
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
GOVERNOR'S RECEPTION ROOM, SECOND FLOOR, STATE HOUSE
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PRESENT

HONORABLE LARRY HOGAN

Governor

HONORABLE NANCY KOPP

Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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DAVID BRINKLEY

Secretary, Department of Budget and Management

JIM PORTS

Deputy Secretary, Department of Transportation

JEANNIE HADDAWAY-RICCIO

Secretary, Department of Natural Resources

MICHAEL LEAHY

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PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone.

ALL: Good morning, Governor.

GOVERNOR HOGAN: Welcome to the Board of Public Works.

First of all, I want to, I'm looking straight ahead here at this beautiful portrait of Governor Parris Glendening and then I look right straight down from there and I see the real Governor Parris Glendening. So I want to welcome him --

(Laughter.)

(Applause.)

GOVERNOR HOGAN: Thank you so much for coming up this morning. We're going to talk about him a little bit later. But I just wanted to welcome you.

I'm going to talk about a couple of things before we get started. Forty-four years ago, 12-year-old Sheila Lyon and her ten-year-old sister Kate disappeared from an outing to Wheaton Plaza for pizza and Easter shopping. And despite a relentless search, tragically Sheila and Kate were never seen again. Their disappearance not only shocked Montgomery County, it horrified the entire capital region and people across the country, that in an instant these two beautiful young girls could be taken and never seen again.

For more than four decades, their disappearance went unsolved as new investigators kept taking up the case and came up empty. And that is until 2013, when a new group of cold case detectives stumbled across an overlooked case file which led them to a suspect. And through a game of cat and mouse interrogation, they started sifting fact from fiction and these incredible, intrepid detectives cracked the case and brought Sheila and Kate's killer to justice. And joining us this morning from the Montgomery County Police Department's Cold Case Division are two of the detectives who solved that case, Dave Davis and Chris Homrock, along with Montgomery County State's Attorney John McCarthy, who successfully prosecuted the case. So please join me on behalf of a grateful State in thanking them for their tireless pursuit of justice for Sheila and Kate and their parents.

(Applause.)

GOVERNOR HOGAN: Come on over here, guys. We're going to get this picture with the whole Board. Let me get one of you on each side of me here, and then bring the rest of the team in with the Board, John. Come on in here. Right next to Nancy, come on. Come on, some of you guys on this side. Thank you very much.

TREASURER KOPP: Governor, could I just say as someone who lived in Montgomery County in 1975, I would just say it's as though it were

yesterday. You talk to people about it. They know. It's important. And it's like it's created a family countywide, I just want to say on behalf of all of us.

GOVERNOR HOGAN: Absolutely. You've got to hold up your --

(Laughter.)

GOVERNOR HOGAN: How about another big round of applause?

(Applause.)

TREASURER KOPP: And Governor also, just to add, the Lyon family, Mr. and Mrs. Lyon, who talked the county through the whole thing and were --

MR. MCCARTHY: May I say --

GOVERNOR HOGAN: The State's Attorney is going to say a couple of words here.

MR. MCCARTHY: I want to tell you the work done by the men and women of the Cold Case Unit that worked this case was really extraordinary. I was teaching high school on March 26, 1975, you know, a sixth or seventh period history class --

GOVERNOR HOGAN: He looks pretty young. I was in high school --

(Laughter.)

MR. MCCARTHY: -- and as Ms. Kopp said, I will tell you things changed overnight in that community and they have actually never been the same.

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And we lost the innocence and these beautiful, beautiful children. John and Mary Lyon have remained in their same home in that same community, really hoping for, and I will tell you this is one of the just sad things for me, is we met with them all the time, often, as the years went by. And when this new cold case effort started, I will tell you Mary wanted to know what happened to her babies before she passed on. And I will tell you what we found out in the course of this was so unspeakable in many ways it really -- the work is unbelievable and the hours that went in by the men and women who worked on this case are literally countless hours. I'll tell you, Dave, I don't know, what is it? A hundred hours of interviews with the suspect in the case at least? The man was a psychopath. It was really a study in the psychology of how you do an investigation when you're dealing with a person like the killer in this particular case. But again, this is some of the finest work ever done I think in Montgomery County. And I will tell you something that everybody, and Ms. Kopp already said it, everyone owes a debt of gratitude in Montgomery County to these men and women who were just extraordinary in their efforts. And I just, Governor, thank you for letting me speak today.

GOVERNOR HOGAN: Thank you for your great work --

(Applause.)

GOVERNOR HOGAN: And while Chief Hamill and his team, some of the Montgomery County Police Department, are here, I want to also take

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a moment to again express my deepest condolences to the family of Montgomery County Police Officer Kyle Olinger, who passed away last week as a result of injuries sustained in the line of duty. And our thoughts and prayers are with his family and loved ones. We have the flag lowered on the State House here today in his honor.

And lastly, I want to again express my deepest condolences to our Secretary of Budget and Management, who lost his son tragically. We're so sorry, and you're going to continue to be in our prayers and our thoughts. Thank you.

With that, I'm going to turn it over to my colleagues for any opening comments. Madam Treasurer?

TREASURER KOPP: I just want to reiterate what the Governor said about the Lyon family, John and Mary Lyon, who really stood as great examples for many of us who then were just starting families, bringing up families, what could happen and how noble people react.

And talking about that, Governor, I just want to say one last sad note, the passing of Mike Busch. A man who I think was -- people are saying he's the longest serving Speaker and that's very significant. He's also one of the very best Speakers, who accomplished so much and led many of us as a leader in the House of Delegates. I thought your words, eulogy, at that funeral were just --

GOVERNOR HOGAN: Thank you.

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TREASURER KOPP: -- very strong, very good, very touching.
And I appreciate it.

GOVERNOR HOGAN: Thank you. He certainly deserved it.
Thank you. Mr. Comptroller?

COMPTROLLER FRANCHOT: Yes. Thank you, Governor,
Madam Treasurer. As everyone I hope knows by now, the filing day for the tax
season is finally passed. It's over. At the last minute one of my neighbors --

TREASURER KOPP: We did it.

COMPTROLLER FRANCHOT: Yeah. Actually we made it. And
but I was amused because on the evening of the Tax Day, one of my neighbors on
Sycamore Avenue hand delivered his return --

(Laughter.)

COMPTROLLER FRANCHOT: -- you know, U.S. Postal Service.
We got it down. And I'd like to report that we had a successful and highly
efficient season. We're focusing now on processing the tax returns that we have
received. My senior staff are helping out all of our revenue processing
employees. Ninety-two or -three percent of all returns were filed electronically so
we don't have the old mountains of mail that we had when I was first elected
years ago. But we're still opening thousands of envelopes that are containing
Marylanders' tax returns. We're trying, those last minute filers tend to owe us,

owe the State money. But those that are owed a refund, we're trying to get them out quickly.

We have processed to date more than 2.7 million tax returns. We have disbursed more than 1.7 million tax refunds in less than three business days. I don't know of any other state that is even close to us as far as the average, the actual average is 2.1 business days, upon getting the return in our system and putting your money back in your bank account.

So I'm extraordinarily proud of the level of commitment and hard work of our employees. It's because of their efforts that we are recognized around the country for the efficiency and the customer service. We remain on high alert for potential causes of, cases of tax fraud, which unfortunately is endemic, along with identity theft, all around the country. There's nothing special about Maryland. We just try to keep our elbows up and defend both our Treasury but also our citizens from fraudulent tax returns. To date, this year there have been 7,000 filed. We have them all off in a big pile. Just if anybody wants to look at them, they are welcome to come in. It's, they are all fraudulent. They all are almost down to a penny accurate descriptions of people, real people in Maryland. And somehow they got hold of their W-2 information. And but we have certain other filters that we put them through. And I'm happy to report that that \$10 million in fraudulent refund requests was not paid by the State. That's on top of more than 100,000 other fraudulent returns over the last few years and

\$204 million worth of fraudulent refunds that were blocked by my fraud detection unit.

Our commitment to processing taxpayers' refunds in a timely and efficient manner, and the other thing we pride ourselves on is answering the telephone. And now if you call the 800-MDTAXES number you are pretty much guaranteed within a minute or two of getting a friendly, professional employee at the office and that's something that I know the Governor and the Treasurer appreciate because it's not easy to do. We have remote call centers all over the State staffed by really highly trained people who field those calls.

And I'm not allowed to mention the Legislature. We had a little bit of a rough session. That's okay. It was one of those things. And it's all in the past. And I see my comments down here -- I think I'll skip them. How's that? Because I'm in a very good mood --

GOVERNOR HOGAN: Thank you.

(Laughter.)

COMPTROLLER FRANCHOT: So I'd like to just conclude by thanking my indispensable Deputy Comptroller Sharonne Bonardi, unbelievably talented Deputy Comptroller who keeps the trains running on time. She was recently selected for the second time as one of the 100 top women by the Baltimore press and I'm very, very proud of her. And then of course my outstanding Chief of Staff Len Foxwell. Both he and Sharonne give the agency

steady, strong leadership and they share my commitment that there's no Democratic or Republican taxpayer out there. They are just Marylanders. And our whole job is to serve the people. Thank you, Governor.

GOVERNOR HOGAN: Thank you, Mr. Comptroller. Now we'll move on with the Secretary's Agenda.

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. May I just take a moment and tell you how meaningful that is that you recognized the Montgomery County Cold Case Squad. I was 16 years old and I had pigtails and wire glasses and I was three years older than another girl named Sheila. And I have followed that for 44 years. And there are so many people you bond with just because you say, what happened to the Lyon sisters? My only regret is that Hannah White is not here but I know she knows. So anyway, thank you. That was so meaningful to me.

And now, getting on with business, we have 19 items on the Secretary's Agenda, and two reports of emergency procurements.

GOVERNOR HOGAN: Great. I'd just to take a moment to highlight Item 17. I'm really pleased that once again the Commission on State Debt has been able to hold the line on the State property tax rate. You know, we, our administration will remain committed to fiscal responsibility and prudent capital spending. We have now put an end to the raiding of billions of dollars from the Transportation Trust Fund, the Chesapeake Bay Restoration Fund, the

Atlantic and Coastal Bays Trust Fund, from Program Open Space, and the practice of backfilling them with additional debt in order to spend more money on other things that those funds were not intended for. So we're going to continue our vigilance to keep Maryland's fiscal house in order. And I just want to take a moment to thank all the members of the Commission, my colleagues here, Treasurer Kopp and Comptroller Franchot, as well as Budget Secretary David Brinkley, Transportation Secretary Pete Rahn, and the Director of the State Department of Assessment and Taxation Mr. Michael Higgs.

And in addition to holding the line on the property tax, we have worked hard in a bipartisan way to pass five consecutive budgets without a single tax increase. And through a lot of hard work, we've been able to provide \$1.2 billion in tax, toll, and fee relief, putting money back into the pockets of struggling Maryland families and retirees and small businesses, and back into our growing economy. And I just want to thank everybody for their efforts to help make that happen.

Any other comments or questions on --

TREASURER KOPP: Governor, could I just point out the staff of the --

GOVERNOR HOGAN: Thank you for saying that.

TREASURER KOPP: -- yes.

GOVERNOR HOGAN: The staff deserves most of the credit.

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TREASURER KOPP: Christian Lund, who put everything together for a unanimous Commission, that made a unanimous recommendation --

GOVERNOR HOGAN: Christian, how about a big round of applause --

(Applause.)

GOVERNOR HOGAN: Thank you very much.

COMPTROLLER FRANCHOT: If I could just add, and thank you Madam Treasurer for being the Chair of the Commission, the Capital Debt Affordability Commission, which is an important body. And we have legislative observers there. And I just want to echo what the Governor said, which is I think raising the State property tax rate would unnecessarily project uncertainty and instability into the lives of hardworking homeowners, especially with an economic downturn potentially on the horizon. I can eliminate the word potentially. There is going to be an economic downturn, because one always happens. And we need to be fully prepared.

So in the past legislative session, a property tax increase was among the list of recommendations submitted by the Department of Legislative Services. I understand that it was just a recommendation. But I was in the Legislature for 20 years. And when something like that pops up on an opportunity list, it often becomes reality. So I am very pleased that legislators found another avenue to balance the budget. And as our State prepares to wade

into the uncertain economic waters and with fiscal challenges awaiting us over the next few years, I would urge my colleagues to resist the temptation to raise taxes and fees on working families and small businesses. To be quite blunt, this has never been a revenue problem we have but rather it has been a spending problem of our own making with the mindset of buy it now and we'll figure out a way to pay for it later. Believe me, I was there for 20 years. I don't have clean hands. We did this. And it's a mistake from a fiscal standpoint, particularly when you have what everybody claims is a downturn inevitably on the horizon.

So just like many Marylanders across our State who are foregoing the things they want in order to pay for the things they need, their elected representatives who are entrusted with their hard-earned tax dollars should embrace the same mindset. It's not a Republican or Democratic philosophy. It's not conservative or liberal. It's about being responsible stewards of the taxpayers' dime. Because I believe that we as a society cannot be socially responsible if we're not fiscally responsible.

And Governor, let me end with a thought on public school construction, since property tax revenue serves as a critical source of funding for school capital projects. All homeowners in this State pay property taxes, some more, some less, depending on where they live. But not all communities have schools that are safe and healthy environments that allow our children to achieve their full academic potential. I'm talking about schools, particularly ones that I've

noted in the past up in Baltimore County, Lansdowne High School and Dulaney High School. We're all familiar with the structural and unsafe conditions at these schools and the Dulaney High School community, for those of you that haven't visited the school, after years of advocacy and pleading with their elected leaders, are still stuck with a crumbling school with no plan at all on the horizon.

I've visited Dulaney numerous times over the years. I know the Governor has been there. I believe perhaps the Treasurer has been there. It gets worse every time I visit. Honestly, it's almost uninhabitable. It's glaringly apparent and quite unfortunate that in some parts of our State certain communities benefit from immaculate school buildings while others are left with unsafe and unhealthy schools. I would certainly hope in the years ahead, State and local leaders can work together to address the unacceptable classroom conditions that thousands of students are forced to cope with day and day out while attempting to learn.

Homeowners who are subjected to property taxes should expect their jurisdictions to address these deteriorating schools that impede on the academic success of our children. And the longer we wait to address these problems the greater the challenges will be in the years ahead. So Governor, thank you for your support and leadership as far as the State property tax rate. I think that's absolutely the right situation here. And I'm disappointed to see some of the county leaders come forward and say this is a State problem. This is a

situation that our local jurisdictions need to take responsibility for and Dulaney High School needs to be put on the at least planning platform for a brand new school. Thank you. Sorry to --

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: Governor, could I just say in addition -- thank you. I appreciate what you said, Comptroller. Paul Meritt is your appointee on the Commission on State Debt --

GOVERNOR HOGAN: He is.

TREASURER KOPP: -- and a very fine member whom we neglected to --

GOVERNOR HOGAN: And we want to thank Paul for his service as well.

TREASURER KOPP: Yes.

GOVERNOR HOGAN: Thank you for saying that as well. She's thanking everybody I forgot to thank. I appreciate that.

(Laughter.)

TREASURER KOPP: Lists are very difficult when you start.

GOVERNOR HOGAN: Well thank you very much.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Any other questions on the Secretary's Agenda? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Second? Three-nothing.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: We're going to move on to the Department of Natural Resources and I want to say something about this but I don't want to steal the Secretary's thunder. But I, go ahead, Madam Secretary.

MS. HADDAWAY-RICCIO: Thank you, sir. And good morning, Governor, Madam Treasurer, and Mr. Comptroller. For the record, Jeannie Haddaway-Riccio, Secretary of the Department of Natural Resources. We have 16 items on our Real Property Agenda today, including five Rural Legacy Projects that total 795 acres. And with your approval of these items, we will officially reach our 100,000th acre protected under this great State program.

GOVERNOR HOGAN: Under the Glendening Rural Legacy Program.

MS. HADDAWAY-RICCIO: Yes.

GOVERNOR HOGAN: Hence the visit from Governor Glendening.

(Laughter.)

MS. HADDAWAY-RICCIO: So your approval will also be very timely because this is the year that marks the 20th Anniversary of the Rural

Legacy Program, the first acquisition. So Governor Hogan, I'd like to thank you for your leadership. Through full funding in your budget, we have been able to invest over \$55 million to date in Rural Legacy. And I also want to thank the Comptroller and the Treasurer for their support over the years of this program. And as the Governor said, we would be remiss if we didn't recognize Governor Glendening, who really had the vision for this and championed this program. And we're so glad that you're here today with us to mark the anniversary and this milestone achievement. So --

GOVERNOR HOGAN: I think we really owe the debt of gratitude to the vision and the leadership and the stewardship of the land and the natural resources. Governor Glendening was way ahead of his time. This was his vision. We were happy to fully fund it and continue it. But he deserves a tremendous amount of credit, these two milestones -- 20 years and 100,000th acre. So let's give him a huge round of applause.

(Applause.)

GOVERNOR HOGAN: Would you care to say a few words before we bring these folks up to present them with -- we're going to do a photo, I think, with some of the awardees with you. But --

GOVERNOR GLENDENING: As unaccustomed as I am to public speaking --

(Laughter.)

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GOVERNOR GLENDENING: -- I would like to add a word here. I also might say, one of my ambitions somewhere along the line was never, ever to return to a BPW meeting.

(Laughter.)

GOVERNOR HOGAN: That's one of the things I aspire to.

(Laughter.)

GOVERNOR GLENDENING: But I'm glad I did. Let me, just a couple of very quick comments. First of all, in addition to the sad passing of the Speaker, we also lost just very recently Harry Hughes and Senator Hughes. And I will tell you that this program and so much that many of us did in the environmental area, we were really standing on Governor Hughes' shoulder. He made protection of the Bay and the environment part of the political culture of Maryland and it was a lot easier for us to do things because of that.

I will also tell you that that link went right on through it. We passed with the help of the Legislature the Rural Legacy Program. He was one of the first ones to touch base with me and started talking about the agriculture security corridor. In all candor I wasn't certain what he was talking about at the time. It sounded to me like almost today's language of homeland defense or something of this type. But when we went through and we toured those areas and saw what was going to be protected on the Upper and Middle Eastern Shore, and to realize now the extent that that has been done, that is really phenomenal. And I

was looking over the, from the website, the list of the 100,000 acres, where they are, and I thought of when I was County Executive of Prince George's County how we were trying to protect the Patuxent River. And now there's 34,000 acres in several different programs there on the Patuxent River, and the same down in Charles County, the Zekiah Swamp and elsewhere. And then when I look over at the Eastern Shore and those very, very endangered wetlands and areas there, and then for Montgomery County, the mid-agriculture security areas and all as well. So it's been phenomenal and it has impacted the entire State.

Two last thoughts. One is, this really is an example of people working together. This has been funded and continued and supported through administrations, both parties. And it is something that Marylanders ought to be very proud of, that unlike so many states where things are torn apart the second there's a change in administration or whatever, this has continued. Governor, I certainly appreciate your help on that and the tremendous success.

Having said that, one I don't mean to say down but word of caution, as you and I have talked, climate change is real, it's very real. And it's getting worse, considerably worse. We will not be able to build enough stormwater pipes. We will not be able to build enough walls around the Naval Academy, and things like this. And so much of it, what has to be done, is about the greening of stormwater management, including the protection of the wetlands and the forestlands and the areas like this.

Madam Secretary, in many ways our future of fighting the most adverse effects of climate change is as much in your department as any. Because I had a long conversation with County Executive Ball and he's trying to go through what to do about Ellicott City and the flooding there. And I told him, they can build the river as wide as they want, they can add as many pipes as they want. But as long as we keep losing the forest up creek, and rain bursts continue, they are not going to be able to build anything big enough. And he understands and gets that.

I don't mean to go on and be too philosophical, but I want to tell you good job everyone. And especially the staff that, as -- Larry, I hate to tell you this, but Governors come and go. Staff is forever. And they have adopted this and made it successful. And so thank you all as well.

GOVERNOR HOGAN: Thank you so much, Governor.

(Applause.)

GOVERNOR HOGAN: And now before we move to the rest of the Agenda, I'd like to invite up all of the Rural Legacy Grant awardees, with the Governor, for a photo opportunity with us, if you don't mind, I want to call them up. I know we've got a bunch of them here with us today. That's assuming we're all going to vote for it, I guess.

(Laughter.)

GOVERNOR HOGAN: Congratulations. Governor, come on in here. Congratulations.

TREASURER KOPP: Yes. Could I just add, on top of all these wonderful people and our great Governor Glendening, the former Speaker of the House Cas Taylor from Western Maryland was a great proponent and one of the original sponsors of Rural Legacy, being a person from rural Maryland.

GOVERNOR HOGAN: We just had a few folks from Western Maryland that were up here in the beginning. So thank you for mentioning Cas Taylor.

Madam Secretary, I think we have a number of other items. How many? We kind of jumped in there in the middle. How many items on the Agenda?

MS. HADDAWAY-RICCIO: Sixteen total, sir.

GOVERNOR HOGAN: Are there any, you know, other questions on the Agenda? I want to first of all, Madam Secretary, just for the record state I'm going to recuse myself from Item 16.

SECRETARY MCDONALD: Item 16? Okay, noted.

GOVERNOR HOGAN: Are there any other questions on the Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

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TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing on DNR. Next up, Department of Budget and Management.

MR. BRINKLEY: Thank you, Governor. Good morning, Governor, Mr. Comptroller, Madam Treasurer. I'm David Brinkley, the Secretary of the Department of Budget and Management. Before I go on, let me take a personal moment to thank you, thank the Comptroller, the Lieutenant Governor, for coming to my son's memorial. The Treasurer reached out early on. And I want to particularly acknowledge it because we also had a State funeral the day before and everybody's schedules, I saw many people in the cabinet there. And I just, my family is incredibly honored that you all were able to make that time to honor him and the issue. He battled addiction for nine years. We're still awaiting the toxicology results and everything else. But Governor, I want to acknowledge the fact that you were the first executive to step out and declare it as an emergency for what it is. And I guess there is not one family in this country that's not in one way, shape, or form affected by that. And the acknowledgement of that is going to be the first thing that we have to move forward on that. So I want to thank you.

GOVERNOR HOGAN: Well, God bless you, Mr. Secretary.

MR. BRINKLEY: The department has one supplemental item for today's Agenda. Thank you.

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GOVERNOR HOGAN: Any questions on DBM? Motion?
Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Thank you, Mr. Secretary. We're going to move on to the University System.

MR. EVANS: Good morning. Joe Evans, representing the University System of Maryland. We have six items on the Agenda. We're here to answer any questions.

GOVERNOR HOGAN: Questions on the University System?

COMPTROLLER FRANCHOT: Yes. Item 2, if I could.

MR. EVANS: Yes, sir.

COMPTROLLER FRANCHOT: So this is a request from the University of Maryland Eastern Shore to exercise the first of five renewal options on a contract with Thompson Hospitality Services for campus dining services. If approved, the cost of this renewed option comes out to almost \$6.5 million. Back in 2014, when this Board initially approved this contract, I raised some concerns about the rationale to privatize campus dining services. This appears to be a trend across the State with universities as they seek to offer more varieties and brands of food offerings to their students. I can understand their rationale and the incentive. But another trend that is not so positive perhaps is that these campus dining contracts have monetary gifts in them, literally that is the term used,

monetary gifts that vendors are giving to the universities. And those gifts don't seem to have any correlation with the services outlined in the contract. Back then I called them sweeteners. In this particular contract renewal before us, Thompson Hospitality Services is pledging \$100,000 unrestricted gift to the university if this contract is renewed today.

So I raised similar concerns back in 2013 with a contract for Towson University's dining services, where their vendor pledged a \$1 million continuity payment as well as a \$50,000 annual capital campaign gift if their contract was approved. I'm not suggesting there are any improprieties. But optically it doesn't look very good. And I find the practice of adding sweeteners to a contract unusual. And hope that you can take the word back to the University System that these should not be included in these contracts because they just give off a -- it makes people feel weird about voting for something where you do this and I'll pay you this. It's certainly my hope that bids are judged by their ability to meet the requirements of the contract, not by how big the gift to the university is.

I have a separate concern about language in this particular contract and the contract immediately preceding it on this Agenda for Frostburg State requiring the State to pay these vendors millions of dollars if this Board does not approve contract renewals. You know, please, take back to your member institutions that these provisions of private vendor contributions, the State's commitment to repay them should end with the first part of the contract. We're

facing now with if you don't vote for this renewal, Mr. Comptroller, the university is going to owe millions of dollars in payments that we have to pay in order not to renew the contract. So that has the same optic problem of, you know, quid pro quo, you do this, I'll do that. And if you could take back the word that I'm much more interested in renewing the contract based around the vendor doing a good job, not on the vendor holding a payment over our heads.

So if the food is lousy and the kids don't like it, please use that as a barometer rather than whether or not we have to pay them back money that they have amortized over not just the five years of the contract, but the ten years of the contract plus the renewals. So if you could possibly respectfully ask the Board of Regents to examine these two practices and make sure that capital improvements don't include these sweeteners, I would be grateful.

MR. EVANS: I'll take it back to USM and convey the message, sir.

GOVERNOR HOGAN: Yeah. Mr. Evans, I would agree that this is something, you need to go back to the Chancellor and to the Board of Regents and have them look into these practices because we don't want to see these kind of contracts come before us again. Any other questions?

TREASURER KOPP: No. I would, I think that's fine. I'd like to get a response from the University about the question, for instance, of the amortization provisions. I'm sure there's a rationale.

MR. EVANS: There's a rationale.

TREASURER KOPP: But when you all submit your items, in the descriptions if you don't include the stuff in the items, we won't know that.

MR. EVANS: And I'm not for sure if the initial item that came down had the amortization information in it.

GOVERNOR HOGAN: Yeah, I don't think it did.

MR. EVANS: But --

TREASURER KOPP: I don't recall and I have no idea, but this one doesn't and this is the one we're voting on. So I mean, those sorts of questions that really, Joe, you know are going to come up because they came up last time.

GOVERNOR HOGAN: I think we're going to need a response in writing from the University System to address these issues that the Comptroller has raised. I don't think he's suggesting that we're going to reject these --

COMPTROLLER FRANCHOT: No.

GOVERNOR HOGAN: -- items today and hold things up. But he raises very legitimate concerns. And since we are making these final decisions, we need to have that information. And if there is an explanation, we ought to have the explanation before we make these decisions.

MR. EVANS: Yes, sir.

GOVERNOR HOGAN: Any other questions?

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TREASURER KOPP: No.

GOVERNOR HOGAN: Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. Thank you.

MR. EVANS: Thank you.

GOVERNOR HOGAN: Next up, Department of Information Technology.

MR. LEAHY: Good morning, Governor, Madam Treasurer, Mr. Comptroller. I am Mike Leahy, the Secretary of the Department of Information Technology. Today we have five items on the Agenda and ten task orders. We are withdrawing Item 3-IT-MOD and also withdrawing Task Order 1 from the CATS+ contract for MDOT State Highway Administration and Item 4 for the CATS+ second revision I will read into the record now.

The Department of Human Services is obtaining 18 contractor staff with advanced technical skills in network engineering design, deployment, and daily network operations support.

Lastly, I do have representatives available to answer any questions.

GOVERNOR HOGAN: Any questions on DoIT?

TREASURER KOPP: I just, I'm sorry, I apologize. Could you run through again which one of the task orders --

MR. LEAHY: Certainly. I've withdrawn --

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TREASURER KOPP: Oh. That's what that piece of paper -- got it.

MR. LEAHY: Three.

SECRETARY MCDONALD: But this is what he just read.

MR. LEAHY: One of them. And the second one is the revision. Yes.

TREASURER KOPP: Okay. I'm sorry.

MR. LEAHY: Not at all. Thank you.

TREASURER KOPP: Thank you very much.

GOVERNOR HOGAN: Is there a motion on DoIT?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing.

MR. LEAHY: Thank you.

GOVERNOR HOGAN: Thank you. We'll move on to the Department of Transportation, Deputy Secretary Ports.

MR. PORTS: Good morning, Madam Treasurer, Mr. Comptroller, Governor. For the record, my name is Jim Ports, Deputy Secretary for the Maryland Department of Transportation. The Maryland Department of Transportation has 25 items that we're presenting today. I'll be happy to answer any questions you may have.

GOVERNOR HOGAN: Any questions on Transportation? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing on Transportation. Secretary Churchill, Department of General Services?

MR. CHURCHILL: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Ellington Churchill, Secretary for the Department of General Services. The department has 28 items on our Agenda, including one supplemental. We are withdrawing Item 14 and we have folks available to answer any questions you may have.

GOVERNOR HOGAN: Any questions on DGS?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Could I just add that all these projects in all these districts have the strong support of the people who live there. I apologize. We were contacted by a number of fine representatives, outstanding representatives. Thank you. DGS 11 and 22, most particularly. The folks who represent the people who live there just wanted to draw our attention to their support.

GOVERNOR HOGAN: Good. Thank you.

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TREASURER KOPP: And Governor, I've kept this for a long time. Maybe you would like to have it?

COMPTROLLER FRANCHOT: What is it?

TREASURER KOPP: It's a baseball. It's a 24-year old --

GOVERNOR HOGAN: This is a very handsome picture of Delegate James Ports.

(Laughter.)

GOVERNOR HOGAN: It's a baseball card from the 1995 General Assembly.

MR. PORTS: Batter up.

(Laughter.)

GOVERNOR HOGAN: That is a collector's item, right there.

MR. CHURCHILL: Better get that signed.

GOVERNOR HOGAN: Thank you very much. Is this really mine?

TREASURER KOPP: It's really yours, sir.

GOVERNOR HOGAN: I'll cherish --

TREASURER KOPP: I would give it to him but --

GOVERNOR HOGAN: I'll cherish this always.

MR. PORTS: I'm going to now look for Nancy's and Peter's.

(Laughter.)

GOVERNOR HOGAN: All right. Well that -- do we have a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? So three-nothing. Thank you very much. That concludes the Board of Public Works.

SECRETARY MCDONALD: Thank you, Governor.

(Whereupon, at 10:49 a.m., the meeting was concluded.)