HARKINS: Is the Eastern Correctional Institute, located in Princess Anne, sir. A prison site. In the essence, facilitating the development of this digester, as I just said in Somerset County, Secretary Bezanson, Deputy Secretary Bezanson, site staff, DGS staff, have been instrumental in the project and the siting, the real estate considerations.

ECOCORP is the developer that we have chosen after a competitive procurement. He is responsible for the anaerobic digester funding and construction. The State will pay the ECOCORP company for the energy from the anaerobic digester according to the terms of a power purchase agreement that we signed in October, 2010. MES is coordinating the AD effort with the other State stakeholders, the Maryland Energy Administration, the Maryland Department of Agriculture, Department of Public Safety, Department of General Services, Maryland Department of the Environment. And particularly those secretaries of those agencies, Malcolm Woolf as well as Abby Hopper have been very significant in their contributions.

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An anaerobic digester is a series of microbiological processes that encourage the natural breakdown of organic matter in the absence of air. Cut to the chase, it's taking chicken manure, mixing it with water and making a slurry, and then heating it up in a microwave to a super hot temperature and pulling off the methane gas. That's the layman's terms but not the engineering process. But that's how it's going to work.

GOVERNOR O'MALLEY: Not incineration.

MR. HARKINS: Non-incineration. It will have solids and liquid byproducts that can be used as a nutrient rich soil conditioner and liquid fertilizer. And the anaerobic digester is a prevalent energy power source.

An example of how an anaerobic digester process works, the material is taken in, again heated in a heat exchanger. The biogas is pulled off. The biogas is then used ultimately to run a genset. The genset produces electricity by generator and then ultimately will be consumed by the prison at the Eastern Correctional Facility.

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Why develop it? To develop a renewable energy source. We have a very stringent portfolio in Maryland, as I know you are well aware, which requires 20 percent of our electricity to be generated from renewable energy sources. And this is very much a renewable energy source. And also to potentially assist with nutrient management for the Chesapeake Bay. To promote the use of similar technologies in Maryland. This will really be a grand pilot demonstration project that we are very hopeful to get members of the poultry industry in to look at. We've shared this already with the State of Virginia, who are also struggling with finding use for poultry litter, as well as the Delmarva poultry industry themselves. They have followed it very closely and we have kept them up to speed on it throughout. And also it promotes a public-private partnership of the State.

The location of this facility, again, will be at the Eastern Correctional Institute. It will be next to the cogen facility, which is a wood-fired facility that MES runs for the Department of Public Safety that produces the power for that facility.

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The phases of the ED development at ECI. We signed a power purchase agreement with Energy Corp. We secured the rate that the State will pay for the purchase for a renewable energy project for a 20-year period. MES will be coordinating the site location, permitting, and the design of the plant. ECOCORP, our vendor, will facilitate the feed stock, assessment, and financing. The feed stock will be chicken manure, as well as what we call energy crops, barley, rye, switch grass, and corn stover. Corn stover is that residue left after you pick the corn.

We expect construction to begin, I'm sorry I'm getting ahead of myself. The site selection, final stages are complete. The real estate agreement, obviously today you are passing this, this agreement will bring us to that point. We are working with ECOCORP, the PSC, to obtain the letters that we need from them. That is all progressing. The design, ECOCORP has developed a preliminary plant design, including the civil, mechanical, and electrical drawings. That is all moving forward.

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The feed stock and the fertilizer, ECOCORP is arranging contracts with local farmers to supply the feed stock that we need. And ECOCORP is arranging for the private funding.

Again, drawings of how the AD will look.

Milestones of the project. As I said, the potential signing today, the Board of Public Works lease agreement. We expect to have 100 percent construction drawings complete in early 2012, with the start of the actual construction project in the summer of 2012. And we hope to have it fully operational after testing and start up in June of 2013.

And lastly, the technical overview of all those things that you will have for cocktail parties now to discuss with people and they will wonder how you ever came up with this. You know, the anaerobic digester will produce one megawatt of power. The feed stock is about 5,500 tons of poultry waste annually. That will be mixed with treated wastewater from the prison that would have been discharged into Kings Creek. Instead we will not discharge it. We will mix it in that slurry that I mentioned earlier. And then

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up to 8,000 tons of energy crops annually. The annual energy purchase, about 6,990 megawatts would be the equivalent of about 600 homes in a year of power. We will supply 25 percent of the power used by Eastern Correctional Institute, the prison. And the usable byproducts, again the fertilizer, can be sold to the local farming community.

So that's an overview of the project. I'm happy to answer any questions that you may have. If they are highly technical I've got my engineer here as well, so I thank you.

GOVERNOR O'MALLEY: Questions?

TREASURER KOPP: This shows you how, what an odd State Treasurer you have. But I think this is so exciting. I'm really --

(Laughter)

TREASURER KOPP: I know it's a pilot, and I know we'll be watching to see how well we do it and how it succeeds. But if it can do all these things, and create economic development, bringing the public and the private sectors, take care of environmental waste,

and produce energy, it's a marvelous, it's a marvelous model.

I was just saying to the Assistant Treasurer, between, I mean we started out with wood chips some decades ago.

MR. HARKINS: Right.

TREASURER KOPP: And it was very, very difficult. But between the wood chips, the solar farm at UMES, the geothermal projects at the schools on the Shore, and now this plant? I think Maryland is in a position to actually be a model for other states and other localities who A, experiment, and B, then go forward into the new century and do our part and more in addressing both environmental harm and energy creation.

It's terribly exciting. I know there is such a thing as agritourism, where you go to vineyards, et cetera, and then get a chance to see how things work. I hope that in the next few years we can look at energy tourism, or something like that. Because it's a great site and people should know about these projects.

MR. HARKINS: Well there's a lot going on in this area. The Secretary of General Services and I have lamented that we know a lot more about chicken litter than we ever thought we would know.

TREASURER KOPP: Well it's a big product of the State of Maryland. We do a lot of it.

MR. HARKINS: Well but it also will have a major impact on one of our major agro industries in Maryland on the Eastern Shore. No one is here to say that this will be the remedy for all the ills of the world. But it's a technology step in the right direction. It will be one of the first in the nation that's been done with chicken litter. These have been done successfully with other manures but chicken litter will be a first. And we've gone to extreme, we've even had our engineering peer reviewed by other engineers. Because forever and a day if we get this wrong it will be the example of the thing that's wrong.

TREASURER KOPP: Right.

MR. HARKINS: We feel not cocky but quite confident in the work that we've done to bring it to this point.

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TREASURER KOPP: Well I have to say I remember the time about a little more than 30 years ago when a new delegate from Bethesda, from Montgomery County, got on the Appropriations Committee under the chairmanship of a farmer from the Eastern Shore and had a crash course in chicken litter. And since then have had a significant interest in how you dispose of chicken litter, and integrated poultry technology. Of which John Hargreaves was one of the proponents, prime proponents. And I just think that this really is a great step forward. If it doesn't work we stand back, and reshape it, and try again. But this is the sort of thing the State of Maryland should be doing. And I really commend --

MR. HARKINS: Thank you.

TREASURER KOPP: -- the Governor and you for all the, and the Secretary, for all the difficult and not always 100 percent pleasant work that goes into taking these sorts of big steps.

GOVERNOR O'MALLEY: And tell me, can you explain to me, Jim, I mean I agree with everything that the Treasurer said and, you know, one of the great

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industries of our State is the poultry industry. And one of the great challenges of our times is how we live in better balance with the other living systems of this increasingly crowded planet. And my, I'm wondering if you can revisit a little bit for me if you would the financing of this?

MR. HARKINS: Yes, sir.

GOVERNOR O'MALLEY: How much is it? How does it work? And what if any preferential treatment does this project receive by merit, if any, of the renewable energy portfolio standards or any of those sorts of things?

MR. HARKINS: Dave Ferguson is our engineer and our point person. So I'm going to let Dave field that question. Go ahead. Thank you.

MR. FERGUSON: Good morning. Thanks for letting me come. The base model is the developer is responsible for all the capital costs, the operations, and the contracts to feed the digester. We've had, several years ago we had vendor after vendor come through our office saying these digesters are great deals, look at the return on investment. You know, you

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should invest in this. And finally we turned it around and said times are tough for the State. We think if it's such a great deal you build it and we'll buy the power. And we thought frankly that would chase most of the people out of our office. Well instead several companies came back and said okay, we're still interested in talking to you at that point.

So we conducted a series of procurements. Initially an expression of interest and we got three companies that were interested, two from overseas and one here in the U.S. They submitted bids. We evaluated them with the technical criteria, with the financial criteria. We qualified the top two respondents and then we negotiated a final power purchase agreement which was signed in October of 2010.

So at that point the understanding was if they could build the facility, if they could finance the facility, they operate it, they are responsible for the regulatory aspects, they are responsible for all the contracts to keep it rolling, then we would buy the final product that comes off of the gensets that they produce.

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So the incentives that were communicated to the developers were one is we would try to assist them with a favorable real estate deal. Because we knew if we charged them big bucks for real estate they would basically recycle that cost right back through the unit rate they sold us electricity for. We would assist them with navigating the State permits, administrative requirements. And we would also help them work on any other technical review and design and issues like that that they needed assistance with.

So the State's responsibility is to basically buy the electricity once the digester is completed. And they have complete responsibility. The estimated cost right now is about \$5 million to build the facility.

GOVERNOR O'MALLEY: All right. How many people will be employed in its building and its running?

MR. FERGUSON: Well probably somewhere in the neighborhood of 12 to 15 people will be employed during its construction and probably about four people or so

after it's up and running. It's pretty high tech so it won't require a real heavy footprint.

GOVERNOR O'MALLEY: You mean it's pretty low tech?

MR. FERGUSON: Low tech, well --

GOVERNOR O'MALLEY: No, did you mean high tech?

MR. FERGUSON: No, sir. I do mean the process itself, the reactor, the computer controls, the mixture of the organisms as they process the poultry litter and energy crops, that part is high tech and well regulated to maintain a relatively low level of human interaction.

GOVERNOR O'MALLEY: More mechanized, got you. And so, and we were going to buy electricity anyway?

MR. FERGUSON: Yes. Right now, as you mentioned, we're buying about 25 percent to about one-third of our electricity for the prison. It's a 3,500 inmate facility. We buy, we generate about two-thirds of the power required by the cogen plant running wood chips. The other third is purchased from Delmarva. That varies seasonally. It varies by maintenance

requirements. The intention of this project is to replace purchased electricity from the grid. That will free up power for the grid. It will make the institution itself more independent in terms of its own power needs. And it will also satisfy the renewable energy portfolio, or go towards it.

GOVERNOR O'MALLEY: And you are bringing down your, you know, you are reducing the TMDL burden --

MR. FERGUSON: Right.

GOVERNOR O'MALLEY: -- by reducing the amount of water that you have to discharge --

MR. FERGUSON: Exactly. The amount of water, at this scale the amount of water that we are discharging is maybe one percent or so of the total discharges for the plant. That will be taken into the digester, recirculated, and then the final liquid product can then be marketed to the local farmers as a fertilizer. So we will be reducing the discharge from the wastewater plant which is on site.

We also, of course we'll be taking raw poultry litter off of the market in the Somerset County area. And once it is metabolized the solid byproduct

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can also be used by the farmers. And it can be applied to the fields. And it's actually in a better, it's in a better chemical state to be absorbed by the plants than just the raw poultry manure. Plus the chemical makeup is better known. So the farmers know exactly what they are getting when they are putting it on the field. They know if they need to add anything to it, specifically nitrogen which they probably will add a little bit. But they know exactly what they are doing. They are not overapplying the nitrogen because they have the chemical formulation correct.

GOVERNOR O'MALLEY: But the end process of this is less harmful poultry manure being spread on fields?

MR. FERGUSON: I don't know that it's less harmful. The quantities are better known so you can apply it more precisely. For example if you might have applied --

GOVERNOR O'MALLEY: I meant less, comma --

MR. HARKINS: The volume will be less because we're, you know, there will be some condensing --

GOVERNOR O'MALLEY: Right.

MR. HARKINS: -- that in fact occurs. A precision ag situation, the farmer is going to be doing soil samples and applying the nitrogen, and what have you, as needed. And in a precision ag situation this material will be tested and we will know what percentage of nitrogen, what the total contents of the byproduct are. So but we, the other thing I want to throw is, throw back in is that it will continue to be recycled. We won't clean out, you know, the facility after every run. You just add more material and you keep, just like a wastewater treatment plant. You don't remove the solids every time you do a process batch.

GOVERNOR O'MALLEY: And tell me about the corn stover again? That's mixed with the slurry?

MR. FERGUSON: The formula, the current formula calls for about 40 percent poultry manure and 60 percent energy crops. And those crops can vary. Basically whatever they can get on the market, at the best price, at the best BTU.

GOVERNOR O'MALLEY: Switch grass?

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MR. FERGUSON: Switch grass is a possibility, barley is a possibility, corn stover is a possibility. A lot of it will be market driven. One of the neat things that this developer, ECOCORP, has already done, he has already had extensive conversations with local farmers. He's had extensive conversations with trucking companies in the area. Hopewell Agri-Services, they supply and have relationships with existing farmers. He can call them up and have them deliver the poultry litter or the energy crops to the site on an as needed basis. And he can also, he also will facilitate the selling of the fertilizer back to the very same farmers.

This past summer we had a meeting down on the Eastern Shore in Princess Anne. We had on a Friday night we got a dozen farmers to come out and a very pleasant surprise was they said if we sell you our manure will you guarantee us that you will sell us the fertilizer back? So that was a very positive sign, because that's part of his prospectus is he has to be able to market the solid and the liquid byproduct. And having these farmers who are normally very skeptical of

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anything new in technology like this say we want you, you know, will you guarantee us that you will sell us the fertilizer byproduct was a very positive sign and just encouragement to him to keep moving forward.

GOVERNOR O'MALLEY: Great.

MR. HARKINS: Probably more than you ever wanted to know about that.

GOVERNOR O'MALLEY: No, it's important. And the hope is, a final question and then the Comptroller has some questions. And the hope is that should this work, that this can become a distributed power generation source --

MR. HARKINS: Excuse me, we have --

GOVERNOR O'MALLEY: -- that's located closer to the feed stock all around the Shore. So rather than having to spend huge amounts of money on gasoline --

MR. FERGUSON: Sure.

GOVERNOR O'MALLEY: -- trucking poultry litter --

MR. FERGUSON: Absolutely.

GOVERNOR O'MALLEY: -- across the Bay Bridge

--

MR. FERGUSON: Right.

GOVERNOR O'MALLEY: -- or up north --

MR. HARKINS: It's all about, it's all about transportation, Governor. You hit the nail on the head. We envision that these things because of the size, because of the price, there are federal programs where farmers can form cooperatives and build an anaerobic digester and four or five farmers contribute their chicken manure to a particular project. And then share in those resources. And there is a, as I said, State, or federal money to fund them. So you have to have the first one up and running successfully --

GOVERNOR O'MALLEY: Right.

MR. HARKINS: -- you know before anyone will ever envision those things. And it has to be done correctly, and it has to work.

GOVERNOR O'MALLEY: Everybody wants to be the best at doing something second.

(Laughter)

MR. HARKINS: Yes.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes, County Executive Harkins I just want to compliment you on having excellent staff who can explain all this. And --

MR. HARKINS: I thought I might get some questions.

COMPTROLLER FRANCHOT: Yeah.

MR. HARKINS: So I brought some backup.

COMPTROLLER FRANCHOT: I'm not going to, at the cocktail parties that were mentioned or whatever I'm not going to describe this as the anaerobic digester at Eastern Correctional Institution. I'm going to put this in my files as Harkins Hope.

(Laughter)

MR. HARKINS: I'm sure I'll be reminded if it's a Harkins failure.

COMPTROLLER FRANCHOT: I happen to think it's a good news story. I think this is a great example of public/private partnership and federal money. I think there was some federal stimulus money, not a lot, but some put into this. And it's in a pretty desperate corner of the State as far as economic activity. So to have this kind of environmentally sustainable project

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there is good news. And I compliment you and the Governor.

I'm particularly happy, frankly, to see that Maryland's poultry industry is going to be used as part of the environmental solution. And, because the poultry industry has taken in my view some extraordinary steps to improve what they are doing over on the Shore, and process its products in an environmentally sensitive manner. And I personally believe the industry has not received the credit that it's due. And that's a shame because as you know it's an absolute lifeline for the people on the Eastern Shore. Without the jobs, the economic activity, the charitable giving, the philanthropy that the chicken industry is directly responsible for frankly the Eastern Shore, which has taken a number of hits in the economic crisis, frankly without the chicken industry they would be on life support over there. So this is welcome news, not just because it makes sense environmentally but because it brings the poultry industry into a great partnership. So kudos.

MR. HARKINS: Thank you.

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GOVERNOR O'MALLEY: Anybody here from  
ECOCORP?

MR. HARKINS: They are not here today, sir.  
They are --

GOVERNOR O'MALLEY: So much confidence had  
they in you.

(Laughter)

GOVERNOR O'MALLEY: How much of stimulus  
dollars were in this?

MR. FERGUSON: We had one grant from MEA,  
\$155,000. It just expired last week. So that was ARRA  
own money.

GOVERNOR O'MALLEY: And you used it?

MR. FERGUSON: Yes.

MR. HARKINS: Yes. MES, we so believed in  
this process, as you know we are a fee for service  
agency.

GOVERNOR O'MALLEY: Right.

MR. HARKINS: We dipped into our reserves and  
went out and speculated on it. We --

GOVERNOR O'MALLEY: Good.

MR. HARKINS: -- you know, somebody has to break the glass ceiling.

GOVERNOR O'MALLEY: Yep.

MR. HARKINS: And so we think this project was worthy of --

GOVERNOR O'MALLEY: Good job, Jim. No, this is good. And I know that you've been, I don't think a day ever went by when we would run into each other and I didn't ask you about the anaerobic digester.

MR. HARKINS: Yes, sir. That is very true.

GOVERNOR O'MALLEY: Okay. Any other questions on this? All right. The Comptroller moves approval, the Treasurer second. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: And the ayes have it. Congratulations. Thank you.

MR. HARKINS: Thank you, Governor.

GOVERNOR O'MALLEY: I want to come out and cut a ribbon.

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MR. HARKINS: Yes, sir. Thank you.

MR. FERGUSON: Thank you.

GOVERNOR O'MALLEY: Let's, we now have one last item before we get into the body of this Agenda. Believe it or not we're not in the body of the Agenda. We, which item is that?

SECRETARY MCDONALD: Item 6 on the Secretary's Agenda. Secretary Griffin is here to suggest naming the Lefty Kreh Fishing Trail.

MR. GRIFFIN: Thank you, Madam Secretary.

GOVERNOR O'MALLEY: This is a great brochure here. This is the Maryland Fishing Guide 2012. For those of you watching on the internet because you are all done with your Christmas shopping this is a great guide you can put in as a stocking stuffer. I want to thank the good people at Under Armour here. I assume they helped pay for it by buying this page?

MR. GRIFFIN: Yes, good assumption, Governor.

GOVERNOR O'MALLEY: With a very athletic looking fisherman in the Under Armour outfit. John, what do we have?

MR. GRIFFIN: Board members, good morning. I want to thank you for allowing us to place this item on the Agenda, given your very full Agenda today. And I want to thank everybody in the audience for your patience.

In keeping with the holiday season I'm here to present another gift. This one is a Maryland treasure, not a piece of property but a world renowned fisherman and conservationist, Mr. Lefty Kreh. So I'm honored on behalf of literally millions of people in this State and around the world who are friends and admirers of Mr. Kreh to highlight aspects of his life and career accomplishments for all of you. Someone whom Tom Brokaw referred to as the embodiment of the Greatest Generation.

GOVERNOR O'MALLEY: And this is Mr. Kreh on the front of this 2012 --

MR. GRIFFIN: Yes, and here's Mr. Kreh in person.

GOVERNOR O'MALLEY: And that's himself?

MR. GRIFFIN: He's a very humble man, but a great man. And I would ask, if you don't mind,

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everybody here who are friends of Lefty to stand? Not Lefty, you stay seated.

(Applause)

MR. GRIFFIN: Thank you. We have this power point. I'll run through it very quickly. Lefty is a Marylander. He was born in Frederick in 1925, enlisted in the Army during World War II. He fought in, among other places, the Battle of the Bulge and the Ardennes Forest, received five battle stars and a Purple Heart. Next, Joe?

He started to work after the War at the new Fort Detrick Bio Warfare Lab and he contracted anthrax. Thankfully, he survived. Two of his colleagues did not. But a strain of anthrax was named after him, BVK-1, Bernard Vernon Kreh-1.

He started writing as the outdoors editor of the *Frederick News-Post* and did that from '51 through '64. By 1954 he was regularly writing for *Outdoor Life*, *Field and Stream*, and five newspapers. And he's been a consultant to L.L. Bean and the National Wildlife Federation; exhibition shooter for Remington Arms. I might mention the fish you see there, actually

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Secretary Collins fishes those weekly. He's really the

--

(Laughter)

MR. GRIFFIN: He's the Secretary of DNR in hiding. But --

TREASURER KOPP: What kind of fish is that?

MR. GRIFFIN: I think that's a tarpon. A tarpon.

GOVERNOR O'MALLEY: Now did they put that, Lefty, honestly. Did they put the lens of that camera right down on the damn fish?

MR. KREH: No comment.

(Laughter)

MR. GRIFFIN: Closer to home he was, as many of you know, the outdoor writer, esteemed outdoor writer for the *Baltimore Sun* for 18 years until 1991. In 1974 he wrote and produced *Fly Fishing in Saltwater*, which has now become a seminal book on saltwater fly fishing. It's now in its third edition. Lefty's Deceiver, in the late 1950's he invented this unique and now widely used saltwater fly to deceive and catch striped bass, the State fish. And it's now the most

popular fly of its kind around the world. And in 1991 the U.S. Postal Service recognized this by minting a stamp to recognize this unique accomplishment.

Lefty has written over 30 books, he recently completed his 31st, and many instructional videos. Here are some of those here on the table. We didn't bring all 31. Just to give you a feeling for how prolific this young man is.

Let's see, just in this last picture, that was Tom Brokaw on the left and the gentleman on the right, excuse me the gentleman on the left is the President of Patagonia Company.

So what is before you, we are recommending that the Board consider naming the south, the current South Trail of the Hereford Area of Gunpowder Falls State Park the Lefty Kreh Fishing Trail. Just to tell you a few things briefly about it. This part of the Gunpowder flows through Baltimore City property at the Reservoir, and through that part of Gunpowder Falls State Park. This area is also a wildland, which is the equivalent at the federal level of a wilderness area designated in State law. The catch and release for

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trout stretches 7.2 miles from Prettyboy Reservoir down to Blue Mount Road. In 1986 Trout Unlimited, Department of Natural Resources, negotiated with the City of Baltimore a release schedule from Prettyboy to continue to get cold water, enough cold water flowing down into this part of the Gunpowder. And you might recognize Jim Gracie is here, longtime conservationist.

GOVERNOR O'MALLEY: Hello, Jim.

MR. GRIFFIN: Former Maryland and National President of Trout Unlimited who was a driving force behind those agreements with the City that ended up turning this section of the Gunpowder into a blue ribbon trout fishery. And it's a rite of passage for every Maryland trout fisherman to come here and fish. It's one of the, I don't know if you know this, but the Gunpowder, and particularly this section, is one of the top ten trout streams in the country now. So this trail is a shady path that runs along this 7.2-mile stretch along the stream. So --

GOVERNOR O'MALLEY: And it runs along the stream there?

MR. GRIFFIN: Yes.

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GOVERNOR O'MALLEY: Great.

MR. GRIFFIN: Great trout stream. So --

GOVERNOR O'MALLEY: John, you've got to teach me how to do fly fishing.

MR. GRIFFIN: I'm a very poor teacher.

GOVERNOR O'MALLEY: Maybe Lefty, Mr. Lefty, maybe you can teach me. Come the spring, maybe? When is, is spring the best time? Or --

MR. KREH: When it gets warm.

GOVERNOR O'MALLEY: When it gets warmer?

(Laughter)

GOVERNOR O'MALLEY: Is it better later in the summer or earlier in the summer?

MR. KREH: March on.

GOVERNOR O'MALLEY: March on?

MR. GRIFFIN: So assuming, or pending Board approval of this request, we will have a big ceremony with lots and lots of people there when the weather gets warmer with --

GOVERNOR O'MALLEY: Let me know.

MR. GRIFFIN: Yes, sir. Sure will.

GOVERNOR O'MALLEY: Okay?

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MR. GRIFFIN: But all the Board members --

GOVERNOR O'MALLEY: That's a great picture.

MR. GRIFFIN: And there it is. That's the form. So I would ask the Board's permission --

GOVERNOR O'MALLEY: Who painted that, Mr. K?

MR. KREH: Monica Acee, she donated it. They couldn't afford it.

GOVERNOR O'MALLEY: Uh-huh.

MR. KREH: \$150,000 she wanted to donate to some organization.

GOVERNOR O'MALLEY: That's nice.

COMPTROLLER FRANCHOT: Can we hear from Mr. Kreh?

MR. GRIFFIN: Yes, thank you very much, Mr. Comptroller. Left, would you mind coming up and saying a few words? Thank you.

MR. KREH: I reluctantly appeared here.

(Laughter)

MR. KREH: I'll be 87 in a few weeks. I'm so old I remember when men wore tattoos and women wore the earrings.

(Laughter)

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MR. KREH: And what bothers me is that this is the third national recognition I've had in about two to three months and I'm beginning to wonder if you all think I'm leaving this place.

(Laughter)

MR. KREH: And the only thing I have to say is what Marc Antony said when he crawled into Cleopatra's tent. "I didn't come here to make a speech."

(Laughter)

MR. KREH: And before I get out, and before they let me go out that door over there I do want to thank this administration for what you are doing for our natural resources. Thank you very much.

GOVERNOR O'MALLEY: Thank you.

(Applause)

MR. GRIFFIN: Lefty promised me before he came up he wouldn't tell any jokes.

(Laughter)

MR. GRIFFIN: He couldn't help it. He brought some gifts for the Board members for Christmas or Hanukkah. Joe Evans on our staff has those. Joe,

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why don't you tell everybody, tell the Board what those are?

COMPTROLLER FRANCHOT: Oh, boy. Isn't that great? Lefty's deceiver.

GOVERNOR O'MALLEY: Oh, this is great.

COMPTROLLER FRANCHOT: You know, Governor, I went up --

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: Thank you. But I went up before and was chatting with Mr. Kreh. And I said, just to make conversation I said, "I'm left handed." And he looked back up at me and said, "I'm right handed."

(Laughter)

COMPTROLLER FRANCHOT: So, yeah.

MR. GRIFFIN: He also has a book for each of you.

COMPTROLLER FRANCHOT: But apparently --

TREASURER KOPP: How do you write 30 books? I mean, gosh.

COMPTROLLER FRANCHOT: -- the story was that when Mr. Kreh was growing up in Frederick he was a

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spectacular athlete. And he was so good that all the other kids, even though he was right handed, made him play with his left hand. So that I think is the story.

But I also just wanted to say thank you for your service in World War II. My uncle, who is no longer with us, was an artillery captain in the Battle of the Bulge. And he described in great detail taking these huge 88 howitzer artillery guns, and about to be overrun by the Germans he put them absolutely horizontal to the ground. He said I had no idea who we, what we were doing, but we just shot. Because it was such a cataclysmic event. So thank you for being part of the Greatest Generation. And thank you for these gifts. Because, you know, you represent --

MR. KREH: It's a bribe.

COMPTROLLER FRANCHOT: -- you represent the best, a bribe, yeah we haven't voted yet, right?

(Laughter)

COMPTROLLER FRANCHOT: • But, and thank you for a couple of good lines. I'm going to steal those.

(Laughter)

GOVERNOR O'MALLEY: He will.

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(Laughter)

MR. GRIFFIN: Governor, we have a mock up of the sign as we normally do.

GOVERNOR O'MALLEY: Great.

MR. GRIFFIN: If the Board members had a moment --

GOVERNOR O'MALLEY: Sure.

MR. GRIFFIN: -- to join Lefty --

COMPTROLLER FRANCHOT: Yeah.

MR. GRIFFIN: -- and take a picture?

GOVERNOR O'MALLEY: Mr. Kreh, could you come on up? And so we'll do a picture alone, and then we'll do one with all your friends. And then Cass, if you wouldn't mind showing our guests just the Governor's Office as long as they are here?

Who has that camera? Come on in. Mr. Kreh, good to see you. Thanks for your time and knowledge about what we've been doing. And let's just move this chair out of the way.

COMPTROLLER FRANCHOT: John, join us.

GOVERNOR O'MALLEY: How about Lefty's bodyguard detail?

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(Laughter)

GOVERNOR O'MALLEY: Jim, how about the Menhaden?

MR. GRACIE: We're getting there. Aren't we, Governor?

GOVERNOR O'MALLEY: We are. Okay, can we have a couple on the other side with Treasurer Kopp?

MR. GRACIE: Thanks for your work on the Menhaden.

GOVERNOR O'MALLEY: Hey, it was a good one. All right. Friends of Lefty. Give us a one, two, three.

SECRETARY MCDONALD: More coming. Come on, come on. Come on.

GOVERNOR O'MALLEY: Wait a minute, we've got more coming.

MR. KREH: Come on. Come on over to this side.

GOVERNOR O'MALLEY: Great. All right. You can leave. But what I would suggest is --

(Laughter)

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GOVERNOR O'MALLEY: -- when you grab your coats if you follow the young woman right there? If you follow Cassie you'll get a tour of the Governor's Office while as long as you're here. Well, that was fun.

TREASURER KOPP: Yes, thank you. The high point of the day.

GOVERNOR O'MALLEY: And the gifts just keep piling up. Are there any other --

MR. COLLINS: Kevin Manning from our, Stevenson College --

COMPROLLER FRANCHOT: Which the \$3 million -

MR. COLLINS: The \$3 million grant.

GOVERNOR O'MALLEY: Is this a long item, or -  
- okay. What item is it, though?

MR. COLLINS: It's our, it's going to be 15-CGL. Item 15.

GOVERNOR O'MALLEY: We are now going to Item 15-CGL, also part of the Department of General Services Agenda items. President Manning? Come on down. Tell us what this item is.

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DR. MANNING: Good morning. Thank you very much for putting me ahead. I appreciate it. We, as you know, we are building a campus in Owings Mills. We have a 100-acre site where the Ravens used to practice and then we're in the process of talking to the State about Rosewood. Well we were able to purchase a 28-acre site from Scherer Pharmaceuticals in England and we're going to move our school of the sciences and our school of design onto that piece of property after we renovate it. We purchased it already. The \$3 million is for the purchase of the land and then we're going to subsequently renovate it over the next two years.

So this is an important part of our expansion. It's contiguous to the campus that already exists and it's part of our effort to accommodate 4,000 students at Stevenson. You know, we've doubled in size in ten years and we're going to go another 800 students in the next five years, so.

GOVERNOR O'MALLEY: That's great.

DR. MANNING: It's part of that.

GOVERNOR O'MALLEY: Okay. Any questions on this one?

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TREASURER KOPP: We look forward to cutting a ribbon.

DR. MANNING: Thank you. We'll look forward to having you out.

TREASURER KOPP: I congratulate you on the progress. You know, I had some question --

DR. MANNING: Right.

TREASURER KOPP: -- when there were all the big changes at Stevenson.

DR. MANNING: Yes.

TREASURER KOPP: And I think you've done a terrific job.

DR. MANNING: Well I appreciate all your support.

GOVERNOR O'MALLEY: Okay. All right. And the Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it.

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DR. MANNING: And thank you again. And have a nice holiday.

GOVERNOR O'MALLEY: Thank you. Is there anything else on Department of General Services Agenda?

MR. COLLINS: I have 14 other items, Governor, but they are routine.

GOVERNOR O'MALLEY: All right. We have reviewed these items with staff -- Treasurer?

TREASURER KOPP: There is one, though, I'd like, I think it's on your Agenda. The green environmental --

MR. COLLINS: Oh yeah, your, for your building?

TREASURER KOPP: For the Treasury Building.

MR. COLLINS: Yes. Yes.

TREASURER KOPP: And just exactly what, I don't have it right before me, but which number is that?

SECRETARY MCDONALD: Four.

MR. COLLINS: Four?

TREASURER KOPP: Okay.

MR. COLLINS: Item 4-M, Madam Treasurer.

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TREASURER KOPP: Yeah. I'm just interested because it's our building, but also because as you know the Pension System is involved in real estate.

MR. COLLINS: Right.

TREASURER KOPP: Not individual building, and interested in the question of green maintenance.

MR. COLLINS: Yes.

TREASURER KOPP: And exactly what that means in this instance.

MR. COLLINS: Well the long and short of it, Madam Treasurer, and thank you for asking the question. Al Collins, Secretary of the Department of General Services. And we really are trying to move forward with a LEED process for janitorial services. So we are using your facility to bring a LEED certified janitorial company in to start that process. So this is the first time we have actually kicked up our LEED work and the emphasis, again with the Governor's leadership, that we want to make sure that we put all the environmental techniques in place for our janitorial services. And we're going to use your building as the first process for that.

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TREASURER KOPP: What sort of thing are we talking about?

MR. COLLINS: Green products, application of green products, training of staff in the appropriate techniques, and that sort of thing.

TREASURER KOPP: Okay. That's terrific. And according to what we've seen at least a lot better for the staff.

MR. COLLINS: Oh, absolutely. Absolutely. The environment will be much better for the staff, and the application of their products and the environment and what have you, focuses on making sure that we do all we can to be supportive to the staff that lives in that facility. And we hope, again this is the first time we've used one of these and I'm really excited about that.

TREASURER KOPP: Well I'm thinking of your staff. Not so much the staff that live in the facility, but the people who have to apply --

MR. COLLINS: Oh, sure. Absolutely. Absolutely.

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TREASURER KOPP: -- I think there is a correlation between green products, green care, well trained staff --

MR. COLLINS: Yes.

TREASURER KOPP: -- and the actual, the health and welfare of the people who work there.

MR. COLLINS: Absolutely. And we're looking to learn a lot from this first time with this contractor and then apply some of those techniques in other day to day, other areas that we, which we maintain.

TREASURER KOPP: Well, great. Well I for one, but I'm sure the other folk here, will be very interested in keeping on top of this and seeing how it goes.

MR. COLLINS: Sure. My pleasure.

TREASURER KOPP: Thank you. Thanks, Governor.

GOVERNOR O'MALLEY: Okay. On the balance of the DGS Agenda items the Treasurer moves approval, then, seconded by the Comptroller. All in favor signal by saying, "Aye."

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THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed, "Nay."

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We're going to move some seats here, ladies and gentlemen. University System of Maryland.

SECRETARY MCDONALD: Mr. Evans is here.

GOVERNOR O'MALLEY: We've reviewed these items prior to our meeting. Madam Treasurer, any questions? Mr. Comptroller? None. The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

(Laughter)

MR. EVANS: Thank you.

GOVERNOR O'MALLEY: All opposed, "Nay."

(No response.)

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

TREASURER KOPP: Merry Christmas.

MR. EVANS: Thank you.

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GOVERNOR O'MALLEY: What about Transportation? Anything on Transportation, Comptroller?

COMPTROLLER FRANCHOT: No.

GOVERNOR O'MALLEY: Okay. How about DoIT? Anything on DoIT? Well, the slots thing is on DoIT and you want to ask on that so we can't do that.

SECRETARY MCDONALD: There's nothing else on the Secretary's. I mean, you can go back to Secretary. We don't have --

GOVERNOR O'MALLEY: Department of Budget and Management?

TREASURER KOPP: Oh, no. No.

SECRETARY MCDONALD: She's got --

GOVERNOR O'MALLEY: She's got the prison. Okay.

SECRETARY MCDONALD: I think you've got the Secretary's Agenda.

GOVERNOR O'MALLEY: Okay, let's do --

COMPTROLLER FRANCHOT: You could do POS.

GOVERNOR O'MALLEY: Okay. On DoIT, are there any, what is that item that we want to hold there?

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SECRETARY MCDONALD: Well it's just Item 6 that there might be some questions, I don't know, Secretary Schlanger, if you --

GOVERNOR O'MALLEY: Just on the chance that there's somebody sitting here on other items, we're going to reserve on Item 6. Does the Treasurer or Comptroller have any questions on the other items on the Department of Information Technology?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR O'MALLEY: The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed, "Nay."

(No response.)

GOVERNOR O'MALLEY: Thank you. Have a seat. We'll call you when your next contesting round comes.

(Laughter)

GOVERNOR O'MALLEY: The Department of Budget and Management, Secretary Foster the item in controversy here that Senator Miedusiewski is here on is which item?

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MS. FOSTER: The items we need to hold, Governor, are Items 11 and 12.

GOVERNOR O'MALLEY: Well Item 11 and Item 12?

MS. FOSTER: Right.

GOVERNOR O'MALLEY: All right. Let's consider the balance of the Department of Budget and Management, the Budget and Management Agenda items with the exception of Items 11 and 12. Any questions on those? Hearing none, the Treasurer moves approval, seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. We move to, what was it?

SECRETARY MCDONALD: The Secretary's Agenda.

GOVERNOR O'MALLEY: On the Secretary's Agenda. Anything else of controversy on the Secretary's Agenda? Hearing none, the Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

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THE BOARD: Aye.

SECRETARY MCDONALD: And we're back to DNR, perhaps?

GOVERNOR O'MALLEY: And now we're back to DNR, and including Program Open Space. Are we combining these now?

SECRETARY MCDONALD: It's really the Department of Natural Resources Real Property Agenda. Last General Assembly session they were given a lot more responsibility for procuring all of the real property. So we converted the Agenda. We just call it DNR, but you certainly don't have to if you prefer POS.

GOVERNOR O'MALLEY: All right, DNR?

MS. WARD: Lisa Ward for the Department of Natural Resources.

GOVERNOR O'MALLEY: Hello, Lisa.

MS. WARD: We have ten items on our Agenda today, one of which 10A was approved.

GOVERNOR O'MALLEY: One what? What was the last one?

MS. WARD: 10A was the one that we took first.

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GOVERNOR O'MALLEY: Right.

MS. WARD: We're here to answer any questions that you have.

GOVERNOR O'MALLEY: Any questions of the other good things here on Program Open Space?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR O'MALLEY: The Comptroller moves approval, seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

MS. WARD: Thank you.

GOVERNOR O'MALLEY: All opposed?

(No response.)

GOVERNOR O'MALLEY: The ayes have it. Some good stuff in here. People who are watching online should go online and check out the maps and the big parcels that are being assembled for the benefit of your great-grandchildren. All right. We --

TREASURER KOPP: Yeah. I think it's important, Governor, to point out that while we had a spectacular item in the beginning, of Mr. Pascal's donation of almost 1,000 acres, there are also some

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very significant projects on this Agenda amounting to a large number, a large number of acres that will be now preserved for our children's children's children, and maybe even more.

GOVERNOR O'MALLEY: Very good things.

TREASURER KOPP: I don't want to go off without thanking those folks.

GOVERNOR O'MALLEY: What is this one with the 3,000 acres, Cayman Dreams? That looks like a lot of woods.

MS. WARD: Sure. That's Item 5A. Let me get that for you. The property is an inholding in Cunningham State Park, 3.8 acres, and we did purchase it at a discounted sale.

GOVERNOR O'MALLEY: Got you. I misread the point as a comma.

SECRETARY MCDONALD: 3,000 acres --

GOVERNOR O'MALLEY: How the hell is that? How is that getting voted on without any discussion?

(Laughter)

GOVERNOR O'MALLEY: It's still a good one. And you can see when you go on the map that an

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inholding means that it's putting together contiguous habitat.

TREASURER KOPP: But on 7A, for instance, those are donations of --

MS. WARD: Yes, ma'am. Actually MET just left --

GOVERNOR O'MALLEY: Which one? I'm sorry.

MS. WARD: I think they thought that you had approved the Agenda.

TREASURER KOPP: The Maryland Environmental Trust.

SECRETARY MCDONALD: Item 7A.

MS. WARD: Yeah. Elizabeth Buxton and John Hudson were here to answer. I think they thought the Agenda was approved and they just --

GOVERNOR O'MALLEY: It was.

TREASURER KOPP: No, no problem. All I'm saying is that there are many, many acres --

MS. WARD: Yes.

TREASURER KOPP: -- that are being donated via the Maryland Environmental Trust also that are significant.

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GOVERNOR O'MALLEY: Okay. All right. So those items were approved and now what do we want to do --

SECRETARY MCDONALD: We have left the Department of Transportation Agenda, we have Item 6 on the IT Agenda, and we have Item 11 and 12 on DBM. So maybe you want to go to Transportation? We haven't done their Agenda at all.

GOVERNOR O'MALLEY: Transportation, the Comptroller has a question on one of those. Which Agenda item?

COMPTROLLER FRANCHOT: Item 16.

SECRETARY MCDONALD: Sixteen.

GOVERNOR O'MALLEY: Item 16? So we're going to reserve on Item 16. And the balance of the Agenda. Any questions on the balance of the Department of Transportation Agenda items?

TREASURER KOPP: I don't have a question but I noticed there's at least one that deals with janitorial custodial care. And I would just hope that we would hear, depending on how Secretary Collins does with the green janitorial care, the MDOT and its

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various modalities are also getting lessons learned. Because it really could all the way around, if we got the right kind of people.

MR. COLLINS: Yes.

TREASURER KOPP: No questions.

GOVERNOR O'MALLEY: Okay. The Treasurer moves approval of the balance, seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed, "Nay."

(No response.)

TREASURER KOPP: Could I just add --

GOVERNOR O'MALLEY: Sure.

TREASURER KOPP: -- in the mode of the Christmas season that I hope Secretary Swaim-Staley is well --

MR. MOBLEY: Yes.

TREASURER KOPP: -- and recovers from her accident --

MR. MOBLEY: Yes.

TREASURER KOPP: -- and --

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MR. MOBLEY: Secretary Swaim-Staley fell last night --

TREASURER KOPP: Yes.

MR. MOBLEY: -- broke her upper arm at the rotator cuff and she is unable to attend. She is on a pain medication and she was not able to attend this morning.

TREASURER KOPP: I didn't realize it was broken. I had heard she had hurt it.

MR. MOBLEY: Yes. She fell and went to the emergency room late last night.

TREASURER KOPP: Please do extend to her our wishes for a speedy recovery.

MR. MOBLEY: I certainly will. Thank you.

TREASURER KOPP: A recovery, and hopefully a speedy recovery.

MR. MOBLEY: Yes.

SECRETARY MCDONALD: All right. So we have three matters left to draw straws from, perhaps. Three matters, or four. The slots machines, the inmate pharmacy contracts, and the State Highway

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Administration A&E modifications. Those two are together.

GOVERNOR O'MALLEY: How many of you are here for the, how many are here for the federal, I feel like Judge Gerstung, God rest his soul. How many of you are here for the federal, I mean I'm sorry, the pharmacy contract, please stand. Please stand. All of you here for the pharmacy contract? Okay, thank you very, very much. How many, what was the other one?

SECRETARY MCDONALD: State Highway Audit, State Highway A&E contract modifications.

GOVERNOR O'MALLEY: How many of you are here for the State A&E contract modifications, please stand? And how many of you are here for --

SECRETARY MCDONALD: For the slots purchase -

GOVERNOR O'MALLEY: -- the slots discussion? Okay. Let's do the Department of Transportation, the A&E contract. Come on up.

SECRETARY MCDONALD: I think that Secretary Mobley --

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MR. MOBLEY: Deputy Secretary Darrell Mobley representing the Department of Transportation here to present --

GOVERNOR O'MALLEY: What's the item number?

SECRETARY MCDONALD: Item 16-AE.

MR. MOBLEY: Item 16.

SECRETARY MCDONALD: Do you want to give a little background on it? And then I think there are some questions.

MR. MOBLEY: We're here to answer any questions that you may have.

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes, thank you, Mr. Secretary. And please give my best wishes to the Secretary. And hopefully she wasn't Christmas shopping and bringing presents in or something, but I wish her a speedy recovery. We're being asked to approve today 66 engineering contracts that are being extended. I believe just for the record that that will allow the SHA to wrap up the procurement process for the replacement contracts. And I just want to make sure these, are these the contracts that were referenced in

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the recent legislative audit? Which among many, many other things cited the SHA for improperly extending the expiration dates of several contracts for the purpose of retaining approximately \$26 million in unspent contract funds? And recommended that the SHA follow proper procedures by submitting them to the Board of Public Works for approval?

MR. MOBLEY: No, sir. These are contracts that are set to expire from January 1, 2012 through November, 2012. These would allow us to, by extending these contracts it would allow us to have sufficient time to get new procurements in place.

COMPTROLLER FRANCHOT: Okay. But these are the subject of the audit and the articles that we read about?

MR. MOBLEY: Yes, sir.

COMPTROLLER FRANCHOT: Okay. I'm sure everybody has had a chance to look at that audit that wrapped up a month ago, I think hit the street a couple of weeks ago. For the record, I have to say that I'm impressed by the strong and proactive approach that your boss took to the crisis. She didn't try to spin

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the issue. She didn't try to argue, you know, her side I guess. She didn't try to divert attention by cheerleading about other things. She basically assumed responsibility and said she was going to fix it, and acknowledged the gravity of the situations. And I understand she is taking some aggressive steps. And I thought that was very appropriate because I for one was shocked and I assume people reading about it who understand the procurement process were deeply troubled.

And frankly I thought it devastated the reputation of State Highway, which is nationally regarded as one of the finest highway departments in the country. But it was devastating to their reputation because it painted a picture of basically your employees, Transportation bureaucrats, going rogue. Actively conspiring with vendors to circumvent the procurement laws of the State in order to hoard taxpayer money and do so for the sake of spending it indiscriminately without accountability or oversight. And they did it at a time when the trust fund was inadequately equipped to keep up with our State's

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demands and funds for new roads and new transit, and adequate maintenance of the infrastructure. There's talk here in Annapolis of raising the gas tax on working people that have already been taken to the wall by this terrible economy and are just trying to make it from one day to the next.

So the money that your employees hoarded could have been used to fix potholes, repair broken sidewalks, fund capital maintenance on our transit lines, lay the groundwork for new projects that would literally save people's lives.

So since it's the first time that frankly I've had a chance to ask anybody about this, the audit's findings, perhaps you'd like to restate the steps that Secretary Swaim-Staley is taking to ensure that this abuse of taxpayer money doesn't happen again.

MR. MOBLEY: Absolutely. Thank you very much, Mr. Comptroller. Let me start by first acknowledging our new SHA administrator is here today, Ms. Melinda Peters. And also next to Ms. Peters we also have our new Director of Procurement, which is Norie Calvert, here with us today.

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We have implemented new financial management information system controls, two-step control, to ensure that we restore the trust of the citizens of Maryland. That two-step process will allow us to have internal financial controls through our office of finance so that no contracts are extended without the approval of the Board of Public Works. In addition to that all contracts that require any extension of time or money will come through the Board of Public Works as they should have been and will always continue to come to the Board of Public Works.

The 66 contracts that we are bringing today is a step in that correct direction for the Department of Transportation. These are contracts that were procured properly. There is no extension of additional funds. It is an extension of time.

In addition to that we have ongoing training for all of our employees. We have currently trained 1,800 employees on contract management and procurement and ethics training. So we are taking steps to restore the trust of the public with regards to our contract management.

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COMPTROLLER FRANCHOT: Okay. Let me just challenge you on that statement that you are simply extending things. Because one of the audit's findings was that SHA couldn't adequately document the basis for the maximum value of construction and inspection contracts submitted to BPW. Just for the record I want to make sure that you are certain that each of these 66 contracts before us today are necessary. And I heard what you said about extension and no additional funds, but actually that's a little misleading. Because while we may be technically approving no additional funds that's only because there's \$75 million in these contracts left over within the existing contracts that are going to be used for expenditures. And so we're really, I believe, approving an expenditure of additional taxpayer money, as much as \$75 million.

But even assuming that we approve these contracts today for the sake of operating continuity I hope that you'll take a look and your colleagues at this question as you solicit and negotiate new contracts next year. Do we actually need all of these contracts?

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MR. MOBLEY: Absolutely, Mr. Comptroller, we definitely will do that.

COMPTROLLER FRANCHOT: Great. And then I'd just quickly like to shift gears slightly and ask you, and if you could ask the Secretary when you see her when she's back, about a project that I've gotten familiar with that's over on the Eastern Shore. And it's the need of a new interchange and overpass at the intersection of U.S. 301 and Maryland Route 304 in Centreville.

As you know that intersection has the reputation of a death trap. There have been five fatalities in the past six years. I believe a total of 14 fatalities in recent memory. I visited that site with a small group of elected officials and concerned citizens, State Highway officials, and State and county law enforcement officers last week. And having seen the logistics of the intersection and the speed at which these tractor trailers come down 301 and the interaction with school buses, and van pools, and 16-year-old drivers who are barreling through the

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intersection, it really in its current configuration is a death trap of an intersection.

And I've been very impressed with your response. SHA has had a tremendous response to frankly the latest tragedy, which was a gruesome accident that claimed the life of 16-year-old Conner Rice, who died on his way to school. They and you frankly have been a regular fixture in Queen Anne's County, and I personally appreciate that. What you did, taking the pulse, getting municipal feedback. At your leadership SHA conducted and opened a new J-turn in a little less than three months, a little more than three months, or two months, actually, after the accident. And that's a safety measure that hopefully will prevent the occurrence in the near future of any other fatalities.

But let's face it, the J-turn if you go out and look at it, is a short term solution. It's not a long term solution. And frankly, it creates some hazards of its own if you've been out there to see the configuration. The only viable long term solution to this public safety crisis is a grade separated interchange with an overpass. And while constructing a

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new interchange isn't cheap, and while I know there are other priorities around the State, there are more than we have money to pay for, I would respectfully contend that this project and others like it must be moved to the front of the line. And it isn't about relieving traffic congestion, or stimulating mixed use development, or promoting sustainable alternatives, or any of the other reasons why we build transportation projects in our State. This has everything to do with saving lives and doing everything we can do to ensure that nobody has to live with what Conner Rice's parents have had to go through this holiday season.

It's my understanding that for \$5 million to \$7 million the State can complete the critical design phase of this project and move forward to the next step. I would respectfully ask you and ultimately the Secretary and Governor and Legislature to support the county's request for that money in next year's capital budget.

MR. MOBLEY: Thank you, Mr. Comptroller.

COMPTROLLER FRANCHOT: Thank you.

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GOVERNOR O'MALLEY: Okay. Anything else on this one? All right. The Treasurer moves approval, seconded by the Comptroller. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: All opposed say, "Nay."

(No response.)

GOVERNOR O'MALLEY: No nays. So with that it gets approved. We now move forward to the --

TREASURER KOPP: Information.

GOVERNOR O'MALLEY: -- Department of Information Technology.

TREASURER KOPP: Which number is this?

SECRETARY MCDONALD: It's 6-IT.

GOVERNOR O'MALLEY: 6-IT.

MR. SCHLANGER: Good morning, Governor --

GOVERNOR O'MALLEY: Good morning, Mr. Schlanger.

MR. SCHLANGER: -- Madam Treasurer, Mr. Comptroller. Elliot Schlanger, Department of IT. Item 6-IT, we're asking the Board to consider and approve raising the ceiling on the master contract for VLTs as

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well as the initial order for VLTs for the Anne Arundel County casino. I will entertain any questions at this time with help with my colleagues from the Lottery, who are here today.

COMPTROLLER FRANCHOT: I have a question for Mr. Martino.

MR. SCHLANGER: Sure, Mr. Comptroller.

MR. MARTINO: Good morning, Comptroller. How are you?

COMPTROLLER FRANCHOT: Yes, nice to see you, Mr. Martino. And thank you for your service. We're going to be asked, as the Secretary indicated, to approve \$168.5 million in order to lease 4,719 video lottery terminals at Arundel Mills.

MR. MARTINO: Yes, sir. That is the request.

COMPTROLLER FRANCHOT: I like you. I think you do a good job.

GOVERNOR O'MALLEY: Be careful, now.

COMPTROLLER FRANCHOT: But I remain disgusted by the fact that we as a State are holding onto this idea that slots are a solution to our fiscal challenges and not just another predatory scheme to separate

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working people from money they cannot afford to lose. And I am still appalled by the fact that the taxpayers of our State are forced to pay for these machines that are being used to further enrich private gambling companies.

That said, I think Mr. Martino has done the best job that he could possibly do given the preposterous conditions that the General Assembly has forced you to work under. I guess I don't like your line of work, but I appreciate the fact that you do it in a way that is professional and dedicated.

And as I understand today, all of the machines are being leased and not purchased, which I presume will give us more flexibility to swap out machines if they either become technologically outdated or prove to be a dud with gamblers.

When these contracts first came before the Board last year I expressed my frustration with the foolishness of buying our own machines given that the industry constantly comes up with newer, bigger, and flashier games that redefine the gambling experience. I think the decision to lease is a good thing. I'd

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just like to hear Mr. Martino speak in more detail to the advantages of that approach, leasing rather than purchasing.

MR. MARTINO: I'm happy to do that and you are correct. Stephen Martino, Director of the Maryland Lottery for the record. You are correct. We have before the Board a request to lease the 4,719 machines and I think precisely for the reason that you stated. That we believe long term that this will provide greater flexibility for the State to maximize revenue. It is an area of agreement among all the casinos that the long term interests of the State would be better served by leasing the machines.

And primarily what leasing does is two things. One, it gives us an opportunity to move machines that are not productive off of the floor. Under the terms of the lease after the first 18 months if a machine is not meeting 85 percent of the floor average we can move it off with 30 days notice and replace it with a more popular machine. We can correct our supply and demand problem.

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Second, under the least terms we will work cooperatively with the manufacturers and the casinos to ensure that the newest technology is on the floor so we don't have obsolete technology and once again are able to maximize revenue for the State of Maryland.

COMPTROLLER FRANCHOT: Just for the record, the aggregate lease price we are approving today comes out to \$35,717 per machine. The previous 2,250 machines that we purchased for Perryville and Ocean Downs cost \$98 million, or \$43,564 per machine. So I, not only is it good from a marketing standpoint. I think it's obviously less costly to the taxpayers.

I'm going to vote in opposition to the contract, with all due respect to the law that was enacted by the General Assembly. I cannot in good conscience vote to spend taxpayer dollars to purchase, maintain, and repair slot machines which common sense, and the rest of the country tell us, should be the responsibility of the casino operators who are getting rich off of this.

I do just want to ask about minority contracting MBE goals. I notice that the two firms

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getting the largest slices of the pie, IGT and is it Spielo Manufacturing? Spielo, is that how you pronounce it?

MR. MARTINO: That's correct.

COMPTROLLER FRANCHOT: They are the firms who drag down the average for the entire contract. I find it hard to understand that five of the smaller firms were able to meet the MBE goals, but two firms who will be making nearly \$110 million off this vote today couldn't put a little more of their back into this effort as far as MBE. Can you speak to that issue?

MR. MARTINO: I can. We have an aggressive goal in Maryland and we continue to push. I can tell you that the goals for both of these manufacturers are considerably higher after intense conversations with the Lottery and us making clear what our requirements are and what we think the expectations of the State is.

I can also say that I do believe that it's not a mistake that the variance in the MBE goal occurs when you have a larger number of machines because simply, and I think we've discussed this in the past, that there are some economies of scale. Most of the

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MBE participation is coming on the maintenance side. And the more machines you have the more efficient you are, the more efficient it is to maintain them.

That being said, we continue to engage all of the manufacturers at working with them and identifying MBE opportunities. And in fact that has happened very recently with one of the manufacturers, pointing them in the direction of opportunities that has increased their percentage. And we are going to continue to do that I think in an even more collaborative way. Because there may be some of the things that some of the manufacturers are doing and counting towards MBE that's acceptable that frankly some of the other manufacturers are not aware of. It's an aggressive goal. We didn't meet it. But I can assure you that it was not for a lack of interest or effort on the part of the Lottery to encourage them and let them know how important this is.

COMPTROLLER FRANCHOT: Okay. And on a related subject, as you know many of the shoppers and employees at Arundel Mills, residents obviously of the nearby communities, they are concerned about public

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safety. And the area has had a reputation, whether it's deserved or not, as being kind of a center of gravity for loitering teenagers. And just last month the Arundel Mills parking lot was the site of two fatal shootings. The safety perceptions have evolved to a point where I believe the management is erecting a new mobile surveillance tower, another surveillance device, 15, 25 feet tall. This is in addition to the normal battery of closed circuit security cameras and security officers on Segways. Given the volatile history, what additional public safety resources are you aware of that are being deployed to the site in time for the opening of the new casino?

MR. MARTINO: I can't speak to the activities of the mall itself. But I can tell you that under the regulations and under the law the casino is required to submit to the Lottery Commission for our review a security and surveillance plan of their entire facility. And that is security and surveillance both inside the facility and outside. That security plan and surveillance plan will be reviewed and approved by the Commission. We have on site enforcement and

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compliance officers there 24 hours a day, seven days a week. The head of our enforcement division is a captain detailed from the State Police. So we take security very seriously within the footprint of the casino and that activity around the mall. Obviously I can't speak to what the mall might be doing on the other side. I know that there are some existing issues but I can assure you that we will be giving the security of the facility itself our highest attention.

COMPTROLLER FRANCHOT: Excellent. And I understand that several traffic sections are soon to be widened in order to facilitate a better flow of cars throughout the traffic pattern. How many traffic intersections are we talking about? And do you have any idea how much they are and who is going to pay for them?

MR. MARTINO: I don't have information. We don't have oversight for the traffic issues. I would, I can certainly gather that information for you and get back. But that would be an issue for the developer, the mall owner, and for the county itself that would



oversee and ensure that there is adequate movement of vehicles around the mall.

COMPTROLLER FRANCHOT: Okay. Then while you are here I happened to look at the media coverage of the Baltimore casino bid, which I understand there is a bid in from Caesar's Palace, or someone, to operate that. And apparently your Commission at their request changed your rule about whether investors that have been involved in bad activity were eligible. And it surprised me, frankly. Because the investor that was involved apparently some time ago was involved in a sports gambling exercise, in which there were allegations of physical threats to people that weren't paying their debts. And I take it that there was concern that that investor would not be eligible under your rules. So the Commission changed the rules.

MR. MARTINO: I think --

COMPTROLLER FRANCHOT: What is that, what do you, what do you think the members of the public feel when they read about that?

MR. MARTINO: Well let me, if I can, clarify what happened. And I think that there are two issues

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there. One issue that I am not going to get into, and that is anyone who currently has an application before the Commission that would be being investigated. It would not be appropriate for that to happen. There is an application, as you know, that has been filed for the Baltimore casino. The background investigation is currently taking place and that will be presented to the Commission for its review and approval sometime in the spring.

As it regards the story that ran this past weekend in the Washington Post, what I can say, and if it wasn't clear try to clarify, is that what the Commission, it was brought to their attention that there was a perceived ambiguity in the regulations about whether a, whether potential bad acts that happened out of state more than ten years ago that did not result in a conviction would be classified or qualified as an automatic disqualifier under Maryland law. That was brought to the attention of the Attorney General's Office. The Attorney General's Office looked at it I think at very high levels and determined that in fact there was an ambiguity. And so what the

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Commission has said is that if there is a bad act in any person's application before the Commission that occurred more than ten years ago out of state that it is not an automatic disqualification for a gaming license in the State. However, that information contained in the background investigation will be presented to the Commission and the Commission still retains plenary authority to exercise its judgment and determine whether that person is suitable. So I don't think that in any way the Commission has indicated for any individual that any potential act is or is not disqualifying. They simply haven't gotten the information. But they still have the authority under the law and regulation to review that appropriately.

COMPTROLLER FRANCHOT: The Legislature used to have things we called red headed Eskimo bills, that were bills designed for one person. And you know, I just urge you and the Commission to be extremely cautious here. Because that is the perception I have, that the rule has been changed for one person. And you know, I ask what that person is investing, I'm told I, you know, that's confidential information. But it

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certainly looks like a red headed Eskimo. And in this sector which is one half step away, let's be honest, nationally, one half step away from a lot of elements in society that we don't like who engage in criminal activity, you know, we need to be very, very careful. And changing that ambiguity, as you say, that's another term we used in the Legislature a lot. Which was, you know, the ambiguity was just -- put it this way, the things we did for the individuals cleared up the ambiguity in their favor. And in this area where we have such a connection historically, you know from Las Vegas on down, I think we need to be absolutely on the level. And sorry that that happened, and hope that that investor ultimately is, after you look at, is, look at whatever it is, is you know the old rules apply.

MR. MARTINO: Right. If I might just respond, I just want to say I appreciate your concern. Obviously I think the Commission went forward in a way knowing that it would still retain authority to review that. But we have three operators, two casinos that are in operation now, one that will be opening in June.

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All of them have their backgrounds investigated. And I can assure you that it's an ongoing obligation of the Commission to make sure that they are in compliance. But thus far I think all of them have represented themselves and the State of Maryland well in carrying out the mission of this legislation.

COMPTROLLER FRANCHOT: Okay, that's great. That's the Baltimore casino. And just finally on the Anne Arundel casino, I understand that the operators are actively exploring getting individuals from as far away as China and other countries to participate in this cash for visa program. Which as described to me in the paper was that if an individual contributes \$500,000 to a project like the, I guess the gambling casino, they get an automatic green card and two years later they get citizenship for them and all the members of their family. Which is kind of an extraordinary program. Apparently it's now the subject of a lot of national attention, not for the gambling but for the fact that it's turning into a, you know, a real problem. Because everybody is using these cash for visa programs to locate cash overseas.

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And I hope that you are paying attention to this because I know it's not your application to the federal government. But right now a lot of, now a lot of the national attention is now turning to the fact that the criteria are being abused for this program. For example, they are only supposedly eligible for high unemployment areas. I know this is not your area, but I hope that you'll take a look at it and warn these companies that are out there using this loophole that they should be extremely cautious. Because, you know, there's going to be a lot of review of this. And I hope it's not used. But if it is used it's going to be closely looked at. And I'm happy for your comment.

MR. MARTINO: You are referring to the federal EB-5 program?

COMPTROLLER FRANCHOT: Yes.

MR. MARTINO: Which is an economic development tool that's been approved by Congress. It's not exclusive to gaming, and you pointed that out.

COMPTROLLER FRANCHOT: Correct.

MR. MARTINO: I would just say that we have had some preliminary conversations with the Cordish

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company as they look at potential financing mechanisms. This is a federally approved economic development tool. The money would come into a Maryland-based fund. It's actually the Maryland Center for Foreign Investment. It's actually based in Columbia. We've had preliminary review. If that happens we would conduct a through character and background investigation of that group. But this is a tool that's used nationwide. I don't think this is the first time that domestic, you know, U.S. projects have been funded with money from overseas and particularly China. And so, but we are looking at it --

COMPTROLLER FRANCHOT: Yeah, just make sure you look at the front page New York Times article on Sunday where a building in downtown New York magically found itself, which has zero unemployment in the area according to the Census figures, found itself in a high unemployment area and eligible for all of this money. Kind of magical like according to how the lines were drawn. So there's a lot of potential abuse affiliated with this and I would strongly urge you to warn your

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private sector partners that this is going to come under very strict review.

MR. MARTINO: And I don't know what the unemployment rate in that area where the casinos are being constructed. But I would say that this project is creating 2,500 construction jobs at this time. And when it's fully operational in June it will create 1,500 new jobs at the facility, both at the casino and its ancillary development. So, but we are keeping a very close eye. And I understand what you are saying and we will keep you informed.

COMPTROLLER FRANCHOT: Cash for Visas can be very embarrassing. Thank you.

GOVERNOR O'MALLEY: Mr. Martino, thank you for the good job that you do with total professionalism and integrity.

MR. MARTINO: Thank you. Thank you.

GOVERNOR O'MALLEY: Okay. Anything else on this Agenda item? Hearing none, Comptroller you --

COMPTROLLER FRANCHOT: I vote no.

GOVERNOR O'MALLEY: Okay. Treasurer moves approval --

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TREASURER KOPP: Yes.

GOVERNOR O'MALLEY: -- seconded by yours truly. All in favor signal by saying, "Aye." Aye.

TREASURER KOPP: Aye.

GOVERNOR O'MALLEY: All opposed?

COMPTROLLER FRANCHOT: No.

GOVERNOR O'MALLEY: No? Record Comptroller as voting no. Thanks very, very much. We now move on to the remaining item number --

MS. FOSTER: Numbers 11 and 12, Governor.

GOVERNOR O'MALLEY: Numbers 11 and 12 on Department of Budget and Management Agenda items.

MS. FOSTER: So members of the Board, good morning.

GOVERNOR O'MALLEY: Pull that microphone over to you, if you would, Madam Secretary?

MS. FOSTER: Will do. Members of the Board, we're here to talk about two items, Items 11 and 12. Item 11 is a five-year contract for inmate pharmacy services. Item 12 would extend the inmate pharmacy contract's current vendor for up to six months with the right to terminate after 90 days. I would point out

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that for Item 12 there is no signed contract at this time.

In terms of Item 11, the Departments of Public Safety and Correctional Services and the Department of Budget and Management are recommending that this five-year contract be awarded to Diamond Pharmacy Services. The Department of Public Safety has determined that the Diamond proposal is the most advantageous and offers the best value to the State of Maryland.

Diamond has extensive experience with large scale inmate pharmacy service contracts, including several state correctional contracts, and serves about one-third of Maryland's local jails. Diamond has served correctional facilities for nearly 30 years and currently serves one of every five inmates incarcerated in the United States.

The procurement process that resulted in the selection of Diamond was thorough, it was fair, and it was consistent with Maryland law. The proposals were evaluated by a committee of knowledgeable Department of Public Safety and Correctional Services personnel,

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including the lead inmate medical and health services staff who brought a great deal of expertise to this process.

The RFP for this procurement provided that technical and financial factors would have equal weight in the overall determination of the award. In layman's terms this provision means that the final award decision will be based on whether the difference in the technical merit of the proposals is worth the difference in price without an inherent edge to either technical merit or price.

Out of the six proposals submitted in response to the RFP Diamond was ranked number one overall, having the second highest weighted technical offer and the third lowest price. Diamond's technical offer was ranked very close behind the top ranked technical proposal but came in at a substantially lower price, nearly 20 percent or \$24 million less. In addition, Diamond's technical ranking was considerably ahead of the third ranked proposal, which came in at the lowest price.

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The evaluation committee determined that the technical differences between Diamond and the other top ranked proposal were relatively slight and not substantial enough to override the significant difference in price. Moreover, the third ranked technical proposal came in only \$1.3 million less than Diamond, a minimal savings that did not justify going with the lesser technical quality.

As a result the evaluators agreed that Diamond provided the best value to the State and ranked its proposal number one overall.

As the members of the committee know, the incumbent has filed several protests throughout the procurement process, all of which have been denied by the Department of Public Safety and Correctional Services. Two of these are currently before the Board of Contract Appeals but they have not yet been heard. On December 8th the incumbent protested the recommended award to Diamond and on December 19th both the incumbent and another unsuccessful offeror filed protests following their debriefings.

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The Department of Public Safety and Correctional Services is in the process of responding to those protests but has determined that they are without merit.

The Board of Public Works is asked to award the contract to Diamond, notwithstanding protests. This request is being made for several reasons. First, there is a substantial State interest in moving forward without delay due to the significant savings offered by the contract with Diamond. As indicated earlier, the difference in pricing between the proposals is \$24 million over five years. Delaying the approval of this contract would jeopardize the nearly \$5 million of savings that we could achieve in fiscal year 2013, dollars which are particularly important during this time when the State resources are strained.

Second, we are confident that this procurement will withstand scrutiny and the Department of Public Safety and Correctional Services will prevail at the Board of Contract Appeals should these cases proceed.

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Finally, since the incumbent's contract expires at the end of this month we need to begin a transition process as soon as possible.

In closing I would reiterate that Diamond has been recommended for award of the inmate pharmacy contract because their proposal offers the best value to the State of Maryland. Thank you very much. There are staff here from the Department of Public Safety and Correctional Services and the Department of Budget and Management who are available to answer any questions that the members of the Board may have and address your concerns.

COMPTROLLER FRANCHOT: Governor?

GOVERNOR O'MALLEY: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. Thank you, Madam Secretary. We are being asked to award these two contracts for Maryland's inmate population. And it's a \$120 million contract to Diamond Pharmacy Services for five years out of Indiana, Pennsylvania. I take it the second contract is just a bridge contract to get --

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MS. FOSTER: The second contract would be transition. The proposal was for up to six months with the right to terminate after 90 days.

COMPTROLLER FRANCHOT: Okay. So my questions are about the first contract. Because I understand it's now the subject of an active bid protest by two unsuccessful vendors, the dislodged incumbent Correct Rx as well as Omnicare, both of which happen to be Maryland companies and one is located just a couple of miles away in Annapolis Junction.

As is always the case when these situations arise I would like to basically know how we justify awarding a large contract like this, multiyear, in the face of not one but two active bid protests? I mean, I heard what you said. But I regard the protest phase of a procurement as a fundamental and legally proscribed right of any vendor. Frankly it's an effective check and balance. It's built into the system to confirm the integrity of the process. If we're going to continually short circuit this part of the process simply because it's too time consuming or inconvenient, or because we personally believe the litigant's case is

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without merit, what's the point of allowing bid protests? And how do you communicate with businesses around the country to say come into Maryland and bid for our business. We have a fair and open process. If you don't have due process in the procurement process, we have a remedy where you can appeal and get your due process.

Here it's the agency that approved the contract is now determining that it, the bid protests are without merit. If I'm a member of the business community and I'm out there saying, geez, do I really want to get involved in Maryland? I would have a real problem with that. Honestly.

So what's the --

MS. FOSTER: Well certainly there are attorneys here who can address the legal issues and talk about the COMAR statute that allows us to award in light of the fact that there is a protest. I think I was very clear that we thought that one of the major reasons in terms of moving forward with this contract -



GOVERNOR O'MALLEY: Hold on, Madam Secretary, so the Comptroller can hear the answer to the question he asked you.

COMPTROLLER FRANCHOT: Yeah.

GOVERNOR O'MALLEY: Go ahead.

MS. FOSTER: Okay. As I said, Mr. Comptroller, there are certainly attorneys here who can address the fact that COMAR and State law does allow the State the right to go forward with and award contracts in the face of the protest. But one of the things that I certainly stressed and one of the things that I think is relevant in terms of moving forward with this contract is that it's in the best interest of the State.

This is a contract where the difference in pricing in the proposals is a difference of \$24 million over five years. I think certainly that's almost nearly \$5 million going into the next year's budget. And as you know and you've indicated this, we are facing financial problems. The Board of Revenue Estimates wrote down revenues. I think at a time when we have an opportunity to put into place a contract

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where we can get some savings we need to take advantage of it.

COMPTROLLER FRANCHOT: Okay. I heard that and I just happen to disagree. Because this is easily the fifth time we've been asked to award in the face of a bid protest significant contracts. The thing that drove my attention here is that two of the bid protesters are Maryland based companies. They employ our local people. Those are our jobs. And you know I'm all for open bidding and getting business from out of state, but what does it say to our local home grown businesses if we don't even give them a chance to have their day in court? I guess. It's not really a court. It's the Board of Contract Appeals.

So I have real concerns and disagree with you. I think it has a negative and a corrosive impact on the State's transparency and responsiveness.

But let me address this issue of savings to the State. I note that Correct Rx, the incumbent which apparently has done a very good job, submitted a bid that came in nearly \$24 million higher than the company you want to award the contract to. Yeah, I like to

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shop for the best deal. But I get a little bit concerned when I see a successful, proven vendor lose out to bidders that are completely out of the ballpark. And it makes me wonder whether these other vendors have any idea how much it actually costs to administer a program of this size successfully or whether they will try to do so by cutting corners and potentially exposing the State to bigger problems down the road. What is your, how do you respond to the, I mean does it --

MS. FOSTER: Well certainly there are people here who were on the evaluation team and can speak to that. But I think without having been privy to the financials it's certainly, I don't think it's a responsible statement to say that it's out of the ballpark. I think certainly in terms of the company that's being awarded this contract, I started off saying that they have 30 years of experience. So I think that they basically knew what they were bidding on when they submitted that proposal.

COMPTROLLER FRANCHOT: Okay. I'm also troubled by the circumstance of this particular award.

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At one point more than a year ago the incumbent, Correct Rx, a Maryland based company, was in fact notified that it was the successful vendor as a result of the initial solicitation for these services. In other words, they had won the bid. Only to be informed that the award was canceled after you determined that the original solicitation, which your office had reviewed and approved before it was issued, was somehow defective.

As I noted, in the past when other inmate health contracts were extended in the last BPW meeting Correct Rx may have had its competitive standing compromised on the rebid for these services because of the extraordinarily long time, six months, required by the State to respond to the protest filed by Correct Rx. So I mean this is a mess.

MS. FOSTER: Well let me speak to that. Certainly I think what occurred was that the incumbent, Correct Rx, was issued a letter where they were told they were being recommended for award. Obviously an award isn't final until it's approved by this Board. Before that occurred the review of the RFP really

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revealed that there were a number of outstanding problems. The offerors had been asked to report on what the acquisition costs was going to be of the drugs. When the proposal was looked at there was no definition of what an acquisition cost was.

In addition, the offerors were asked to quote what the price was on 175 drugs. But nowhere in that process has anybody asked them to come up with some invoices which basically would document and verify that those were the prices.

Overall I think by the time the proposal got to the department, we reviewed it. We realized that there were numerous conflicts, there were numerous inconsistencies, and they were things that could be problematic. It could mean in the end that we didn't get the best price for the State of Maryland. And certainly in terms of record keeping it could result in terms of audit exceptions. The incumbent --

COMPTROLLER FRANCHOT: But that was our mistake in not asking the right questions.

MS. FOSTER: Well certainly what we did was we found out that there was a problem and we decided

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not to go forward with a problematic RFP. We did make a decision that we would go forward and we would amend the RFP and make some corrections. Before we could do that the incumbent essentially protested that we not amend the contract, that we not ask for best and final, and alternatively that the procurement be canceled. And then we canceled the procurement and my understanding is that's when Correct Rx filed a protest in regard to the cancellation.

COMPTROLLER FRANCHOT: Do you know how many people Correct Rx employs in the State of Maryland, directly or indirectly, because of the contract that they currently have?

MS. FOSTER: I don't know off the top of my head. The evaluation committee would know that. That would be something that had to be reported in the technical portion of the report. That is one of the elements that we look at. We look at staffing. We look at the work plan. We look at the overall ability of the company to perform the contract. And we look at the economic benefit.

COMPTROLLER FRANCHOT: Okay --

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MS. FOSTER: So all of that was taken into consideration.

COMPTROLLER FRANCHOT: Okay. Is there anyone here that can tell me how many Marylanders are employed directly or indirectly by Correct Rx? And you might as well throw in Omnicare while we're there since they are --

MS. FOSTER: So why don't I have some members who were on the evaluation team come up and address those questions on your behalf. Tom Sullivan is here. Well, they are all telling me that that is not information that they can disclose. Obviously the Correct Rx folks are here. If you want to ask them that question you may. But in terms of the procurement process I'm being told that they cannot reveal that to you.

COMPTROLLER FRANCHOT: Okay. Well I look forward to hearing whoever is testifying. But, you know, this all could have been caught. I see all your procurement experts here. This is our procurement that we put out. And I can frankly understand some Maryland businesses being pretty steamed up over the situation.

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And it's only adding insult to injury now to award it in the face of a bid protest.

But anyway, thank you for your responses.

GOVERNOR O'MALLEY: Do we want to hear from, do you think it's time to hear from Correct Rx first?

MS. FOSTER: Unless you had any questions for the members of the evaluation team?

GOVERNOR O'MALLEY: No, why don't we do this since, you know --

MS. FOSTER: Okay.

GOVERNOR O'MALLEY: -- it's their protest --

TREASURER KOPP: I assume we will have the opportunity to ask questions of the evaluation team, whether they choose to answer or not apparently is not clear. But after we hear from --

MS. FOSTER: They will answer the questions if they are able here. And maybe they can respond to some of the criticisms and concerns that Omnicare and Correct Rx may have.

TREASURER KOPP: I think that would be helpful.

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GOVERNOR O'MALLEY: Well let's hear the protest, and then we'll have rebuttal from the protest. And here we go. Senator Miedusiewski?

MR. MIEDUSIEWSKI: Good afternoon --

GOVERNOR O'MALLEY: Good afternoon.

MR. MIEDUSIEWSKI: -- Governor, Madam Treasurer, Mr. Comptroller. Joe Miedusiewski here on behalf of Correct Rx, for the record. I'd like to just give you just a little bit of history about why we're here and how this contract came to be. But before I do that let me just say that I don't come before this Board that often. In fact, I don't think I've been before this Board as it's constituted since this membership has been here. So I take it very, very seriously. I have clients that manufacture slot machines and I have clients that come and bid on the contracts. And I go to the bid debriefings with them. And if they blew it, I'd tell them they blew it. Don't come to the Board of Public Works to muck things up or to frustrate the system. We're here to plead our case because we think that the RFP is flawed and the whole premise of that RFP is flawed.

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But let's go back to 2005. 2005, the State of Maryland's inmate services were deplorable. The ACLU filed complaints, and the Department of Justice was breathing down our necks. The inmates weren't getting the proper care that they were supposed to get and I guess the State was pretty much in somewhat of a panic so they brought prospective vendors in and said can you do these kinds of services? What will you charge for this? And actually there was an agreement between the vendors and the State and they moved forward.

Correct Rx was the winner of that particular exercise. And for six and a half years the system that was put in place has evolved. There have been no lawsuits. There have been no change orders. There have been no complaints. No inmate deaths. In fact, Correct Rx's model has become a model for the rest of the country to follow.

Then comes a time for a new contract. So a new contract is placed, I should say RFP is put out on the street. And in our opinion the Department of Public Safety and Correctional Services botched it. So

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as I would tell my client you blew it, I would say to the Department of Public Safety and Correctional Services you blew it on your side. It's a different equation here today. We're here to prove or to plead to you that the Department of Public Safety and Correctional Services blew their opportunity on a contract.

This is one of the strangest procurements that I've been a part of. For some reason ever since the new RFP came out there has been a whispering campaign that I really have never experienced before. People on the street are telling me that Correct Rx got fat from this contract that they've had for five and a half, six years.

GOVERNOR O'MALLEY: That they got what?

MR. MIEDUSIEWSKI: Fat, money wise. That this was a sweetheart deal. Well I have to say that if we've taken the State of Maryland from the deplorable conditions that the situation was in to where it is where there are no complaints, there are no lawsuits, they are an exemplary model I think the State of Maryland got a really good return --

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GOVERNOR O'MALLEY: And Senator, Mr.

Miedusiewski, when did they first start doing this work for the State?

MR. MIEDUSIEWSKI: Two thousand, well you mean the original contract?

GOVERNOR O'MALLEY: Yes, sir.

MR. MIEDUSIEWSKI: 2005, well I guess the, yeah, 2005.

GOVERNOR O'MALLEY: 2005? Thank you.

MR. MIEDUSIEWSKI: So we're six and a half years into it. Well anyway when the, this rumor came out it seemed that everybody got fixated on price rather than technical ability. And I know that we're in tough economic times. But everywhere I turned, no matter who I talked to, said oh yeah, that's the contract that Correct Rx did real well on. And let me just say from the outset this is not a fixed price contract. And this is where, this is where the plot thickens. Correct Rx pointed out early on that the RFP was flawed. That the way you save this State money going down the road is through utilization. Through your pharmacist consulting with the doctors, through

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formulary control, you know, working with and without and in and outside of the formulary. The model that we put in place is the model to continue on.

Public Safety and Correctional Services in concert with DBM dismissed our comments and continued to force the price issue. And we were put in that position. I find it interesting that the incumbent vendor missed that number by such a large amount. So one of us is either very, very wrong on this or one of us is very, very right on the number.

And I have to say that at this point it should go to somebody who can be neutral in evaluating this whole situation. That's why we think it should go to the Board of Contract Appeals and let them make the decision. Because the conversation that was supposed to take place between the department and the vendor, and it was supposed to be a conversation, it has devolved into a confrontation. And frankly, I think that the department can't see the fight for the blood in its eyes right now. And that's where we are. That's why I'm appealing to you that it really needs to go to the Board of Contract Appeals.

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The savings is going to be in the quantity of the drugs. And if you look through the RFP the department has made this assumption for the next five years the numbers of drugs, the quantity of drugs are going to stay the same. That's insane. The quantity of drugs is not going to stay the same. It's going to fluctuate. And part of what Correct Rx does is determines that fluctuation. Can we keep those drugs down, and keep the price down? And that's done through our management. And that's why we need, you know, we charge a certain amount for our management services and the management services are such that bring the cost of the drugs down over time. Again, dismissed out of hand because the department chose to go with price. And they evaluated only 173 drugs out of the 2,000 drugs that are used in the whole situation.

DBM's offer to look at price is a fiction. And I need you to consider that. You need to go back to have someone who is objective to walk through the technical data in this RFP and make a rational decision. We have, Correct Rx has been treated differently. Every other vendor, whether it be mental

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or medical, they have been given an extension at the current terms that they originally had their contract. Each time we have had our contract extended they have asked us to cut our price. They have asked us to change, they changed the rules for us so much so that we literally showed our hand because these extensions have been very, very closely related to the new RFP. Which I feel gave our competitors an advantage. And I think that the whole RFP process was really fundamentally flawed.

There are 26,000 inmates that Correct Rx services and the incumbent vendor is going to have to do the same thing. Mr. Comptroller, I appreciate your comments about Maryland companies. Not only is Correct Rx a Maryland company, it's a WBE that fostered an MBE, which made the 20 percent MBE requirement. Ninety-eight percent of the employees are Maryland residents. There are 98 employees at Correct Rx, 43 of which will be let go if we lose this contract. That means income taxes, property taxes will be lost. And the taxes that we pay are not only on this Maryland contract. We service, we service correctional facilities around the

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country. So you get a nice, you get a nice return on your taxes from Correct Rx's operational method being at 98 employees.

GOVERNOR O'MALLEY: How many total employees, Mr. Miedusiewski ?

MR. MIEDUSIEWSKI: Ninety-eight.

GOVERNOR O'MALLEY: Ninety-eight?

MR. MIEDUSIEWSKI: Ninety-eight.

GOVERNOR O'MALLEY: Forty-three of them you claim --

MR. MIEDUSIEWSKI: Forty-three will need to be let go.

GOVERNOR O'MALLEY: Would be laid off. And how much other work do they do, is it safe then to say that the State contract is 50 percent of their work?

MR. MIEDUSIEWSKI: It is 30, 43 percent of the work. Forty-three percent of the work.

GOVERNOR O'MALLEY: Forty-three employees, 43 percent of the work out of 98. Mm-hmm. Where are the other places that they work?

MR. MIEDUSIEWSKI: I beg your pardon?



GOVERNOR O'MALLEY: Where are the other places that they work?

MR. MIEDUSIEWSKI: That we provide? Delaware, we do the whole state and then we do local jail facilities around the country.

MS. YANKELLO: Hello, I'm Ellen Yankello.

MR. MIEDUSIEWSKI: Ellen Yankello, the WBE in this case.

GOVERNOR O'MALLEY: I know her well.

MS. YANKELLO: Yes. I'm the President and CEO of Correct Rx. And one of the other, the other two owners are here, Jill Molofsky and Jim Tristani.

We understand the tough economic times in the State. I am so nervous, but we understand. And this is such a crisis for us. But we're all Maryland residents. We're all Maryland taxpayers. We're an S corp. Every dollar that flows through this company we pay Maryland income tax. Last year the owners paid \$1.6 million in income tax to the State of Maryland. It's a big number. You'll miss it if it's not there. If we have to end this contract, which will be next Friday, we have to lay off 43 people. Over \$2 million

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in payroll. And an equivalent of about \$400,000 in benefits. The tax equivalent is about \$4.6 million a year, almost over five years over \$20 million in tax impact, the loss of tax impact to the State. We're talking about payroll tax, unemployment tax, all the things. And we're all property owners. The owners of Correct Rx, although maybe we've gotten so fat on this contract which I'm really resentful to hear. But --

GOVERNOR O'MALLEY: Your attorney said it.

(Laughter)

MS. YANKELLO: We don't have properties in Florida. I don't own a property anyplace but in Maryland. I have a property in Baltimore County and I have a property on the Lower Eastern Shore of Maryland in Somerset Country right next to ECI at Deale Island, Maryland. And it's a little fishing village. And so I support the Skipjack races, we support everything in the State and we are a very philanthropic company in addition to the fact that we are good taxpayers and good citizens.

TREASURER KOPP: Could I just interrupt to ask you one question?

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MS. YANKELLO: You ask one question, can I answer --

TREASURER KOPP: Well just to clarify the one thing that you said, the \$1.6 million in taxes?

MS. YANKELLO: Right.

TREASURER KOPP: That's the total, that's not just from this --

MS. YANKELLO: Oh no, but that's what the owners of the company pay.

TREASURER KOPP: Yeah, no, no, I understand. But it's not just from this. It's the company.

MS. YANKELLO: No.

TREASURER KOPP: Great. Thank you.

MS. YANKELLO: And so to go back, we service about 200,000 lives across the country. We operate in 34 different states. We have two other statewide contracts currently. The State of Delaware, which we started a year ago July so it would be 2010 we began that. You can call them. They are absolutely thrilled with our services. I would contend that the Department of Public Safety and Correctional Services has been very pleased with our services. We have had no

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liquidated damages, no fines, no corrective action plans. We've had the same management team running that contract since the day we started it. And almost no one, no vendor can say to you they've never had a turnover.

And here is the big flaw in this whole thing. Is that the savings being projected aren't real. Because 90 percent of the spend in this contract, so \$120 million whatever it is, 90 percent is the drugs. The other part is the services. And the services was a line that said overhead and profit. And so there are, the assumption that the difference between us and Diamond or whoever was awarded it was profit. It's not profit. It's the amount of services that are required in this contract in order to perform at the highest level and to provide the savings by the selection of the type of drug selected and the quantity of drugs selected. And also the outcomes for the patients. So we have a model really of actually have this whole team of clinical pharmacists, this whole team of program managers, this whole team of operational efficiencies, and we are hands on. So this isn't just five people

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that are staffing this. This isn't just one or two people involved in this contract. This is a whole, it takes a village to run this contract.

And when we took it over it was in total disarray. Everybody knows it, it was. It wasn't just a little bit broken, it was broken. So what resources did we have to put into that in order to fix it? And so no one did the heavy lifting of pulling apart how much of it was profit and how much of it was resources that we needed to put into that so that you didn't have any liquidated damages, so that you get out from under the DOJ, so that you get a methadone treatment program in place, so that all these things happened. And they happened without settling one lawsuit. Have you ever heard of a pharmacy that services 200,000 lives in the last eight years across and has never settled a lawsuit?

I mean, it's just incredible to me. And here I am. I'm a, no one gave me this company. We went out and borrowed a million dollars to start it. And we were successful. And so I didn't inherit it from my parents. I started it out and with the two partners

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that I have we have worked day and night over the last eight years. And so you should be promoting this as this is a great success story. And we fixed the pharmacy services issues. We deliver our medications into the med rooms, every day, seven days a week, every day directly, same day service. Not, so we go from Linthicum out to Cumberland every day and all the way down to ECI. Everyday, same day. And those all result in savings, they equate to savings. Those extra, those services control the big spend.

So it's shortsighted to say well wait a minute we want, at least allow us an opportunity to have the Court of Appeals listen to this and if they say, "Ellen, you are wrong." And by the way, it is not easy to win in the Court of Appeals, I understand. But we're willing to try it because we believe we're right. And we believe that the Department of Public Safety and Correctional Services deserves a client, and then if the savings were really real I would be 100 percent behind this because I'm a Maryland taxpayer, too. If the \$24 million was a real number I would say go for it because oh, by the way, it saves me, I live in

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Maryland. I wouldn't want you to do that. I'm saying to you the number isn't real. And that the variable is the 90 percent, which is the drug spend, and the only fixed price is the line item of profit and overhead. And you can't assume the difference is to our profit. You have to assume part of it is the extra resources that we are putting into this to make it go right.

GOVERNOR O'MALLEY: So you believe that the RFP should have had a separate line that said services rather than assuming that all services are profit?

MS. YANKELLO: What I believe is that the, if you ask me, you did ask me, what I would believe is that the technical should have been weighted more heavily than the pricing because it's the technical, there were 36 items in Tab D, which is under services, that you had to delineate in great detail of how those would equate to savings. And so unless you actually do the heavy lifting of the calculation of what does same day delivery do? And what is the corresponding savings for that? Unless you do that calculation then you can't say they are equal because you haven't done the part that says oh, what does that service equal to in

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savings on services? So there are, well you've heard it.

GOVERNOR O'MALLEY: Mm-hmm.

MS. YANKELLO: And now I'm repeating myself so I'll stop.

GOVERNOR O'MALLEY: How many times has this been extended?

MS. FOSTER: Oh, this has been extended, this has two extensions. This would be a third.

MS. YANKELLO: Three. No, there's three.

MR. MIEDUSIEWSKI: Three.

MS. YANKELLO: It was supposed to, the new contract, we actually got a letter on August 20, 2010 of an intent to award. I have now learned the very slight difference between award and intent to award. I want you to know that when I won this contract in 2005 I didn't have a procurement attorney, I didn't have a lobbyist, I didn't even know a procurement attorney. Now I've gone through two of them, and one of them is sitting right there. And I can assure you, and I've had advisors, I've had KO, I've had Mark Puente, Riverside, you name it. I've spent \$180,000 on

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advisors trying to figure out how to stay in place. What in the world has gone wrong here? So here I am. I'm just Ellen. I'm just a person that in 2005 I put together my best proposal, said this is what I'm going to do, the State said this is what we're going to pay you to do it, and I won the contract.

All of a sudden we go back, and it was supposed to have started on July 1<sup>st</sup> of 2010, the new award. And between then and now it's unraveled. DBM took over the, the oversight of the procurement from DPSCS and we are now on our third extension. By the way on which one, on December 9, 2010, was reconstructed to the, the pricing methodology really matches very similar to what the current RFP is. So they did an extension that said take it or leave it, and we're changing your reimbursement. Which we took a \$5.5 million haircut and didn't decrease our services by one bit.

And so here we are. And now all of a sudden we look like this bit outliner. Like somehow or another we don't even know what we're doing. Do you know I've bid against Diamond? I know Mark Zilner. I

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know the whole family. I have bid against them everywhere in the country and we are always within one or two percent of each other, just time in and time out. So how is it this time here I am doing the work day in and day out and I don't know what I'm doing. My price is \$24 million higher. I'm telling you it's fictitious. I'm telling you that that savings isn't real. Because the big number is in the spend and it's the services that are going to impact that spend.

GOVERNOR O'MALLEY: So your point is that the, I mean stated another way, is that this contract was bid weighting too much on the price of the per unit commodity rather than the overall utilization which is in itself brought down by the additional services which made you not as competitive on that line with the company?

MS. YANKELLO: Exactly. And the other part is this. It's the incumbent curse, too. We can't hide behind the fact once we put our number in. Because the department has been working with us for six and a half years. We know what they expect. We know when they say XYZ that they mean XYZ. So if we write into our

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RFP in our response, that we are going to something they are going to expect us to do it. A new vendor coming in may very well say, "Oh, I didn't really necessarily understand you meant that." So, you know, all right, and we couldn't hide that way. There would be no way for us to say we didn't grasp the concept because we've been doing it for six and a half years.

GOVERNOR O'MALLEY: Madam Secretary, why was this taken away from Public Safety and Corrections? If it was. I mean, that was the assertion, that it was handled by Public Safety and Corrections --

MS. FOSTER: The original contract where there were problems was developed by the Department of Public Safety. When they got ready to issue and the Budget Department did the review we noticed those flaws. So at that time we made a decision that we would go back, we would revamp the RFP, correct those shortcomings and issue another document so that we could all go forward and we would know exactly what we were doing in regard to the pricing.

GOVERNOR O'MALLEY: Mm-hmm.

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COMPTROLLER FRANCHOT: Could I ask a question? Didn't you though review the original RFP? Didn't your experts back here look at it?

MS. FOSTER: I don't recall. Probably so. But at the time, here is, the bottom line is before the contract was issued those shortcomings were identified. You know I think it's, I think one of the things that as a State we have to look and make a decision and design a procurement that we think is in the best interest of the State and the return that we're going to get for the citizens. I understand that Ms. Yankello is very passionate about this. But you know there is another side. And I think I would like to, I would like to have one, the attorneys address some of the issues that were brought up in regard go the RFP being flawed. The prior RFP may have been flawed but certainly one of the things that was done this second time around and the reason we issued a second RFP was to correct those flaws.

Throughout the process as we got letters of concern I think we tried to work with your organization to address those letters of concern. And when we

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agreed we made the changes that were recommended. So I'd like for the staff from Public Safety to kind of address that.

GOVERNOR O'MALLEY: Do you want to stand down for a little bit?

MR. MIEDUSIEWSKI: Thank you very much.

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

MS. FOSTER: To also talk about the so called model that has been put in place. And then to talk about the savings issue because I think that that's something that really needs to be focused on. And when all of that is said and done obviously the people who won the contract are here and you may want to hear from them as well.

GOVERNOR O'MALLEY: Mm-hmm. Okay.

MS. FOSTER: So if I could ask Dr. Sharon Baucom, who is the Medical Director, to come up, along with Thomas Sullivan, who is the Director of Inmate Health Services --

COMPTROLLER FRANCHOT: Governor, before that could I just suggest that since we heard from Ms. Yankello's group Correct Rx --

MS. FOSTER: This was Correct Rx.

COMPTROLLER FRANCHOT: What about Omnicare? Are they here? Would it be okay to bring them up --

GOVERNOR O'MALLEY: Sure, you guys want to kind of tell us why you don't like this either?

SECRETARY MCDONALD: Because --

MS. FOSTER: They didn't sign up.

SECRETARY MCDONALD: Right, they didn't sign up. But we have a letter in the record from them from yesterday but we didn't know if they were here.

MR. BAKER: Yes. Thank you. Daniel Baker, Regional Vice President of Omnicare, on behalf of the 600 employees of Omnicare in the State of Maryland. I don't want to be repetitive to my colleagues from Correct Rx. Being that the awarding of this contract out of state does have significant economic impact to the State of Maryland, both on the income side to the employees that would in some cases lose their jobs or gain their jobs if we were awarded the contract. We

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would plan to hire 30 to 40 additional FTEs to service the inmates and the associated economic impact on the tax side.

I don't want to be repetitive to all that. The reason that I would suggest that the Board look at sending this to appeals is that we do have some fundamental business differences in how we operate. And our bid was the lowest in State bid. We were the lowest in State bid and within less than a percent of the lowest bidder overall. By definition of the RFP we are, we had the merit to be in the final round and had the technical ability to service the contract. Being that we are in state and we do have a very different business model than the majority of the other businesses being represented we do believe that that \$20 million to \$25 million difference in the bid between our bid and the incumbents' in the same ballpark, being a million and a half less than the awarded bid, would give us the opportunity to realize that savings for the State, to the point of the Secretary and the tough economic times, realize that

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that savings while maintaining a level of service appropriate.

And that's done through a variety of different ways, proprietary and fully subsidized technologies offered to the State that would really give us the opportunity to maintain that level of service while realizing that significant amount of savings.

GOVERNOR O'MALLEY: Got you. Any questions?

COMPTROLLER FRANCHOT: So you have 600 employees in Maryland?

MR. BAKER: Yes. We currently have 600 employees in Maryland. We service in any given year 85,000 to 100,000 primarily Maryland residents in institutional facilities including nursing homes, assisted livings, group homes, developmentally disabled homes. So we certainly have the technical merit, dispensing over 13,000 prescriptions on a daily basis to provide a level of service --

TREASURER KOPP: Presumably they will continue doing what they are doing regardless of the Board of Contract Appeals?

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MR. BAKER: Absolutely. We would propose to add 30 to 40 FTEs as well that would be employed in the State of Maryland.

GOVERNOR O'MALLEY: Okay.

MR. BAKER: Thank you.

MS. FOSTER: So again, if I could have the Public Safety people come up? If you could talk about the RFP one, not being flawed. The value of having a procurement wherein the technical and the financial factors are given equal weight. If you could address the model that you've put in place at Public Safety. And finally I need someone to talk about the savings of this contract and why the savings are real. So could you introduce yourself to the Board and proceed? Thank you.

DR. BAUCOM: Hi, I'm Dr. Sharon Baucom, Chief Medical Officer for the Department of Public Safety and the Director of Clinical Services. And I thank you for the opportunity to address you and to meet again with my colleagues who deliver pharmacy services for Maryland.

I'd like to address initially Omnicare's position with respect to their protest. Omnicare Annapolis bid this contract with the parent Omnicare. But in effect if you go to the website for Omnicare Annapolis and look for the correctional experience of this company, you will find none. If you go to the website for Diamond, and for Correct Rx, you will find multiple comments with respect to the delivery of services for corrections. Omnicare Annapolis has never served any correctional populations. The parent company has served about, a little less than 20,000 inmates to date with no correctional statewide contracts. Diamond as the largest correctional pharmacy service provider in the nation with 420,000 inmates in 42 states, 900 facilities, and been in corrections for 26 years has the experience of developing a correctional formulary.

We've already heard that drug acquisition costs certainly lend themselves to increasing the cost for care. But formulary management of those drugs is the primary way to save funds. If you have never, ever developed a correctional formulary management tool, as

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Omnicare Annapolis has never done, then the difficulties in having cost savings for corrections will not be realized.

In addition the overlay of some of the barriers that experienced correctional companies have already put systems into place to correct are related to the various populations that are unique to corrections that you may not find in long term nursing care patients. They are not going to have a disproportionate number of geriatric patients with HIV. They are probably not going to have a lot of those geriatric patients with Hepatitis C. Those are medications that represent a tremendous cost to the State. They may not also have the opportunity to delivery services pharmaceutically for juveniles, or for pregnant inmates. And in fact to date Omnicare Annapolis has not.

The non-formulary process that's developed in long term care nursing homes are specifically based on Medicare and Medicaid drugs. As already mentioned the formulary opportunities for drug acquisition costs certainly are far more reaching in corrections as it

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relates to cost and competitive bidding than Medicare and Medicaid reimbursement.

To be able to have the opportunity to develop along with Correct Rx a model of clinical pharmacology where the clinical pharmacologist is the expert in disease management and that in looking at the definition related to this specialty we understand that Omnicare Annapolis has not had the opportunity to have those kind of clinical pharmacy experts help them develop and manage a correctional population.

So although they were ranked fourth in technical, but low in price, we feel that the experience of the company that we chose far exceeds and would make up that cost differential.

Now, you've asked me to address what I think is a critical component of what's been talked about since 2005. I've been the Medical Director for Maryland since 2001. I've lived through the opportunity to have my name in the paper associated with processes related to grand juries, Department of Justice, ACLU, the prison justice system. And it was because I didn't want my mother reading my name in the

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paper associated with those activities in 2005, directed by Secretary Saar, along with Walt Wirshing, we were asked to develop a hybrid model of medical care delivery for Maryland. Hybrid in the sense that it was not a comprehensive bundled service, with a medical primary provider, with subcontractors in dental, pharmacy, and mental health. And we did that. We did that in 2005. And up to that point in time the introduction of a clinical pharmacist associated with this contract had never been done. So the role of the clinical pharmacist and the introduction of that expertise was written by myself and the Administrator for Inmate Health in 2005.

I think that the model is an excellent one. We had the privilege just in October with the National Commission of Correctional Health Service to have four presentations representing this multivendor model. I think that the expertise that Ellen Yankello has talked about with respect to the utilization of that expertise speaks for itself.

But in case you don't know, clinical pharmacy is a science and a discipline that takes a correctional

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pharmacist from a simple pill pusher to a highly integrated clinical component of a correctional healthcare system. These clinical pharmacists encompass the inmates' entire drug therapy, how it relates to the global healthcare plan, every aspect of medication management, monitored, including drug selection, the formulary, drug safety, efficacy, outcomes, education, and cost.

We have had morbidity and mortality associated with medications. Not ascribed directly to Correct Rx but because of medical vendors and security issues inherent in corrections.

The model of same day delivery, twice a day in Baltimore that they have very much so complied to, was placed in the RFP by myself and the manager to alleviate some of the issues brought by lawsuits and advocacy groups --

TREASURER KOPP: Excuse me, you're talking in all these instances about the 2005 --

DR. BAUCOM: The model contract. I'm speaking that the same day delivery model, twice a day, was placed in the RFP. Correct Rx, and I quote, knows

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firsthand that this multiprovider model requires collaboration between the various vendors, custody, and the agency overseeing the contract. We understand that pharmacy is just one portion of the overall health services program and fully comprehend how intertwined the pharmacy module is with the other modules. It was designed that way. And although we applaud and appreciate the expertise that Correct Rx has continued to bring to the table, it is a model that I first came to be a part of in 1975 when a patient came in with two bags of medicine and advised that she had to choose between buying her medicine or buying food.

COMPTROLLER FRANCHOT: Could I just interrupt for one second?

DR. BAUCOM: Sure.

COMPTROLLER FRANCHOT: I apologize for doing that.

DR. BAUCOM: That's okay, sir.

COMPTROLLER FRANCHOT: But Governor and Madam Treasurer, I think our decision today is not to reach the merits of who is right and who is wrong. It's whether we're going to allow these two Maryland

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companies to have their day in court. They have a point of view. It's complicated. The department has a point of view. The Budget Secretary here has her point of view. The question is, can we get an independent hearing before the Board of Contract Appeals and let them resolve this, because that's what their job is? And I'm not challenging anything you are saying. I'm just saying it's, I'm not the expert. And I'm not going to say you are better than they are. I just want to get it in the right forum.

DR. BAUCOM: No, I'm not better than they are. I'm part of their team.

COMPTROLLER FRANCHOT: And that's not us. We really need to send this to the Board of Contract Appeals.

MS. FOSTER: I would just say in fairness to the people who are here, in light of the fact that you allowed Correct Rx to speak I would hope --

COMPTROLLER FRANCHOT: No, that's fine. I'm happy to sit here and listen to all the details. I'm just saying that it's obvious that these folks have a huge investment in, you know, supporting Diamond

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Pharmacy Services. I don't blame you or them for that

--

TREASURER KOPP: No, that's not --

COMPTROLLER FRANCHOT: They're the winner and doing your thing. The question is are they a fair and impartial judge of this bid protest? They aren't.

DR. BAUCOM: Again --

GOVERNOR O'MALLEY: Madam Treasurer, did you want to --

TREASURER KOPP: No, I just don't think it is fair to assume, as was implied, that they are biased in their judgment. I do think the question before us is whether it should be voted on in the face of a protest. I have to agree with the Comptroller about that. But statements have been made about who did what. And I think it's fair to try to have this public and on the record, I think it's fair.

DR. BAUCOM: Yes. I simply wanted to illustrate, and I quote --

GOVERNOR O'MALLEY: Take your time.

DR. BAUCOM: Thank you.

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GOVERNOR O'MALLEY: And say what you want to say.

DR. BAUCOM: I simply wanted to illustrate that this has been a multivendor collaboration. That it is not a testimony to how well Correct Rx did or how well they performed. It simply addresses the model and our participation. And I'm not going to defend the choice of Diamond. I'm going to allow, hopefully, their opportunity. But for the fiscal component of this I do believe that the opportunities for the manager of the contract to at least comment on that might be cogent. Thank you.

TREASURER KOPP: Could I just, just to clarify one thing in my mind. You said that this model, by which I assume not just multivendor but the use of professional expertise to try to bring the right treatment and the most cost effective treatment in, was essentially, was in the RFP but then was worked out --

DR. BAUCOM: Correct.

TREASURER KOPP: -- with the provider who is Correct Rx, at that time in 2005, 2006. And from what I hear you say about making presentations nationally,

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and I know Correct Rx has been cited nationally, this is now, as Mr. Miedusiewski said, part of the national model that is incorporated in most forward looking, progressive programs of this type.

DR. BAUCOM: Absolutely --

TREASURER KOPP: Is that a fair, as opposed to pre-2005?

DR. BAUCOM: That's correct.

GOVERNOR O'MALLEY: Can I ask you -- I'm sorry --

TREASURER KOPP: No. Just, so the model that was brought, developed by everyone is now part of the assumed model going forward that everyone else is supposed to meet?

DR. BAUCOM: I don't want to take credit but I think this is unique model because of the leadership of the department and the various leadership associated with the medical contract and mental health as well.

MS. FOSTER: I think what I would stress is the model was a part of the RFP and it is what all of the --

TREASURER KOPP: Right.

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MS. FOSTER: -- six vendors responded to.

TREASURER KOPP: That's, yes. That, it is now incorporated going forward in everyone's proposal.

MS. FOSTER: Yes.

DR. BAUCOM: That's correct. And it's been expanded.

GOVERNOR O'MALLEY: Can I ask on your, you heard the assertion made that the bid on whatever one, the one that's being recommended, is fictitious. That it's not real. That the savings won't be there. You're going to be paying a little less on commodity but you're going to be consuming so much more of the commodity because you're not getting the services that we include that manages that consumption overall in a better way. How do you respond to that one?

DR. BAUCOM: I respond to it in a sense of absolute assurity that the expertise demonstrated by the company that we chose will more than account for and support the savings that have been realized with the relationship with the incumbent, sir.

GOVERNOR O'MALLEY: So in the RFP, and you were part of the evaluation process, Doctor?

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DR. BAUCOM: Yes, sir. I was.

GOVERNOR O'MALLEY: And when you looked at the evaluation process did they agree to provide the same sort of delivery and the same sort of services, all the same sort of things that the incumbent is currently providing?

DR. BAUCOM: In the technical proposal Correct Rx was rated number one, but Diamond was rated very closely at number two. And we looked at the components of delivery. We looked at technology and data management reports for formulary management. And we are very confident that we will not have any lapses in service or delivery that will put the State at risk or inmates at harm.

GOVERNOR O'MALLEY: And the amount that's arrived at, the \$5 million a year, I don't suppose that there's any sort of performance bond or anything that the bidder puts up to guarantee that this won't be a sort of bait and switch situation, where we swap out, we get into the new contract, and they say, oh geez Louise, there's just so much more utilization now that ate up your \$5 million in savings.

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DR. BAUCOM: In actuality, I don't want to trade my MD hat for a CFO hat, but may I refer that question to my colleague?

GOVERNOR O'MALLEY: Sure.

DR. BAUCOM: Thank you.

GOVERNOR O'MALLEY: Come on down and introduce yourself, colleague, so designated.

MR. SULLIVAN: Good morning, Governor, and good morning Board members. Tom Sullivan, I'm the Contract Manager and the Medical Administrator for the Department of Public Safety. A couple of the comments that came up while I was sitting in here listening. The one was, did we break up the contract into different parts of the bid? Did we break it down into services and did we break it down into the actual medications themselves?

Now the true part of this is the number of medications that will be ordered in a given month and a given year will fluctuate. So the costs that we reimburse for those medications will fluctuate. We learned during our research during the committee and before the committee that the best pricing structure

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was acquisition cost for drugs. It's becoming more of an industry standard and people are working away from the average wholesale pricing structure which was not the best structure for us to be involved in.

TREASURER KOPP: The what pricing structure?

MR. SULLIVAN: The average wholesale price versus acquisition. Under acquisition we actually see an invoice in my office when we do an audit and we see that this pill was acquired for that dollar amount. Now if we were doing that structure in an RFP then there has to be services and there has to be profit, and there has to be overhead. So that's why we said we want the acquisition cost for drugs, which we can monitor throughout the contract, and then we want services.

And in services, in the development of the RFP, and I do want to thank the people from DBM in terms of working with us in developing this RFP. We needed that expertise and support of a real team effort where we had correctional people, like Dr. Baucom, Director of Nursing Pat Dove, myself who is more

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involved with medical administration, and we had experts in purchasing.

So when we sat down with the experts we decided the best way to structure this was to be very specific about services and not to do anything in the future to jeopardize the progress we made. And I have been to American Correctional Association and other places where they look at Maryland as a leader in using clinical pharmacists, in managing disease, in not just looking at this as, you know, how many pills a certain patients gets and in managing the best outcomes. I'm really proud of the fact that our model has been used in other states in terms of procuring pharmacy and medical services because it is very important.

So on that side of the contract we very diligently said we must have the five clinical pharmacists, must be in place. Everyone who is bidding on this contract must deliver that service to us. And we must have daily delivery to all of our facilities. And in some of the facilities in Baltimore we have to have it twice a day because of the dynamics of Central Booking. And when we're developing this we know it's

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difficult for vendors to answer that call. Twice a day delivery is very difficult. But if you're having that type of a massive reception jail type situation that's what we want. And one thing I always tell people when you are developing an RFP you put in that what you want. You put in the services that you want and you desire and you describe as best you can.

So I think that answers in a much shorter way, although Dr. Baucom, I love the detail she goes into, but that's how we structured this and that's how we did it. And I guess the reasons that we want to award is because we did do our due diligence. It's, we've never been displeased with the incumbent who is doing services for us right now, Correct Rx, but we did our due diligence to check references. To insure that we got the services we wanted. To have those clinical pharmacists in place. And to preserve that disease management model we would do nothing but go forward with a model that's showing success.

GOVERNOR O'MALLEY: Got you.

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TREASURER KOPP: Could I just ask, the model that's showing success, I'm hearing two different things. One is on site five clinical pharmacists.

MR. SULLIVAN: Mm-hmm.

TREASURER KOPP: The other thing I'm hearing is going deeper into multidisciplinary coordination when needed. And we haven't on this Board, despite the fact that I think, and that's clearly part of the service component --

MR. SULLIVAN: Mm-hmm.

TREASURER KOPP: -- in this total financial as well as technical, right? Is that right?

MR. SULLIVAN: That's correct.

TREASURER KOPP: But we can't see that break down here. We don't have access to those numbers. And I have to tell you that I am somewhat troubled because of this difference in the financials, the \$24 million or so over five years. I understand that it's supposed to be comparing apples and apples.

MR. SULLIVAN: Correct.

TREASURER KOPP: But I haven't been able to see it and I just don't know. I think the model that

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you've got is great. I think the department did it with the cooperation of a very good company. I think there are other very good companies who could do the same thing. And if we can do the same thing at a significantly less cost, we ought to. But I have to say that I am just troubled. I don't think, the question of corrosion of the process, I think is, I mean, out of state vendors can be dissuaded because there are always appeals, too. I know, sir, I respect your expertise. But every time there is a big contract that an incumbent doesn't get, there are going to be appeals. We know that.

But I am truly troubled by the fact that we don't have access to all the information that will, would come through an appeal. And maybe at the cost of fiscal year 2013 \$4 million or so, if the Board of Contract Appeals can act expeditiously. But this is a long term contract that I think we have to get right. And --

MR. SULLIVAN: I can answer some of that, and I certainly can't answer everything that might come up during an appeal process.

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TREASURER KOPP: No, because I'm told that we can't get --

MR. SULLIVAN: But I think some of the questions I can answer. What else besides the clinical pharm piece goes into the management of a contract like this? And in the RFP you will find that all of the committees and all of the associated activities were spelled out very specifically in the RFP and were answered very specifically by the vendors responding. One of the things that we didn't say how many people you have to dedicate to certain areas in your management, but we did say you have to attend the Pharmacy and Therapeutics Committee meeting and here is the people that have to attend it. So that's an enforceable contract item. I want you at that meeting. You will participate in that meeting, and these are the level of expertise. We have continually quality improvement and we said the same things.

In the development of an RFP your balancing act between getting the services you want but not absolutely dictating every single term and condition where you will have ten people here and you will have

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five people here. With delivery we said you will deliver everyday to the site. You will find out how you do it. That is part of you responding to the RFP. You'll tell me you are going to do it by van, or with an independent driver, or through a subcontractor. Because there is some flexibility involved. But the things that we need and the things that preserve the system that we have, I'm very committed to the fact that they are described in the RFP, which might have taken an extended period of time to develop and get out, but it has done the things that we wanted to do.

TREASURER KOPP: I appreciate that. And I think all the work has undoubtedly made it a better RFP than your department was able to produce originally. But I don't like to put \$4 million or \$5 million at risk any more than anyone else. And I would hope the Board of Contract Appeals could act quickly. Maybe we could urge them to act quickly. I don't know whether that would make any difference or not.

But after listening to all this I'm troubled, I am troubled enough that I just think that the award

in the face of this protest from several purveyors, I can't support.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: And I don't mean to interrupt anything but since everybody was --

GOVERNOR O'MALLEY: Madam Secretary, anything, anything else that you want to add from --

MS. FOSTER: I would just say that the President of Diamond is here, and I don't know whether he wants to make some remarks to the Board before you make a final decision?

GOVERNOR O'MALLEY: Sure. I think that would be --

TREASURER KOPP: I think we should hear from, let me just say this has nothing to do with the competence of any of the people who are participating in this. And I don't have any question at all that Diamond is very competent, that everyone is very competent. And I would hate to see them discouraged from pursuing contracts in the State of Maryland, which is why I say that I differed significantly from the perspective of the Comptroller regarding corrosion.

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But this is part of the process and there is enough difference here and enough confusion that I think the process should be able to be completed, hopefully expeditiously.

MR. SULLIVAN: I would just --

TREASURER KOPP: But I would, I think we should hear from whoever is --

MR. SULLIVAN: Okay, thank you. Any other questions?

GOVERNOR O'MALLEY: Thank you, Mr. Sullivan. Okay. The gentleman from Diamond?

MR. ZILNER: Good afternoon. I appreciate the opportunity to speak today. My name is Mark Zilner. I'm one of the primary owners of Diamond Pharmacy, also the COO. And my purpose here is just to clear up some of the points that I've heard from a couple of the other bidders and such.

A little history, we're the largest correctional provider in the nation. The pharmacy was started by my parents, who started servicing institutions 40 years ago. We've been servicing corrections, you know, 26 years now. We work very hard

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for what we do. We're dedicated to our customers and, you know, put in a lot of hours.

As far as the RFP language, I felt that it was very consistent to what I've seen in other bids. We've bid on more correctional facilities than any other pharmacy in the nation. Very consistent with how they asked for pricing and service. In fact, the service was above and beyond where most departments, what most departments ask for. Even to the point, as an out of state vendor, several years when this was bid, we looked at it, we thought we don't have a chance unless we really plan to do something and to be able to provide twice a day delivery and provide everything that was required, because it was very strict.

We worked all those years in trying to develop a plan, waiting for this to come out again. And I probably spent more time working on this RFP than any other one in our, you know, 26 years of correctional history. I think it was very thoroughly written as far as the pricing. Acquisition costs plus a dispensing fee is very consistent with what I'm seeing in other departments of corrections. To the

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point that, and to give them credit, they had asked for copies of the invoices. Here's our list of top meds, give us your invoices, prove to us that this is what you pay.

They also asked for additional rebating off of that to, you know, what percent are you going to share? They didn't leave it arbitrary, like a lot of departments will say give us your rebates and there's no way to hold you accountable. They asked what specific percent for brand and generics, black and white, every bidder was to submit.

As far as the management fee I commend them, too. Typically departments charge a fee per prescription. In this case it was a fee per patient. You know, regardless of if we were doing four prescriptions per inmate per month on average, or one, what is your price? And it's a fixed price. So that's a pretty fixed number.

As I looked at the evaluation I saw that of the six bidders, there were four very close. I mean, very close in the size of the contract. And two that were, you know, way out of the ballpark.

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As far as comments not knowing how demanding this department could be? I mean we've serviced probably 11 different departments of corrections in our years. We're currently servicing seven right now. We've got some demanding customers. And you know, one in particular, Pennsylvania Department of Corrections, they require many more meetings.

Now on this one it's even on more clinical. We put the proposed, the five pharm Ds that they asked for to help keep costs down. We're centered around keeping costs, you know, at the most competitive pricing. We are constantly negotiating with our manufacturers to try to get the best possible price to save our customers, to be more competitive when we bid. We invest a lot of our profit back into automation so we can continue to grow and be cost effective, and be able to provide, you know, the best service at the best price.

I'm very confident that we know the requirements of the bid. We can, you know, comply with them all. And they have penalties. You know, we're not going to go in there and not provide when with the

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excessive penalties that there are. Our customers are all very happy with us. I'm sure the department has called our references. I'm sure a lot of our references have attested to how much money we could save on a clinical end. The Pennsylvania Department of Corrections, our first year in servicing them, previously they had a privatized healthcare group, capitated bid. It was their incentive to decrease costs. The first year of the contract we reduced the price by formulary management by nearly \$6 million. We didn't get paid any more for it. It's what we do for our partners. So I feel that we are very centered around cost.

As far as economic benefit, we looked at the requirements of the bid. We have proposed to put a pharmacy in Baltimore so we can generate new jobs. I think that's, you know, going above and beyond. We know how much staff it's going to take. We also service other county jails in Maryland, which they will be filling orders for there and generating new jobs.

Within Pennsylvania we're the largest independently owned nursing home provider. We plan on

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servicing nursing homes out of that pharmacy to create more jobs. We have operated satellite pharmacies before. We currently have two institutional pharmacies that we operate in Pennsylvania, for a total of three institutionals. One of which is two hours from Baltimore. Our main location is two hours from Cumberland. So within the first year of the contract we will have the pharmacy in Maryland and we proposed that within our bid.

We, unlike some of the, you know, companies that bid on corrections we have not used lobbyists or attorneys on this. I mean we just, we bid it fair. We put everything, offered everything that they asked for, and went above and beyond. We even offered some of our technology which the department may or may not elect to use at no charge. Which would typically be, from most electronic health record providers, about a \$2.5 million charge on a contract like this. We are offering it at no charge to the department if they want it. And that was clearly mentioned within our bid.

So with our pharmacy that we're putting in Baltimore and prior to it being open we will be

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delivering once a day, seven days a week. And then on the sites that require in the Baltimore area twice a day deliver, we're also providing twice a day delivery there. So we're, you know, we're meeting those requirements.

Another comment, we fill about seven million prescriptions a year. We have never had a lawsuit in our 40-year history. Inmates, you know, are pretty litigious. Some frivolous cases that have been, you know, settled upon. But no successful lawsuits.

That's, you know without getting into more detail about services because I know, you know, the review committee reviewed that and selected us, you know, pretty close to first. But I know our reputation speaks for itself. We'd be committed to servicing the department at the best price and at the best level of service.

GOVERNOR O'MALLEY: Okay.

TREASURER KOPP: Okay, I don't know why I'm speaking so much, but let me just say that I don't, there's nothing which you've said with which I could quibble at all. And I know the Secretary is quite

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confident that as soon as the Board of Contract Appeals makes a decision that it will uphold the decision of the department. And what you have said is very encouraging. And I appreciate it all. It has nothing to do with the question of the competence of your company. It may be that the difference is size and that accounts for the difference in cost. That could well be, that you have the benefits of size. If there is a difference of \$20 million, \$25 million, you can build a lot of jobs in Maryland for that amount of money. I don't disagree with that. You didn't say it, but you could well say that.

But we do have a process that as difficult as it is and as I believe misused as it sometimes is is the process and the law. And I hope you will understand that and know that, speaking for myself only, I'm just trying to do the right thing for the people of the State and see this go through the entire process.

MR. ZILNER: Mm-hmm. Okay. And to your note on the cost, I think most of the cost difference is

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probably the mark up over the drugs. You know, where -  
-

TREASURER KOPP: I just, we have no idea.

MR. ZILNER: You know, some of them are fairly close within vendors. And so it looks like it's probably more of the mark up and the profitability per se.

GOVERNOR O'MALLEY: Do you think more of the difference is on the commodity side?

MR. ZILNER: I believe so, on the difference. Because a lot of the brand name companies will bid pretty close so, you know, you purchase at about the same price less some wholesaler discounts and then some special contracts. But at that volume at that large of a difference at nearly \$24 million I would suspect a lot of it would come from the mark up in profitability. The drugs are fairly close. But, and I know you --

TREASURER KOPP: And they will be --

MR. ZILNER: Yeah, I think it's the ability, too, to manage and get those costs reduced. The, you know, one last point and I know you'll make your decision and decide which way it will go, but we are

prepared if it is awarded that we could start it by the first of the year. And we have done that with the Florida Department of Corrections in the past when we were much smaller, 25,000 inmates. They gave us a little over one business day to start. And we started it without a hitch and kept the contract for the full emergency period. And --

TREASURER KOPP: That's amazing.

GOVERNOR O'MALLEY: Okay. All right. Where does this, anybody else want to speak? What is the back up here, Secretary Foster, about? Did we not receive a letter this morning that said that even if there were extensions that Correct Rx isn't interested in doing the extension anymore?

MS. FOSTER: I think the letter that you received essentially, and certainly they can speak for themselves, but I think the letter basically said that they were willing to continue provided we continued with a six-month extension and we didn't have any requirements in regard to termination within 90 days. They did want to be continued at the same rate of pay that they were receiving under the existing contract.

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They wanted the item to be withdrawn and they wanted this to go to the Board of Contract Appeals. Is that right, Mr. Miedusiewski?

MR. MIEDUSIEWSKI: Essentially. The Correct Rx --

SECRETARY MCDONALD: Can you come to the microphone, please? For the court reporter we need you at the microphone.

MR. ZILNER: Thank you.

MR. MIEDUSIEWSKI: Correct Rx is just asking to be treated as all the other vendors have been treated. To extend us, even though we have been whittled down two or three times with each extension, is to get a six-month extension so that the Board of Contract Appeals can work through this, at the current contract terms that we are operating under today. That's all. And that, and everyone else has never been asked to take a cut. They have just been extended with their --

TREASURER KOPP: Well I don't, so if the Board of Contract Appeals takes more or less time that's irrelevant as far as you're concerned?

MR. MIEDUSIEWSKI: Well I don't know.

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TREASURER KOPP: I don't quite understand where this leaves us. We may have to --

MS. FOSTER: Well the price, the original request that we made of the agency, or of the company, was that they agree to go forward with the price that they had included in their final best and final offer for this procurement. That was a lower price than is existing under their current contract. And that is the price that they indicated they did not want to accept going forward.

MR. MIEDUSIEWSKI: I missed, no, I, whatever our -- oh, there they are.

MS. YANKELLO: I think it's important to note that there's two steps to this. What we said was this. That if the Board of Public Works determined not to go forward under the contract appeal while we are appealing it, then we are willing to stay in place. That's what we said. If you determine that you're going to award it on the face of the appeal then we understand that you selected another vendor and we would not be willing to stay. That really is the essence of what we said. So we want, we wanted it

addressed first at the Board of Contract Appeals, to be able to take it to the Board of Contract Appeals. And during that time we would stay as the pharmacy vendor. So there would be no disruption to pharmacy services.

COMPTROLLER FRANCHOT: Let me ask who, how long, your question is how long is the Board of Contract Appeals?

TREASURER KOPP: Yeah. Right.

MS. YANKELLO: Oh, if they do it expeditiously and we lose? Then at that point then we'll, then Diamond would take over, I guess. I mean we would, I'm not an attorney. I just --

MR. LIVINGSTON: Good afternoon. I'm the author of the letter that I think that Madam Secretary is reading.

MS. FOSTER: Which says the proposed terms of the modification are unacceptable?

MR. LIVINGSTON: Yeah. The terms of the, that were brought out last Friday are unacceptable. We proposed that the Secretary of DBM rescind or withdraw its Agenda item that requested that you award the contract in the face of the bid protests. And second,

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once that occurs we will enter into a contract amendment to extend our current services at the current price for the full six-month complement, comma, unless the Board of Contract Appeals rules against us before that time.

COMPTROLLER FRANCHOT: Is six months adequate for the Board of Contract Appeals to consider this?

MR. LIVINGSTON: You get the same two-word answer I often give as a lawyer. It depends. If the Department of Budget and Management furnishes the documents in discovery promptly then we have a good chance of having that occur.

MS. FOSTER: I would remind you that the Catalyst contract is still going on, so.

SECRETARY MCDONALD: That was in March of '11 that the Board was presented with the state employee prescription contract. And they went right away to MSBCA and we still don't, so at least nine months on the --

MR. LIVINGSTON: And I represent the apparent awardee. We were dying to get awarded the contract in the face of the protests. Your policy as of March

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seemed to be let the process take place so you find out if the award is appropriate. Otherwise, what would happen if it gets awarded and the Board says you were wrong, and it gets rescinded? That's what the Board, that's what happens. So you had a prudent policy, although it was not what my then client wanted. So the same policy would apply here.

Now as to the time it would take to get a hearing, it took DBM a very long time to produce the documents that my opponent, Catalyst, the requester of those documents wanted. Catalyst kept requesting the documents and DBM didn't furnish it promptly and that's why it took so long.

In any event, what I would recommend and I would urge is that the Board of Public Works allow Madam Secretary to withdraw the request for approval to award in the face of the bid protests and then by the end of probably today we can wrap up the extension that would provide that we will provide the same services at the same price for six months unless the Board of Contract Appeals rules against us earlier.

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COMPTROLLER FRANCHOT: I'm happy to move that, but whatever the pleasure of the Board is I think that would at least move the process along.

TREASURER KOPP: So how does that impact the cost? The way he's --

MR. LIVINGSTON: Your costs will stay what they have been, namely with us trying to reduce the costs of the drug spend.

MS. YANKELLO: Madam Treasurer, if I could just say the drug spend would, right now is at acquisition price. And so we have to produce invoices. The same thing that's going on that was requested. And so it would, we would anticipate that the drug spend would remain the same as it is now, and along with our management fee as it was negotiated. So it would just be a continuation of what is happening right now.

MS. FOSTER: That was our original request, to Correct Rx. That they continue -- well, I guess our original request was that they continue --

TREASURER KOPP: At the lower?

MS. FOSTER: -- at the rate that was in their BAFO, which is a lower rate.

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MR. LIVINGSTON: The BAFO rate is lower because we would be able to spread our costs over a fixed five-year period. But they have withdrawn that. And I think the parties are quite close that assuming the Board does not award the contract in the face of the bid protest that we will enter into a modification to call for the same services at the same price and at the same terms and conditions for a period of six months, comma, or earlier if the Board of Contract Appeals rules against us.

TREASURER KOPP: And we don't have access to what difference the BAFO --

MR. LIVINGSTON: We appreciate your --

COMPTROLLER FRANCHOT: I would move that if that was the pleasure of the Treasurer or the Governor, but I'm happy to take more --

MS. FOSTER: Well I think if we're not going to go forward with the contract what the department would like to see is that the contract be extended at the BAFO rate. That is the lower rate and that's what we've asked.

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MS. YANKELLO: There's a real big disconnect that has happened here. And it feels a little awkward because this is my client and we've had a great relationship. And so it feels very awkward. And so I just want to say this. The BAFO rate was based upon the deliverables in the RFP that we didn't get awarded, okay? So the BAFO rate was based on a five-year award on a set of deliverables that is different than what we are currently doing. Not terribly different, but different. And it's not just one extra pharmacist. It's a whole host of very fine details within that 513-page document that we submitted and they requested on the RFP. So it's like cherry picking. It's sort of like saying, okay, we want your rate of what you supply. But we didn't award you the contract. And oh by the way, all we're going to do is subtract out one pharmacist.

Well the BAFO rate was a very different, was developed on a different set of deliverables. And what we're saying is listen, we'll continue at the current deliverables and the current reimbursement. And because you can't like mix and match. You know what

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I'm saying? It's like okay, well we'll take this price but the deliverables are different. An example, do you want an example --

MR. LIVINGSTON: What we're proposing is that we be put in the same position as the other prison healthcare providers, mental, medical, and utilization management. All of whom have had their existing contract, prices, and terms and conditions extended through July 1, or June 30. And that way it, there's a, you can coordinate these services. And I think that's a reasonable way to go rather than carve out the Correct Rx for other lesser treatment.

GOVERNOR O'MALLEY: Did we make those other ones, Madam Secretary, were any of those other ones forced to do their --

MS. FOSTER: I think the circumstances were different --

GOVERNOR O'MALLEY: -- new bid upon prices as they continued? Right, because we sent those to the Board of Contract Appeals.

MS. FOSTER: Right. You sent them to the Board, exactly.

GOVERNOR O'MALLEY: Right. We've now fallen into a little vortex here of sending everything to the Board of Contract Appeals and it delays onset of the new contract by two years.

TREASURER KOPP: No, we haven't actually.

GOVERNOR O'MALLEY: I don't think there's been a time when I've run into is it Dr. Yankello? Dr. Yankello, when I've run into Dr. Yankello and she hasn't asked me to please take a look at this one, get her to somebody that she can talk sense with. I'm not sure that there are procurements that receive more attention from anybody in this organization more so than these big pharmacy contracts.

TREASURER KOPP: Well the big, big contracts like this. And they deserve the most.

GOVERNOR O'MALLEY: Right. But we've now kind of fallen into, maybe they shouldn't even come here until they go through the Board of Contract Appeals if they are over a certain amount and it's for a pharmacy service.

MS. FOSTER: Please, no.

GOVERNOR O'MALLEY: No?

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TREASURER KOPP: Well let me just, they haven't all been sent. Some of them are not complete and some of them we have in the past awarded in the face of contract appeals. But the BAFO was under the new contract. Right? With whatever it --

MS. FOSTER: The best and final offer was made based on the most recent procurement award.

MR. LIVINGSTON: She said award, she didn't mean that.

MS. FOSTER: Best and final offer, Governor, I'm sorry. BAFO is an acronym, best and final offer.

GOVERNOR O'MALLEY: Was based on?

TREASURER KOPP: On the new contract.

MS. FOSTER: It was based on the procurement that --

GOVERNOR O'MALLEY: Yeah, the new one. The one that we're not doing. So what we want them to do is abide by a price and services under a contract we're not doing rather than continuing them on the old one.

TREASURER KOPP: And what they are saying is continue --

GOVERNOR O'MALLEY: On the old one.

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TREASURER KOPP: -- until it's decided?

MR. LIVINGSTON: Yes.

TREASURER KOPP: That's a --

GOVERNOR O'MALLEY: And that's what the other folks did that we had do as well. Right?

MR. LIVINGSTON: Yes.

COMPTROLLER FRANCHOT: Continued on the old one?

MS. FOSTER: Well I would just say that the Catalyst contract, that is one that we did the new BAFO rates for.

GOVERNOR O'MALLEY: The Catalyst we did the new one for? They agreed to do it under their new bid things?

MS. FOSTER: Yes.

GOVERNOR O'MALLEY: Oh, there you go. The law is not always anything but plausibly stated and boldly maintained.

MR. LIVINGSTON: It's possible that there's a disagreement. Since I represented the other party I don't think, but and the Board of Contract Appeals is reviewing it. I'll have their decision any day now,

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and then I think the contract is going to be awarded to the apparent awardee that they liked. We worked side by side with them, to try to have that occur.

GOVERNOR O'MALLEY: So we told Catalyst that we'd continue on if you go with the new prices you've offered us?

MS. FOSTER: We asked them if they would continue with the new prices and they agreed.

MR. LIVINGSTON: Good. And you've asked us and we've said thanks, but no thanks.

GOVERNOR O'MALLEY: Okay. So where does that leave us?

MR. LIVINGSTON: It leaves you with they shouldn't have brought this to the Board unless you had a done deal for you to approve or disapprove. And in about five minutes we can have that done deal.

MS. FOSTER: -- we could do an emergency procurement. But that's another issue.

GOVERNOR O'MALLEY: So what are we, I mean, we can't have people going without their pharmacy.

COMPTROLLER FRANCHOT: I have a --

MS. FOSTER: I would defer to the procurement advisor.

GOVERNOR O'MALLEY: This looks like question time at the House of Commons.

SECRETARY MCDONALD: I need to ask people to use the microphone if they are going to speak.

MR. NATHAN: I'm trying to answer the legal.

SECRETARY MCDONALD: We know, Stuart. But if you could introduce yourself?

MR. NATHAN: I'm Stuart Nathan. I'm Counsel to the Department of Public Safety and Correctional Services. I mean, I think I'll try to fairly state what the options are, I think. One of which is the one that apparently you are not going to go with, which was to award in the face of the bid protest. Alternatively, you can extend the contract at one of the prices that's been mentioned here. And if there's no agreement, and the Board would have to approve that whatever that price is. And the third choice is if nothing is approved here today, January 1st there's going to be an emergency because the inmate pharmacy medications have to be provided and the department will

have to issue an emergency procurement. So I think, if everyone agrees, those are the choices.

COMPTROLLER FRANCHOT: So I would like to move that we extend this for six months, comma whatever it was. And that with all due respect, Catalyst and some of the other contracts I assume were just extended at the current rate. And let's see what the Board of Contract Appeals says. And, you know, everybody wants the same thing which is to get a good contract and get proper care.

MR. LIVINGSTON: Yes. I'm authorized on behalf of Correct Rx to --

COMPTROLLER FRANCHOT: I feel like I'm walking around in circles here.

MR. LIVINGSTON: Right. And on behalf of Correct Rx we will agree to perform the same services for the next six months at the same prices that we've been using, and there will be no emergency. The inmates will be getting their appropriate healthcare between now and June 30.

GOVERNOR O'MALLEY: We're going to have to roll on this now --

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MS. FOSTER: No. I defer to the procurement advisor.

MS. CHILDS: The one thing that, if we do defer and kind of let emergencies take their course the State does lose any kind of negotiating power. Where we are kind of backed into a corner. My thought was perhaps we could do a sort of short term bridge contract and let the two parties maybe calm down a little bit and talk to each other and come up with rates that maybe are satisfactory to both parties. And I, I have to admit I'm a little bit concerned about a six-month period as well because I'm not so sure it will get through the MSBCA process. And then I understand there has to be a transition done at the end of the, the transition between vendors. So if they are, if Correct Rx is not selected then there has to be a transition for a new contractor. So it's not just six months MSBCA decision, there's also a transition period I understand that might be necessary. So my thoughts are perhaps just a short term bridge contract, let the parties go back, figure out what exactly what their needs are, and then work out rates that are

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satisfactory to both parties for that six-month contract, eight-month contract, whatever they need for the MSBCA to play itself out.

MR. LIVINGSTON: Well we heard from Diamond they could take over in one day someplace else, and they said they could take over in nine days here.

COMPTROLLER FRANCHOT: You know, I am a little upset at this, Governor.

GOVERNOR O'MALLEY: Well why don't we --

COMPTROLLER FRANCHOT: Because I just sense a lot of hostility. And like, you know, people being upset. We're not trying to make people upset. We just want to send it to the Board of Contract Appeals, have something that's acceptable to these folks, and let's move on. I mean, this is not a great federal case. It's simply a Maryland company that's going to lay off 43 people on Christmas Day if they don't feel like they can get their day in court. So let's give them their day in court and then revisit it, I guess, based on what the Board of Contract Appeals says. But it's not -- I'll stop there.

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GOVERNOR O'MALLEY: All right. Well look, we could be here all day. And Diamond says they could do it tomorrow? Hm? And yet we have the Treasurer and the Comptroller are of the mind that we should send it to the Board of Contract Appeals.

MS. FOSTER: The request that we originally made was to award in the face of the --

GOVERNOR O'MALLEY: And I'd be inclined to go along with that, too. And then the question becomes do we do an emergency for this interim period? Do we continue them on their old terms? Because we've asked them if they would do the new terms, and Dr. Yankello told us that it's way, way, way too complicated to possibly do it on the new terms that they agreed to do if they were to win the bid. So we have to go back and do it on the old terms if we are going to continue them. I, on the face of that, I think it's somewhat unreasonable. But I don't know your business. And I think what we should do is continue it on the old terms, because I'm guessing that between the shift and the puts and the takes and the emergency we would probably end up paying a lot more for a five-month

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period of time than we would if we continued with Dr. Yankello's current rates.

And so I don't know exactly where the miscommunication is going on here. I don't think that I've been more accommodating of and facilitated more entrees for proper communication in anticipation of a contract as I have on this one. Maybe a few others. But somehow you all keep talking past each other. And, or maybe you don't. And maybe the anticipation is there's just more to be made in a six-month delay. I don't know. But that's why we have a Board of Contract Appeals.

It seems to be the will of this Board, given what we're not able to see about the ins and outs of this at this Board, Madam Advisor, that the course of action should go to the Board of Contract Appeals. And from the nod to the scent about the additional dollars and the disruption I think we need to continue the contract as it has been. Not putting, I would respectfully suggest, not putting a definitive six-month time period on it. Perhaps it will get done more quickly.

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So does that sound like that the satisfying solution for a kind of messed up process? Let's, so what is that, do we have anything before us that we can even vote on, though?

SECRETARY MCDONALD: Well you do have Item 11 which is the request to award in the face of the protest so I think you all --

TREASURER KOPP: That's not an issue. But the second --

SECRETARY MCDONALD: Well no, but she, did you withdraw it? I'm sorry. I mean, the item is there. She can withdraw Item 11 or the Board can vote to defer or disapprove. But we have Item 11 on the Agenda.

TREASURER KOPP: Yeah --

GOVERNOR O'MALLEY: Well, look, why don't we defer.

SECRETARY MCDONALD: Because she, okay, I just wanted to make sure --

GOVERNOR O'MALLEY: Let's move to defer Item 11 pending the resolution at the Board of Contract Appeals. That motion is made by the Comptroller,

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seconded by the Treasurer. All in favor signal by saying, "Aye."

THE BOARD: Aye.

GOVERNOR O'MALLEY: Any nays?

(No response.)

GOVERNOR O'MALLEY: And now we're on Item 12.

SECRETARY MCDONALD: Item 12, which was the six-month but it was not the way you all were talking about six months. So I would suggest that that be withdrawn, or defer that one --

GOVERNOR O'MALLEY: Why don't we defer that? If you could withdraw that one and put it on the Board for the next time. Are we going to be back here again before this contract lapses?

MS. FOSTER: No. But we can make it retroactive --

SECRETARY MCDONALD: They can make --

GOVERNOR O'MALLEY: You can do retroactive? You won't kill us for making you go retroactive?

COMPTROLLER FRANCHOT: I'll take my medicine.

GOVERNOR O'MALLEY: All right. So Item 12 is then --

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SECRETARY MCDONALD: Withdrawn.

MS. FOSTER: Withdrawn.

GOVERNOR O'MALLEY: -- is withdrawn. And that concludes our Agenda items for the Board of Public Works for this day December 21st. Have a Happy --

TREASURER KOPP: Merry Christmas.

SECRETARY MCDONALD: Merry Christmas.

GOVERNOR O'MALLEY: Merry Christmas. Happy Hanukkah.

(Whereupon, at 1:48 p.m., the meeting was concluded.)