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

January 2, 2019
10:05 a.m.

PRESENT

HONORABLE LARRY HOGAN

Governor

HONORABLE NANCY KOPP

Treasurer

HONORABLE PETER FRANCHOT

Comptroller

SHEILA C. MCDONALD

Secretary, Board of Public Works

NELSON REICHART

Deputy Secretary, Department of General Services

DAVID BRINKLEY

Secretary, Department of Budget and Management

JIM PORTS

Deputy Secretary, Department of Transportation

JOANNE THROWE

Deputy Secretary, Department of Natural Resources

MICHAEL LEAHY

Secretary, Department of Information Technology

JIMMY RHEE

Special Secretary

Office of Small, Minority and Women Business Affairs

MISSY HODGES

Recording Secretary, Board of Public Works

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

CONTENTS

Subject	Agenda	Witness	Page
Final Action to Adopt, with Non-Substantive Changes, New and Amended COMAR Title 21, State Procurement Regulations	SEC 2, p. 2	Sheila McDonald Gabe Gnall David Bohannon	11
Proposal of New Regulations and Amendments to COMAR Title 21, State Procurement Regulations	SEC 3, p. 5	Sheila McDonald Gabe Gnall David Bohannon	11
Approval of New Grant and Loan Funding to Washington Suburban Sanitary Commission for the Piscataway Wastewater Treatment Plant Bio-Energy Project	SEC 6, p. 10	Sheila McDonald Ben Grumbles	21
DNR Agenda	DNR	Joanne Throwe	23
DBM Agenda	DBM	David Brinkley	23
DoIT Agenda	DoIT	Mike Leahy	24
DOT Agenda	DOT	Jim Ports	24
Grant to Channel Marker, Inc.	DGS 15-CGL, p. 88	Nelson Reichart	25

Approve an Easement to Install a Natural Gas Transmission Pipeline Under the Western Maryland Rail Trail	DGS 17-RP, p. 90	Nelson Reichart	28
---	---------------------	-----------------	----

PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone. Happy New Year.

ALL: Happy New Year.

GOVERNOR HOGAN: Welcome to the very first Board of Public Works meeting of 2019. I hope everybody had an enjoyable holiday. I can tell you we're all very excited and ready to get back to work here in the New Year.

I want to begin by first of all congratulating all of our agencies on achieving a 69 percent reduction in the number of single bid contracts brought before this body over the last four years.

(Applause.)

GOVERNOR HOGAN: We had in 2014, the previous Board of Public Works had 71 single bid contracts in their last year. In 2018 we got that number down to 22. So I don't know why we couldn't get to 70 percent instead of 69 --

(Laughter.)

GOVERNOR HOGAN: -- but it's really a great deal of progress and it took a concerted effort. And I want to thank our cabinet and their procurement teams and their staffs. So thank you. And let's keep working to make these single bid contracts an even more rare occurrence.

With that, I'm going to turn it over to my colleagues for opening remarks. Mr. Comptroller, Happy New Year.

COMPTROLLER FRANCHOT: Thank you, Governor. And thank you for putting the spotlight on the procurement reform. It's not a particularly exciting issue for everybody but it is for --

(Laughter.)

COMPTROLLER FRANCHOT: -- but it is, I think we have to recognize that the agencies changed something and brought a lot fewer to us. And I really personally appreciate that because I think the public deserves two bids, at least, on a major expenditure of taxpayers' money, just to prove that we're getting in fact a good deal. And so this is something that I think will affect the quality of the State's procurement process overall and I agree with the Governor that it wouldn't happen unless the secretaries were to the extent possible diligent. And so thank you for having a complete snore of an issue starting off 2019.

I'm very appreciative of this Board. My wife, Annie, and I frankly spent some time with our kids and our granddaughter, Vivienne, in New York. And I got a chance, I'm not sure how everybody will interpret this, but I got a chance to recharge my batteries. I felt like I plugged myself in, like my iPhone, because I got some time, quality time with family. And --

GOVERNOR HOGAN: A clean, renewable energy battery.

COMPTROLLER FRANCHOT: Yes.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

(Laughter.)

COMPTROLLER FRANCHOT: Wind powered. So let me just say how nice it was for me, frankly, to unwind with family members and people that I know each of us have family that mean a lot to us. And I'm looking forward to another productive and collaborative year with the Governor and the Treasurer, frankly, and all levels of government. I'm going to adopt the Governor's New Year's resolution. He always tells me to, Peter, stop subtracting from your support. Just focus on the positive and adding to your support. So yes, multiply, that's the maxim for the New Year. I'm not going to divide. I'm going to try to be, you know, supportive and collaborative and kind and gentle, and that will last about five minutes, probably.

(Laughter.)

COMPTROLLER FRANCHOT: But I believe that this Board is enormously productive. I know we as a State face numerous challenges in the upcoming year. It's my sincere hope that everybody cooperates on both sides of the aisle. But I can attest from my personal experience of more than 12 years on the Board of Public Works, the State is lucky that we have this in our Constitution. And I think it's a unique panel, frankly, in the country.

It continues to be the honor of a lifetime to occupy my office and over the recent year, over the next year I and the 1,100 dedicated public servants of the Comptroller's Office remain committed to fulfilling our solemn promise to

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

serve taxpayers, protect families, and conserve the taxpayers' hard-earned money. And I just want to end on another somewhat boring subject that the Governor has blazed a new trail on, and the Treasurer is very supportive of also, which is the idea of respecting the taxpayers and responding to the taxpayers, getting results for the taxpayers, customer service.

So Governor, thank you for your leadership on this panel. Madam Treasurer, thank you for your tenure because I hope it continues for --

TREASURER KOPP: Thank you.

COMPTROLLER FRANCHOT: -- many, many, many more years.

TREASURER KOPP: Thank you for your support.

COMPTROLLER FRANCHOT: And it's a pleasure to be here today with both of you.

GOVERNOR HOGAN: Thank you very much.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Madam Treasurer --

TREASURER KOPP: Governor --

GOVERNOR HOGAN: -- Happy 2019.

TREASURER KOPP: Yes. Not to pile on, but Happy 2019. It's always exciting to be at the beginning of a new project and the New Year. And I welcome both you and the Comptroller's goodwill as we work together. It is

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

absolutely true that it's possible to disagree without being disagreeable, and sometimes a lot of fun, too.

I, too, had a great time with children. And if you have a few hours, I have about 157,000 pictures that I would be happy --

(Laughter.)

TREASURER KOPP: -- of a brilliant five-month-old child, and two eight-year-olds. I did have a question, though, of something that is not on the Agenda but I see our Secretary of Environment sitting here. First of all, I want to thank you for representing us and thank you for sending him to represent us in Poland and speak up for the real interests of the citizens of the United States when people at the federal level were sort of off key.

There was a story about the Chincoteague ponies in the paper this weekend. Now anyone alive who has children have probably heard about the ponies of Chincoteague. But they are succumbing to a virus which is called swamp cancer, apparently not caused by, but facilitated by climate change, by the change in temperature allowing certain viruses and other biota to grow where they haven't grown before. And we are seeing here, on our own Shore, right next door in Virginia, our sort of southern version of the polar bear, I guess, as an icon of the impact of climate change. And I just wondered, Mr. Secretary, taking advantage of seeing you there, if you would like to reflect briefly on what we're seeing here in Maryland?

GOVERNOR HOGAN: I think it would be DNR --

MR. GRUMBLES: The first thing I want to do is say that DNR is most focused on the health of the --

TREASURER KOPP: Yes, they are. And they are doing a terrific job.

MR. GRUMBLES: -- these charismatic megafauna and flora. All I would say is that as you know from the Climate Change Commission work that we do, science-based work, temperature changes, changes in ocean and Bay chemistry can sometimes facilitate the movement of viruses. So our fish and shellfish program is very much aware that there are risks that can be increased with the changing climate, particularly warmer seas. But I can't speak to the swamp cancer. And I don't know if --

TREASURER KOPP: It's just one little indication.

MR. GRUMBLES: Yeah. Yeah.

TREASURER KOPP: But I think it's going to start bringing home to a lot of people the rather precarious situation we're in.

GOVERNOR HOGAN: Thank you. Secretary McDonald, Happy New Year.

SECRETARY MCDONALD: Good morning, Governor, Happy New Year, Madam Treasurer, Mr. Comptroller. We have nine items on the

Secretary's Agenda, five reports of emergency procurements. We are withdrawing Item 8, which will come back at a future date.

GOVERNOR HOGAN: Very good. Items 2 and 3 are significant updates on our procurement process and I'd like our procurement advisor Gabe Gnall --

SECRETARY MCDONALD: Mr. Gabe Gnall is here.

GOVERNOR HOGAN: -- to explain those for us, if you could. Good morning.

MR. GNALL: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, my name is Gabe Gnall and I am the procurement advisor to the Board. As you stated, there are two items before the Board today to take action on procurement regulations. Item 2 is to take final action to adopt regulations that were proposed at the July 29th BPW meeting. Those regulations were published in the *Maryland Register* on September 28th and we received one set of public comments in response to that *Maryland Register* publication. We have made a few non-substantive changes to the regulations in light of those comments that were received. With this action to approve these regulations, we are going to create a new chapter on master contracting and task orders. We're also codifying in regulation changes to the small procurement threshold, as well as the Small Business Reserve Program.

The other item, Item 3, is to propose new regulations and these are in response primarily to legislation passed during the 2018 Session. In addition, we are proposing regulations to update the MBE program, the Minority Business Enterprise Program. And what we are proposing are some changes that I think are going to be well received by procurement officers as well as vendors across the State.

One change is going to allow for the curing or waiving of minor irregularities in bids and proposals, the affidavits or the MBE forms. If there's minor irregularity on the MBE form or affidavit, procurement officers may waive or cure that so they no longer have to reject that bid or proposal as currently required by regulations. And tying into your discussion on single bids or proposals, this has been a factor in why we have received so many single bids and proposals in the past. We've had to reject numerous bids and proposals because of the current MBE regulations.

We are also going to allow for an implicit waiver request of the MBE goal if a bidder fails to achieve and commit to the full MBE goal. Currently, bidders are required to check a box on the MBE forms requesting a waiver, a full or partial waiver of the MBE goal, if they don't commit to the full percentage. However, a lot of bidders, they commit to a certain percentage amount but they fail to check that box. And by failing to check that box, their bid or proposal is being rejected. So what we are stating is that if they fail to check

that box, they will automatically get a waiver request but they will still have to provide supporting documentation showing they made a good faith effort to meet the MBE goal. So the test is still the same, it's just there will be one less error for them to get rejected on.

COMPTROLLER FRANCHOT: Excellent.

GOVERNOR HOGAN: Thank you, Gabe.

MR. GNALL: Thank you.

TREASURER KOPP: And Gabe, as I understand it -- well I'm not sure I understand it. These then go to AELR, number three?

MR. GNALL: Yes. So this is

TREASURER KOPP: Okay.

MR. GNALL: -- our initial action today is just to propose them. Then they will got to AELR for review --

TREASURER KOPP: For a public hearing.

MR. GNALL: -- and it will be published in the *Maryland Register* for comment, and then it will come back as a final action Agenda item a few months down the road.

TREASURER KOPP: I think it makes good common sense. We've rejected a number of good bids because they didn't check the right box. I was told that Carolyn Quattrocki had a question about something in two. Is that something you've taken care of or --

MR. GNALL: This is, our general counsel has actually been in discussion with the AG's office regarding some of those changes that we're deeming to be non-substantive changes. So I'd ask our general counsel, David Bohannon, to come up and speak to those.

TREASURER KOPP: Carolyn Quattrocki being the Deputy Attorney General of the State.

MR. BOHANNON: That's correct. For the record, David Bohannon, counsel to the Board. So Carolyn Quattrocki is Deputy at the Attorney General's Office and she is the AG assigned to work with the Board when we have questions regarding regs and other matters. On the Item 2, which is the final adoption item, there are four particular regs that in this final adoption we are proposing modifying some of the language to clarify it in response to the public comment that we received. In the conversations with Ms. Quattrocki and other members of the Attorney General's Office, they agreed that those changes are non-substantive and the Board can adopt them as final if it so chooses. However, they are recommending that the Board would republish those for public comments just out of the public interest to receive additional comment.

TREASURER KOPP: And you are recommending that we don't do that?

MR. BOHANNON: It's up to the discretion of the Board. Either way is fine. Certainly the way the Agenda item is written is to adopt as final all of the changes.

TREASURER KOPP: Without public comment?

MR. BOHANNON: Correct. Additional public comment.

TREASURER KOPP: Additional --

MR. BOHANNON: They were already published for comment.

TREASURER KOPP: On the rewritten?

MR. BOHANNON: That's correct. Yes.

TREASURER KOPP: And her concern, I assume, is precedent?

SECRETARY MCDONALD: I think that yes. The Attorney General would have to --

TREASURER KOPP: Right.

SECRETARY MCDONALD: -- it is the Board's decision because you have both sets of attorneys saying that it is a non-substantive change. But the Attorney General is saying that there could be extra chance for extra public comment, and that would be decided --

TREASURER KOPP: Well extra chance, or there has been no public comment on the rewritten, non-substantively --

SECRETARY MCDONALD: Correct.

TREASURER KOPP: -- rewritten portion?

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

SECRETARY MCDONALD: That is correct, right.

MR. BOHANNON: Correct.

SECRETARY MCDONALD: So that could be pulled out and it's up to the Board --

TREASURER KOPP: Which could in future years be seen as precedent for not republishing other ones that are in greater question as this?

SECRETARY MCDONALD: If that's what the Board feels policy is that's, I mean the Board, yes. I mean, I don't -- from my years of looking at them, in the 25 years of signing off --

TREASURER KOPP: Right.

SECRETARY MCDONALD: -- on procurement regulations, for the first six years --

TREASURER KOPP: These are --

SECRETARY MCDONALD: -- before 20 years, this would be something that would, because I can understand that the Board, that's why we presented it. That you could definitely have a chance for it. I don't, I in my heart just personally don't believe it would come up precedent for something three years from now. But I certainly understand that the Attorney General is advising for --

GOVERNOR HOGAN: In fact just the opposite --

SECRETARY MCDONALD: -- greater fullness of the record --

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

GOVERNOR HOGAN: Just the opposite could occur.

TREASURER KOPP: Yeah.

GOVERNOR HOGAN: It could create a precedent for every non-substantive little change would have to go --

TREASURER KOPP: Well --

SECRETARY MCDONALD: And I mean, and Mr. Bohannon did, I mean, he worked with the Attorney General's Office and he did look at ones that had gone through --

GOVERNOR HOGAN: That would slow down the entire process of government.

MR. BOHANNON: Right. So I mean, the statutory requirement is that any substantive change has to be republished.

TREASURER KOPP: Right.

MR. BOHANNON: So, right, so the real question is, is it a substantive change or not a substantive change? In this case, you know, we've agreed that these are non-substantive changes. I mean, just to be clear and specific, what we're talking about the way these particular four regs, these are changes to certain mandatory terms and conditions. And we originally were proposing updating a dollar value in response to legislation. Public comment came back and basically pointed out that the way that the actual text of those mandatory terms and conditions were written was not clear and wrong in at least

one of those regs. And upon review we agreed that it did not reflect the statute. So what we're proposing now is to actually clarify that language to make sure that everything does comply with what the statute requires. And that's what it is. So.

TREASURER KOPP: It seems quite reasonable as long as somebody who is here a few years from now remembers this discussion.

SECRETARY MCDONALD: Well I hope --

TREASURER KOPP: It always makes me a little nervous --

SECRETARY MCDONALD: -- all my staff is here for years.

(Laughter.)

SECRETARY MCDONALD: Mr. Gnall and Mr. Bohannon will be advising you on this for decades to come.

TREASURER KOPP: You'll remember the conversation.

MR. BOHANNON: I will remember.

(Laughter.)

MR. BOHANNON: And certainly it's, this is, you know, being recorded for the transcript and the record.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: For the record, I'm not planning on being here five years from now.

(Laughter.)

SECRETARY MCDONALD: The Comptroller, though.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

TREASURER KOPP: But somebody will be.

SECRETARY MCDONALD: Yes, no, we will be. You absolutely

--

TREASURER KOPP: And you want them to be able to see in the record that there's a clear distinction between substantive and non-substantive. And if the question is raised, I assume that the properly conservative prudent position would be something is substantive unless it's clearly not substantive, as it is in this case.

MR. BOHANNON: Correct.

TREASURER KOPP: Thank you.

SECRETARY MCDONALD: Thank you, Madam Treasurer.

GOVERNOR HOGAN: Thank you.

COMPTROLLER FRANCHOT: Madam Treasurer, if I could, Governor, thank you for bringing the issue up. Because you know, I happened to be briefed on this also and we wanted to make sure that we were doing the right thing here in pushing this through today. And I think we are.

Obviously the increased transparency, accountability, and equity in our procurement system is substantive and that's what's going to flow from this particular item. And I appreciate the Treasurer bringing up the concern. But as I stated back in July, the idea that a State agency has the ability to hand pick a group of companies and give that exclusive group of companies, and only that

exclusive group of companies, the opportunity to submit bids for certain contracts, that raised a lot of red flags for me. And to be even more blunt, has the potential to undermine what the Board has sought to achieve over this desire for more competition. And these are the so-called task order contracts. I think it's crucially important that the State's Constitutional fiscal officers have the opportunity to provide the oversight that Marylanders expect to take place in our procurement system.

For example, looking at a recent procurement agency activity report from the Department of Information Technology, there were four task order awards exceeding \$1 million from November 2017 to February 2018. One of them was a \$30 million task order back in January. And during this time period the department also approved a new contract with the Sidus Group, a Russian oligarch linked firm, to host our State Board of Elections data. These are obviously very significant awards and none of them appeared before the Board for review. I think our taxpayers and I as Comptroller would certainly feel better knowing that they received the proper review that such important contracts deserve.

So I appreciate the fact that we made a non-substantive change to bring it into line with I believe the Legislature was the body that was concerned about this. But I'm also very, very pleased that hopefully we can move forward with unanimous support for this change. Governor, thank you for, if you and the

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

Treasurer support this amendment, I'm delighted to associate myself with the final approval --

GOVERNOR HOGAN: Great.

COMPTROLLER FRANCHOT: -- and would so move, if I could, unless the Treasurer has other concerns. And I appreciate the attention.

TREASURER KOPP: I have nothing else on that. I'd just like to point out maybe that's why -- thank you, no. I have no further questions on this item.

GOVERNOR HOGAN: No further questions on that item. Any other questions on the Secretary's Agenda?

TREASURER KOPP: Yes, well Item 6, which is Department of the Environment, is a project that looks really interesting and really good. And I just wondered if you wanted to mention it.

MR. GRUMBLES: I would love to.

TREASURER KOPP: Governor, I congratulate you on that.

GOVERNOR HOGAN: Thank you.

MR. GRUMBLES: Governor, Mr. Comptroller, Madam Treasurer, this is a great start to the New Year with a project. This is one of the largest, most technical projects in the hundred year history of WSSC. And it's a project, the Piscataway Bio-Energy Project. And before you is a request to authorize \$44

million in loans and also a \$3 million grant through our energy water infrastructure program.

Basically what this amazing project does is it's going to help clean the biosolids, the residuals, from the wastewater treatment plants in the WSSC service area, clean it to Class A biosolids category, which can then be beneficially reused. Not dumped, or burned, but beneficially reused as fertilizer on farms or sold in home and garden centers. And this project is going to include a combined heat and power facility. That's what the \$3 million energy water infrastructure grant is for. And quite simply what that does is it captures the heat from the methane and the carbon dioxide. In cleaning the sewage sludge it captures it to heat and energize the facility, which means less greenhouse gas emissions, methane and CO2. So it's a really important, a big step forward for WSSC and for the State and our efforts to protect the Chesapeake and combat climate change.

TREASURER KOPP: That's interesting. I think I pointed out that I had the opportunity to visit Easton Utilities a month or two ago on a much smaller scale and was thinking wouldn't this be great if we could just ramp it up --

MR. GRUMBLES: Mm-hmm.

TREASURER KOPP: -- and have this sort of process. And in fact, I looked at our Agenda, and there it is. Thanks, Mr. Secretary, and Governor. And I probably should point out the Washington Suburban Sanitary Commission, chaired by Eloise Foster, is really making a great step forward.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

MR. GRUMBLES: It's very important work.

TREASURER KOPP: Thank you.

GOVERNOR HOGAN: Thank you, Mr. Secretary.

MR. GRUMBLES: Thank you. 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. We'll move on to the DNR Real Property Agenda.

MS. THROWE: Good morning, and Happy New Year.

GOVERNOR HOGAN: Good morning.

MS. THROWE: Madam Treasurer, Mr. Comptroller, Governor Hogan, for the record, my name is Joanne Throwe. I'm Deputy Secretary. I am sitting in for Secretary Belton. I have one item on the Agenda today and I'm happy to take any questions you have.

GOVERNOR HOGAN: Any questions on DNR? Motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. Next, DBM.

MR. BRINKLEY: Good morning, Governor, Mr. Comptroller, Madam Treasurer, and Happy New Year. I'm David Brinkley, the Secretary of

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

the Department of Budget and Management. We've brought six items for your consideration and I have people here to address any concerns or questions you might have.

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

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing on DBM. The University System has no Agenda today, so we'll move on to Information Technology.

MR. LEAHY: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Mike Leahy, Secretary of the Department of Information Technology. Today we have five items on your Agenda and we do have representatives available to answer any questions.

GOVERNOR HOGAN: Any questions on Information Technology? Is there a motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. We're going to go right now into the Department of Transportation Agenda.

MR. PORTS: Good morning, Madam Treasurer, Mr. Comptroller, Governor. For the record, my name is Jim Ports. I'm Deputy Secretary for the

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

Maryland Department of Transportation. The Maryland Department of Transportation is presenting 12 items today. At this time, MDOT is withdrawing Item 3-AE. And we're ready to answer any questions you may have.

GOVERNOR HOGAN: Questions on Transportation? Motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing on Transportation. We're starting off the New Year right.

MR. PORTS: That's great.

GOVERNOR HOGAN: Next is the Department of General Services.

MR. REICHART: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, I'm Nelson Reichart, Deputy Secretary of the Department of General Services. Happy New Year to you and your families. The department has 16 items and one supplemental item on our Agenda. We are withdrawing Items 3-AE, 5-M, and 14-CGL at this time. I'll be glad to answer any questions that you may have.

GOVERNOR HOGAN: Questions on DGS?

COMPTROLLER FRANCHOT: Item -- Governor, thank you, Item 15.

GOVERNOR HOGAN: Item 15.

MR. REICHART: Item 15.

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

COMPTROLLER FRANCHOT: So that's fine. I don't need anybody here, necessarily, unless there's someone from Channel Marker here. Yeah, come on up, I guess, if you could.

MS. JACKSON: Good morning.

COMPTROLLER FRANCHOT: So yes --

MS. JACKSON: Good morning.

COMPTROLLER FRANCHOT: -- so yes, good morning. Thank you for being here. I just wanted to praise your organization because I'm a big fan of what you do and how important it is to the citizens in your area. And I know this is for \$250,000 for a roof replacement at your 30-year old facility. But what I'm focused on is increasing the access to quality mental health services and the incredible work that you do on the Eastern Shore. I want to thank the Governor and the agency for providing, Ms. Jackson --

MS. JACKSON: Thank you.

COMPTROLLER FRANCHOT: -- for providing you with these resources. If I could just say in my view your organization promotes mental wellness and removes the stigma of mental illness through prevention programs, rehabilitation, and community services. I've had the opportunity to visit Channel Marker on a number of occasions over on the Shore and learn about the great work that you do firsthand. And I can attest to the excellence of what you provide. You're on the front lines. I couldn't be more grateful to your dedicated

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

staff for their commitment to providing clients with the best possible care. And I know Channel Marker has become something very important to Easton and the rest of the Mid-Shore community. You've been in operation for 20 years and you have obviously impacted the lives of countless adults and youth throughout the Eastern Shore. I'm very supportive of the project and appreciative that you're getting a small amount of support from the State.

MS. JACKSON: Well we're very grateful. Treasurer Kopp, Governor Hogan, and Comptroller Franchot, thank you for the support. And again, you said it better than I can as far as Channel Marker. We're very grateful for the support that we've received from all of you. And this wellness center for our clients is really a remarkable place for people with significant mental illness to come and be supported and have their wellness and mental health support services. So thank you.

GOVERNOR HOGAN: Thank you very much for the wonderful work that you do.

MS. JACKSON: Thank you.

GOVERNOR HOGAN: Thanks for being here this morning.

SECRETARY MCDONALD: Could you just identify --

COMPTROLLER FRANCHOT: Could you give your name for the record and --

MS. JACKSON: I'm sorry. My name is Debbie Jackson. I'm the Executive Director for Channel Marker, Inc., and Rick George is our Finance Director.

SECRETARY MCDONALD: Thank you both.

MS. JACKSON: Thank you.

GOVERNOR HOGAN: Thank you very much.

MS. JACKSON: Thank you.

GOVERNOR HOGAN: The Item 17, we held, we completed a public hearing on this on December 19. We had several witnesses testify. We had quite a lengthy public hearing. We received all the background materials. There was significant discussion. We for some reason pulled that one out of the last meeting and did not take the vote so that was withdrawn from the meeting two weeks ago. And there's a request to pull that from the Agenda for a separate vote. I believe we're going to do that today. Is there a motion on Item 17?

TREASURER KOPP: So moved.

GOVERNOR HOGAN: Is there a second?

COMPTROLLER FRANCHOT: Second.

GOVERNOR HOGAN: The item is not approved, three-nothing.

SECRETARY MCDONALD: -- motion to disapprove --

TREASURER KOPP: And to disapprove.

GOVERNOR HOGAN: The motion is to not approve --

HUNT REPORTING COMPANY
Court Reporting and Litigation Support
Serving Maryland, Washington, and Virginia
410-766-HUNT (4868)
1-800-950-DEPO (3376)

SECRETARY MCDONALD: Okay.

GOVERNOR HOGAN: -- three-nothing.

SECRETARY MCDONALD: Three-nothing, thank you.

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

COMPTROLLER FRANCHOT: Does everybody understand what we just did?

SECRETARY MCDONALD: They just voted against that --

(Applause.)

COMPTROLLER FRANCHOT: Yeah, if I could, Governor, mention that the Lieutenant Governor deferred this at our previous meeting. And I think the reason that that was done was because of the compelling testimony of people who came down and said that they don't think this is the right thing for the State of Maryland to do. That we were going to subject our State to all the environmental problems of this pipeline and get none of the economic benefits. And so this became a fairly big issue and the Legislature, 62 I think members of the Legislature sent a letter to the Board suggesting that we not approve this particular project. And I'm very comfortable doing that. And I personally appreciate the Governor's leadership. He wasn't here --

GOVERNOR HOGAN: Just for the record, we had a full five-hour, four-hour meeting that day and I had, was already late for a different event.

But I thought it was approved, I mean, I thought it was disappointed three-nothing. I didn't have any idea that it got deferred. I don't know why it was deferred. But the testimony was there. We were always going to have a three-nothing vote. So --

TREASURER KOPP: But it is good to see that --

GOVERNOR HOGAN: It had nothing to do with any letter from the Legislature --

TREASURER KOPP: -- people pay attention and --

GOVERNOR HOGAN: -- I can assure you of that. But we want to thank everybody for coming out --

(Laughter.)

GOVERNOR HOGAN: -- and testifying. And thank you for, thank you for letting us know how you felt. And we're happy to finally take the vote today after this two-week delay. So --

COMPTROLLER FRANCHOT: Well I'll take the --

GOVERNOR HOGAN: With that, that concludes the Board of Public Works --

SECRETARY MCDONALD: We need to vote --

GOVERNOR HOGAN: We take the --

SECRETARY MCDONALD: -- Items 1 through 16 on DGS.

GOVERNOR HOGAN: Okay. Are there any questions on the other items? Is there a motion to approve the rest of the --

COMPTROLLER FRANCHOT: Yes, I would approve --

GOVERNOR HOGAN: Second?

COMPTROLLER FRANCHOT: -- move to approve that.

GOVERNOR HOGAN: Three-nothing on the remainder of the Agenda.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: That concludes the Board of Public Works.

(Whereupon, at 10:35 a.m., the meeting was concluded.)