
STATE OF MARYLAND
BOARD OF PUBLIC WORKS
GOVERNOR'S RECEPTION ROOM, SECOND FLOOR, STATE HOUSE
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10:05 a.m.

PRESENT

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Governor

HONORABLE NANCY KOPP

Treasurer

HONORABLE PETER FRANCHOT

Comptroller

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Secretary, Board of Public Works

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Secretary, Department of General Services

DAVID BRINKLEY

Secretary, Department of Budget and Management

PETE RAHN

Secretary, Department of Transportation

MARK BELTON

Secretary, Department of Natural Resources

MICHAEL LEAHY

Secretary, Department of Information Technology

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PROCEEDINGS

GOVERNOR HOGAN: Good morning, everyone.

ALL: Good morning.

GOVERNOR HOGAN: Welcome to the Board of Public Works.

Last week we introduced our FY 2020 budget. This budget builds on the progress that we've made over the previous four years. It funds all of our top priorities. I want to thank Secretary Brinkley and his team at the Department of Budget and Management, and on our team, everybody that worked so hard on putting it together. But it funds all of our top priorities: education, transportation, healthcare, crime prevention, and job creation and training. It also eases the tax burden with targeted tax relief on hard-working Maryland families, retirees, and small businesses. And as a direct result of the fiscal discipline and belt tightening, including actions that my colleagues and I have taken here on this Board, combined with the business friendly policies that we've implemented over the past four years, we've been able to put \$1.3 billion into reserves. More businesses are now open and more people are working than ever before in the history of the State, and we've had one of the best economic turnarounds in America.

However, as the Comptroller has repeatedly warned the Legislature, we must remain vigilant about maintaining savings in order to be

better prepared for those times when more flexibility is needed, while also making necessary targeted one-time investments.

Down the road in Washington, partisan bickering and acrimony has led to a senseless month-long shutdown of the federal government, which is impacting tens of thousands of Marylanders and their families. These folks are going without. They have been furloughed or they are working without pay. This shutdown is obviously impacting them, it's impacting revenues to the State of Maryland, but it's also affecting us in other ways, like shutting down TSA checkpoints at BWI. And today, as one more example, one of the things on our Agenda today, we're approving a wetlands license for the replacement of the Route 301 Nice Bridge connecting Maryland with Virginia. But the shutdown is delaying several federal agency approvals which are unnecessarily delaying and potentially even putting this project at risk.

Here in Annapolis, unlike in Washington, we have shown that it is possible to work together in a bipartisan manner to pass a budget, to do the people's business, and to get things done. And it seems to me that there's no reason that they should not be able to do the same thing just down the road in Washington. With that, I'd be happy to turn it over to my colleagues. Madam Treasurer?

TREASURER KOPP: Well Governor, first of all, I want to thank you for the budget. The budget and the operating and capital budget look like a very good start.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: And I know something of huge importance. After all, the budget is the only bill that has to be passed every year. And we look forward to seeing it and then working on it. Apropos of what you just said --

GOVERNOR HOGAN: That's one thing they can't ever seem to do in Washington. When is the last time they passed a budget?

TREASURER KOPP: I know. And unfortunately, a number of other states also. We have just heard, I know you are keeping track of it, that there are almost 4,000 Maryland citizens now applying for unemployment insurance. Federal workers, it's all well and good for people to say, well, if they are federal workers they will get their pay eventually. But you can't live on what you're going to get eventually even if that is true. And it's not true of the contractors, of course. So I know that we are doing all we can to help our fellow citizens. But it is a ridiculous and pretty disgusting situation. And I know that the majority of Americans want it to be settled and don't want it to be settled by simply closing us within a wall and keeping people out and keeping us in.

So with that, Governor, let's show them how we can do it in Maryland.

GOVERNOR HOGAN: Mr. Comptroller?

COMPTROLLER FRANCHOT: Yeah, I couldn't agree with the Treasurer more, and the Governor. And good morning, everyone. Today marks the 33rd day of the longest federal government shutdown in our nation's history and each and every day --

GOVERNOR HOGAN: Let me interrupt. We didn't coordinate this, by the way --

(Laughter.)

GOVERNOR HOGAN: -- automatically we're all talking about the same thing.

COMPTROLLER FRANCHOT: Yeah.

TREASURER KOPP: Yes.

GOVERNOR HOGAN: Obviously, we're all focused on it.

COMPTROLLER FRANCHOT: But we did put out a report recently that actually documents this, the negative impacts that the Treasurer and the Governor mentioned. But there are, as I speak, 172,000 Maryland families that are not, have not received paychecks. Think of that. I mean, we have, what, six million people in the State. But that's a lot of families. And it's a very conservative estimate. We didn't go into the indirect employment that's affected by this shutdown. So 172,000 Maryland federal employees and contractors are being negatively impacted, with no foreseeable end in sight.

If the government in Washington fails to reach a compromise to open the federal government on Friday, Maryland federal workers will collectively have lost, get this, \$1.6 billion in wages, \$1.6 billion, B as in boy. Furthermore, our State coffers will continue to feel the impact as well, with \$115 million in income tax revenue, and \$4 million in sales tax revenue lost by this Friday. What these eye-popping figures don't show are the struggles that 172,000 Maryland families are experiencing and the irreversible damage being done to their financial health.

I couldn't agree with the Treasurer more. You know, some of us are lucky enough to be able to ride through something like this. But a lot of people aren't. And why are we doing it? Let's face it. There isn't going to be a wall built. There never was going to be a wall built. Because even if the wall was a serious proposal, this would be the most expensive and least efficient strategy on earth for ensuring border security.

But of course, this isn't a serious proposal, is it? We all know that. And believe me it's beginning to show up in the polls. It's a publicity stunt that is now having real world consequences and hurting innocent, hardworking people. And it's truly shameful at this point. It's time to stop holding the paychecks of hundreds of thousands of federal employees hostage. It's time to reopen the government. The Governor mentioned bipartisanship. I'll tell you what bipartisanship is in Washington, D.C.: Republicans and Democrats in the

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Congress doing their job, opening up the government. If that effort is vetoed, override the veto. That's true bipartisanship above party and above country.

So on that happy note I'll try to keep quiet for the rest of this session.

(Laughter.)

GOVERNOR HOGAN: Now that would be a true accomplishment.

(Laughter.)

GOVERNOR HOGAN: Let's get started with the Secretary's Agenda.

SECRETARY MCDONALD: Good morning, Governor, Madam Treasurer, Mr. Comptroller. We have 15 items on the Secretary's Agenda. We have three reports of emergency procurements. We are withdrawing Item 3 from today's Agenda.

GOVERNOR HOGAN: Any questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: Yes, just quickly on Item 4. I'm happy to support the item and appreciate the impacts that our wetlands in the Potomac River are being adequately offset through habitat and oyster bay restoration. But I would, if I could, just quickly raise another Southern Maryland infrastructure issue I heard about firsthand on my recent trip to Solomons Island: the need for a new bridge connecting Calvert and St. Mary's County on Route 4.

Maybe, Secretary Rahn, if the appropriate people in your agency could provide me with a written update following the meeting today on where we are? Because I mentioned to the folks who were asking me what is going on with the bridge, and we were right, the bridge was right outside the window of where we were. I said, well, I understand there's some planning process underway. And they said, yeah, that's been going on for 40 years. So maybe there's some new update that you could help us with, or because they are pretty adamant that they would like to see something done down there.

MR. RAHN: Mr. Comptroller, you are absolutely right. They definitely want something done with the Thomas Johnson Bridge. And we had \$15 million in the budget for continued planning on an additional bridge to be built adjacent to, is in all likelihood what would occur. The existing bridge was built in the seventies so it's a relatively new bridge. Its condition is certainly more than acceptable. The problem is that it's not adequate for the traffic that's crossing back and forth going over to the base and such.

So we had \$15 million in that. The Legislature last year had directed \$15 million towards an intersection along 5 that is probably more like a \$50 million project. So that money has been moved to that project. At the conclusion of the year we will, when the project can't be built with those resources and it's not ready, and that intersection is not ready, we will move that money back over so we can continue on the planning efforts for the T.J. Bridge.

But the fact is, at this point we don't have money for construction. It's something that the Governor has directed the department to make a priority and we continue to look for ways to take this on. The best hope would be is if there were a national infrastructure program. That would provide resources, we believe, at a level that could fund the replacement of the bridge. Right now we don't have that.

GOVERNOR HOGAN: And the two bridges that were top priorities in Southern Maryland were the Nice Bridge, which we are moving forward on, I think \$743 million. That bridge was in much worse shape and was -

-

MR. RAHN: Yes.

GOVERNOR HOGAN: -- and was built 50 years earlier?

MR. RAHN: I think it was the twenties, I believe. Yes.

GOVERNOR HOGAN: So we are --

COMPTROLLER FRANCHOT: Yeah, no, I'm a huge supporter of the --

MR. RAHN: Yes.

COMPTROLLER FRANCHOT: -- what the Governor and you are doing for transportation and mass transit up in my area. So thank you for that. And I understand it's a resource issue. But if you could maybe communicate with those folks.

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MR. RAHN: Yeah.

COMPTROLLER FRANCHOT: One of the people was a predecessor of mine, the 31st Comptroller of the State of Maryland, Bobby Swann was there. I told Bobby if I live long enough to see that bridge built, that replacement, or whatever the improvement is, I'll suggest to whoever the Governor is that it be named after him. Yeah. Because he has worked on that for literally 40 years. And I think probably the only Governor that's really listened to him on it is Governor Hogan.

MR. RAHN: I can assure you that whenever I encounter anyone from either the two counties or that live within that region, that bridge is almost always the number one priority expressed for that region. So we know it's important. We would love to be able to address that issue. And hopefully there will be an opportunity with some source of funds that would allow us to do that.

GOVERNOR HOGAN: Great.

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: Any other questions on the Secretary's Agenda?

COMPTROLLER FRANCHOT: Yeah, Item 8.

SECRETARY MCDONALD: Item 8 is the Stadium Authority. I believe that, is Mr. McGuigan here, or Mr. Frenz from the Stadium Authority?

There's Mr. McGuigan coming up. Yes, this is a construction management contract for the Walter P. Carter Elementary/Middle School project.

MR. MCGUIGAN: Good morning. Gary McGuigan with the Stadium Authority.

COMPTROLLER FRANCHOT: Yes. I don't have questions on these items. I want to say how pleased I am that the 21st Century Schools Program is moving forward. Over the weekend Dr. Santelises sent an update to this Board on City Schools' efforts to provide each Baltimore City student with climate controlled classrooms. I know Dr. Santelises would agree with me that in the year 2019, all Baltimore City students deserve and have a right to learn in a safe, healthy, climate controlled classroom. That's why I was disappointed to hear that five Baltimore City schools had to close yesterday due to heat related issues. That only underscores the immediacy and the urgency of getting this problem addressed.

I'm pleased that climate control is a priority for City Schools. I commend them for the progress they are making, but these classrooms need help now. I'm very pleased to see that City Schools have decided to move forward with the installation of units that are able to provide heat and cooling. As my colleagues on the Board know, I've been advocating for learning conditions befitting a school system in the richest state in the country. These units have proven to be cost effective solutions to address both heat and cooling needs.

I took note in the letter of the City Schools' justification for the significant increase in cost associated with the purchase and installation of these units, namely the vastly higher cost of the bids that have been received for these projects. And I understand a working group has been formed to study this issue. Once again, I'm grateful to City Schools for making this a priority. But I'm wondering if the Department of General Services, seriously Mr. Secretary, could get involved? Because they, in that letter they said a gold plated, God awful amount of money that they mentioned to put these temporary units in these classrooms that are freezing. And so I believe the figure they asked for was \$67 million, which is ludicrous. And maybe your experts could get in and show them how to do the same upgrade without the need to tear the building apart, or whatever it is the \$67 million represented, and put some units in tomorrow. And instead of \$67 million, they could do it for \$5 million or less.

So I just, I'm happy that the school system is actually looking at it. But for goodness sakes, don't embarrass yourselves by sending us budget items that are just clearly out of the realm of reality. And if you could involve yourself with whoever this group is that's looking at the \$67 million proposal, and suggest perhaps that they look at these, what other systems have done for a lot less money, and using existing electrical systems, I would be grateful.

MR. CHURCHILL: Well thank you, Mr. Comptroller. We just learned about the letter that was sent to the Board over this weekend. We have

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not been asked to participate, but of course the department would make themselves available and help in any way. We will be reaching back out to the Public School Construction Program to see what information has been afforded to them so that we can review it.

GOVERNOR HOGAN: You know, this is an issue that the Comptroller and I have both been very passionate about for a long time, that we have tens of thousands of kids still freezing in the wintertime and sweating in the summertime. And even though we've provided record amounts of funding every year, and specifically asked them to address these issues, that we continue to fail to address them. Again this year our Legislature called for cutting Baltimore City Schools \$11 million. We ignored those formulas and we're increasing them again, record funding five years in a row. We put \$438 million into school construction, which is also for school maintenance. We specifically put funding in there to force them to fix these heating and air conditioning and to provide the funding again. But we keep putting the money in. They keep failing to do it. We put the \$65 million in. They didn't spend it. Now they are coming back and saying it's too expensive.

Anne Arundel County did this I think in one year and fixed all of them, the same system. And we asked them if they would go sit down and help the City. I would love to have the Anne Arundel County School System, our DGS experts, and the Stadium Authority sit down with the Baltimore City Board

folks and just try to, you know, provide some assistance and advice to them about how to get this done. Because forget about the turf, and who is responsible, and whose job it is, it's about these kids. And you know, we're providing the funding and they for whatever reason can't seem to, they don't have the ability or the will to get it done. And we need to get it done. So if you could take the lead on that, Secretary Churchill --

TREASURER KOPP: Could I just --

GOVERNOR HOGAN: -- and round up the other folks and go down and do whatever you can. And we'll get the State Board of Ed involved. And part of our school accountability legislation before the Legislature is to address these types of things. If we have, if we're investing billions of dollars into our schools, we want to make sure that the dollars are being spent wisely. And before it gets to the point where we have to go in and do the work ourselves, let's just try to provide them some free advice.

MR. CHURCHILL: Well Governor, I know that over the last year we've built a good relationship with the Baltimore City Public School System. We worked with them just last January and all throughout the year. And we're happy to do that. We'll make the overture today.

TREASURER KOPP: Governor, could I just add I wouldn't want anyone to think the Department of General Services had not in fact been working with the City School System, or with the Stadium Authority, or that significant

progress has not been made, although it also included \$4 million City general funds in order to be able to do it because of the complicated process at the State level. Which as I understand it has been clarified now. We had long discussions about window air conditioners, which work in some schools depending on some wiring in the plant, and the vertical units which are more long term but more expensive but work with other plants. This is not a new subject.

I believe from all the evidence that we have all seen together that in fact progress is being made, not only in the great 21st Century School building and renovation, but Citywide. But it does take time and you do have to balance things like heating and cooling. We are trying to downsize some of the schools in order to get better use of the new and renovated buildings. So you've got to figure out whether you're going to put your money into old buildings that aren't going to be in continued use. There is a good plan. I believe there is a good plan. They are making progress. They have made progress. They continue to make progress. To urge people to work together is always a very good thing. And I'm at the front of the pack doing that. But I wouldn't want anyone to think that the Superintendent of Baltimore City Schools, the Baltimore City Board, or the Baltimore City government, working with the State and the Stadium Authority, have not been making progress. Because that simply is not the case.

GOVERNOR HOGAN: Well we're talking about two entirely different things. The Stadium Authority has done an incredible job with the 21st Century Schools.

TREASURER KOPP: Right.

GOVERNOR HOGAN: We've built 21, 23 brand new schools, or we're in the progress --

TREASURER KOPP: We're in the process of --

GOVERNOR HOGAN: Twenty-seven?

MR. MCGUIGAN: To 28 by the end --

GOVERNOR HOGAN: Twenty-eight new schools in --

TREASURER KOPP: Well how many have been built so far?

GOVERNOR HOGAN: -- that the Stadium Authority is building.

MR. MCGUIGAN: Nine.

TREASURER KOPP: Nine. Nine.

GOVERNOR HOGAN: And we're doing a great job. We're ahead of schedule, under budget. We did that for the City. We are not doing the maintenance of the existing schools. We specifically put funding in. We had a commitment from the Board of Ed, who committed to this Board that they would have a plan to fix the air conditioning in these schools, which we funded. They failed to live up to that commitment. They just sent us a letter Friday saying we can't do it. That's what we're talking about. So, and no, the DGS has not been

working with the City on these schools. We didn't know there was a problem until Friday. We're going to try to address it. And we'd love to have, I'd love to have the Stadium Authority take over all that. I'm sure you don't want to do it.

(Laughter.)

GOVERNOR HOGAN: But we're going to try to help them in every way we can. And thank you.

TREASURER KOPP: Governor, the Stadium Authority has done nine out of the 23, 26, the 23 to 26. And then the next phase.

GOVERNOR HOGAN: Those are new and complete renovations.

TREASURER KOPP: Right.

GOVERNOR HOGAN: We're talking about just fixing the air conditioning --

TREASURER KOPP: Right. Right. But they've got a big plate.

MR. MCGUIGAN: And just to be clear --

GOVERNOR HOGAN: Most of the new schools in the State are in Baltimore City.

MR. MCGUIGAN: There's nine schools open through the program and we project 27 to 28 by the end of the program.

COMPTROLLER FRANCHOT: Oh --

GOVERNOR HOGAN: We opened four in one week.

TREASURER KOPP: Say it again. That's good.

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MR. MCGUIGAN: Nine schools are open and we project the program will support 27 to 28 schools.

GOVERNOR HOGAN: Great.

TREASURER KOPP: That's good.

GOVERNOR HOGAN: Thank you. Any other questions on the Secretary's Agenda? Is there a motion to approve?

COMPTROLLER FRANCHOT: Move approval.

TREASURER KOPP: Second.

GOVERNOR HOGAN: Second? Three-nothing.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: And now we're going to move on to the DNR Real Property Agenda. And a point of personal privilege here before we give that report, I just want to take a moment to let you know, if you haven't heard the report already, sadly this is the last Board of Public Works, at least in his current capacity for Secretary Admiral Mark Belton, who has done just an incredible job over the last four years as the Secretary of the Department of Natural Resources. And I want everybody to give him a warm round of applause.

(Applause.)

GOVERNOR HOGAN: It's been a real honor and a privilege to work with you. And you've done an incredible job leading your department and doing incredible things for the State. You have a long list of accomplishments. I

want to thank you sincerely on behalf of the taxpayers and wish you well. He's going to go -- we hate to lose him. But they stole him away to be the County Administrator in Charles County. And our loss is their gain and we wish you well and thank you very much, Admiral.

MR. BELTON: Thank you, Governor. I did not expect that this morning. I appreciate it greatly --

GOVERNOR HOGAN: I'm not baking a cake or anything. I just -

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(Laughter.)

MR. BELTON: Let me just say, being Secretary under your leadership has been fantastic. You've been so supportive of all the programs. And as a board, the Board of Public Works, has not disapproved anything we've brought before you natural resource related. You've been a tremendous supporter of Maryland's environment and this department in particular. So thank you for your support.

GOVERNOR HOGAN: Thank you.

TREASURER KOPP: Governor, could I --

GOVERNOR HOGAN: Please.

TREASURER KOPP: Among other things, Governor, as you know Mark Belton has taken on the lead as the Chair of the Work Group on Adaptation and Resiliency of the Climate Change Commission. And really

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focused, we have to do all we can to mitigate our carbon footprint, our carbon output. But we also have to deal with how you adapt to this new world and how you ensure our resilience. And Mark, and his folks, but Mark has taken the lead on this and has been a terrific, terrific resource.

As he leaves us, you mentioned he goes to Charles County, which is a county that's going to be very significantly impacted by climate change, sea level rise, and all of the attendant things. And as a spokesman and leader of one of the major local jurisdictions, is in a great position -- I'm lobbying him.

MR. BELTON: Yeah.

TREASURER KOPP: Is in a great position --

GOVERNOR HOGAN: Are you lobbying him or are you lobbying me?

(Laughter.)

TREASURER KOPP: I'm lobbying both of you. In a great position to continue the work which he started as Secretary, with his Academy and Coast Smart Counsel, to get everybody to work together, State level, local level, to address those specific, concrete questions regarding adaptation, which impact the infrastructure, whether it's Transportation or General Services or the health of our agriculture. And it seems to me that it would be very good to know that there is at least one person in the counties, leading, working with one county and one hopes all the counties, to interact with the State, with your new fine

Secretary, with the Department of Environmental Protection, with the Climate Change Commission, so that we continue to try to integrate and coordinate all our efforts in this direction. So while personally it's, I'm very sorry to see the Secretary leave, I think it's a great opportunity for the counties to get together with your departments and form a -- you have a cabinet group. This could be an integrated --

GOVERNOR HOGAN: That's a pretty good suggestion. We'll see if we can't sit down with the former Secretary and work on him for that possible idea. I'm, hopefully I'm not going to take it out personally on Charles County for poaching him like that. But I won't hold it against them. We love Charles County but --

MR. BELTON: Please don't.

(Laughter.)

MR. BELTON: I won't be there that long if that happens. Thank you very much, Governor, Comptroller, Treasurer. We do have 13 items on our Natural Resources Real Property Agenda for your approval this morning.

GOVERNOR HOGAN: Questions on DNR? Motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing on DNR. We figured we'd give you a unanimous one your last time.

(Laughter.)

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MR. BELTON: Thank you.

GOVERNOR HOGAN: Next is DBM.

MR. BRINKLEY: Good morning, Governor, Mr. Comptroller --

GOVERNOR HOGAN: Are you worn out from all that budget stuff? I mean --

MR. BRINKLEY: We've had a little bit of a breather. We had it all rolled out last week so we're all set.

GOVERNOR HOGAN: Your team did a great job and please pass on my appreciation to everybody in the Department of Budget and Management.

MR. BRINKLEY: Thank you.

GOVERNOR HOGAN: I know they made you look good but I know they did most of the work.

MR. BRINKLEY: They did all the work so --

(Laughter.)

MR. BRINKLEY: -- I've got a phenomenal team there, Governor. Good morning to the Board. For the record, David Brinkley, the Secretary of the Department of Budget and Management. We've brought eight items for your consideration and I have people here to address any concerns you might have.

GOVERNOR HOGAN: Questions on Budget and Management?
Motion?

COMPTROLLER FRANCHOT: Move approval.

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GOVERNOR HOGAN: Second?

TREASURER KOPP: Second.

GOVERNOR HOGAN: Three-nothing.

MR. BRINKLEY: Thank you.

GOVERNOR HOGAN: We'll move on to the University System Agenda. Is Joe here?

SECRETARY MCDONALD: Mr. Evans is here.

GOVERNOR HOGAN: He doesn't know we were moving that fast, does he.

SECRETARY MCDONALD: There he is. Mr. Evans is here. Joe? You're on.

GOVERNOR HOGAN: Good morning.

MR. EVANS: Good morning. Joe Evans, representing the University System of Maryland. We have seven items on the Agenda. In attendance, I have Javier Miyares, who is the President of the University of Maryland University College. We're here to answer any questions.

GOVERNOR HOGAN: Very good. Any questions on the University System?

COMPTROLLER FRANCHOT: Yeah, if I could just ask President Miyares to come up and explain what his contract is.

GOVERNOR HOGAN: Good morning.

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COMPTROLLER FRANCHOT: Yeah.

MR. MIYARES: Mr. Comptroller, Mr. Governor, Madam Treasurer, let me just very briefly give you a background. Just to remind everybody that we were founded in 1947 with one mission: to serve working adults and the military. That's our sole mission today. For most of our history we received no State support, neither for operating nor for capital budget. Today we receive less than 11 percent and we are the lowest subsidized public institution in the State. So that means that we are basically tuition driven. And at the same time that we are tuition driven and we have such low State support -- I'm not asking for more money; I'm just stating the facts -- we also have replaced most published textbooks with what is called open education resources. It is content that the students don't pay for. At the end of the day, that means that we shifted that cost of textbooks to the University.

We also are offering \$20,000 bachelor's degree and that works with community colleges. Every Maryland community college graduate that applies to us, the guarantee is that they will spend no more than \$20,000 in tuition and fees, including the two years in the community colleges. And I believe I mentioned but just in case we have the second lowest tuition and fees in Maryland.

So how do we do that? Basically it is the economies of scale. In the online environment, the economies of scale are such that you can then provide quality education at low cost.

Our, the challenge we face today is that we are very much a Maryland based with Northern Virginia and military school. That market is totally tapped. I think it's fair to say that if you live in this area, you cannot not notice our ads on TV, buses, etcetera. So we are really maxing out in this area.

So for us to continue to grow, we have to go outside of Maryland, is to create a national footprint. There is a lot of competition. You also may see ads from Southern New Hampshire University, Colorado or Arizona State, and now Purdue Global, that used to Kaplan.

So at the end of the day, most analysts believe that there will be a few national brands left in this space. We believe that Maryland has a golden opportunity to have an institution among that group, which will result in our being able to continue to subsidize the education of Marylanders.

In this plan to go national, the big ticket is marketing and that's what is in front of you today, is a six-year marketing plan. It's \$500 million over five years, six years, 254 digital, 254 offline. I have been educated a lot about marketing and offline is basically TV, buses, print, all those things.

I want to add that the two Maryland firms are receiving about \$84 million from these contracts. That's where we are. I just would like to introduce,

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if I may, a couple of people that really, you know, Presidents don't do the work, they do the work. I just get to talk to you. Lisa Kemp is our Senior VP for Administration and Finance and Chief Financial Officer. And Erika Orris is our Senior VP for Enrollment Management and Marketing. She deserves a lot of the credit, obviously --

COMPTROLLER FRANCHOT: So President Miyares is very well known to us in Montgomery County because he played a very prominent role decades ago, I will say. And when I first got elected Comptroller he told me that he had been asked to stay on at University of Maryland University College just for a year or two. Twelve years later, here he is.

(Laughter.)

COMPTROLLER FRANCHOT: And I just want to compliment UMUC first of all on your name change. I believe the Legislature is going to turn you from UMUC to what's the new name?

MR. MIYARES: University of Maryland Global Campus.

COMPTROLLER FRANCHOT: Okay. Number one, I want to compliment you on that. Number two, you are keeping up with the competition as far as new recruits. But even more important, you are also emphasizing that these new recruits you bring in, new students from around the world and your military contracts, they need to complete --

MR. MIYARES: Mm-hmm.

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COMPTROLLER FRANCHOT: -- their courses. They can't just drop out after a year because that hurts your revenue. So I just want to compliment you --

MR. MIYARES: Thank you.

COMPTROLLER FRANCHOT: -- on running what truly is going to be I think a gem for Maryland, not that you aren't already. But thank you for the good leadership.

MR. MIYARES: Thank you. Thank you, Mr. Comptroller.

COMPTROLLER FRANCHOT: Sorry for --

GOVERNOR HOGAN: Thank you very much.

MR. MIYARES: Thank you, Governor.

COMPTROLLER FRANCHOT: Oh. And also for using Maryland companies.

MR. MIYARES: Yes. And we continue to have this strong relationship with them.

COMPTROLLER FRANCHOT: Excellent. Thank you.

GOVERNOR HOGAN: Thank you.

MR. MIYARES: Thank you.

GOVERNOR HOGAN: Any other questions on the University System?

COMPTROLLER FRANCHOT: I had a question on the Towson project but I'm just going to let it go. I continue to believe that these construction at risk management contracts the University System enters into cost the taxpayers ten to 15 percent premiums. And this is, you know, I appreciate the fact there's a certain transition going on. But I would encourage you to, you know, just make sure you're not adding ten to 15 percent to the cost of this -- is it a student union building?

MR. EVANS: Student union.

COMPTROLLER FRANCHOT: Yeah. I mean, this is not a physics lab. And I, Mr. Secretary Churchill agrees with me that design bid build is the way to go. Maybe the University System can begin to change direction.

MR. EVANS: We have, we do general contracts through GCs, and I mean, I've said this before. So we do quite a bit of general contracts that because of the dollar value they don't come to the Board. And we are looking at the CM process. I think one of your other issues long ago was that we were using them for everything. So there has been a push to wean off of just using CM at risk.

COMPTROLLER FRANCHOT: Well we're, I'm going to bring some more evidence of what I'm stating as my theory because we're talking about a significant amount of money. And I just want to make sure you all are understanding that completely. Because I understand it's more convenient for

you to use this system that we're approving today. But and the Governor is a lot more experienced in this than I am. I'm not suggesting that you never use it. I'm just suggesting do some parallel bids because you can, if the same building can be built for -- what is it? How much is this project costing? \$90 million. If the same exact project can be built for \$75 million, that's all. If that's what goes, what is possible out there, I'd like you to at least explore it, please.

GOVERNOR HOGAN: I think the Comptroller has given me more credit than I deserve. I did spend time in a student union but I --

(Laughter.)

GOVERNOR HOGAN: -- you said a student union is no physics lab. I wouldn't know. I never made it into a physics lab but I'll take your word for it. Any other questions on --

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second. Three-nothing on University System.

MR. EVANS: Thank you.

GOVERNOR HOGAN: We're going to go to Information Technology.

MR. LEAHY: Good morning, Governor, Madam Treasurer, and Mr. Comptroller. For the record, I'm Mike Leahy, Secretary of the Department of Information Technology. Today we have five items on the Agenda. One is

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supplemental. And we are withdrawing Item 3-IT. I do have agency representatives available to answer any questions you may have.

GOVERNOR HOGAN: Any questions on DoIT? Motion?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second? Three-nothing. Moving on to Transportation.

MR. RAHN: Good morning, Governor, Madam Treasurer, Mr. Comptroller. For the record, my name is Pete Rahn. I'm Secretary of the Maryland Department of Transportation. MDOT has 12 items today and we are available to answer questions.

GOVERNOR HOGAN: Questions on Transportation?

COMPTROLLER FRANCHOT: Item 6-C, please.

MR. RAHN: Yes, sir.

COMPTROLLER FRANCHOT: Okay. So my understanding of this, Mr. Secretary, this is, you are asking our approval for a \$10.2 million, five-year contract with Denver-Elek for on-call building repairs and general construction at marine terminals and other facilities owned by the Port Administration, including the World Trade Center. It's my understanding that Denver-Elek is not only the incumbent on this contract, but was the sole bid received in response to this solicitation. Apparently you did conduct two solicitations after only one acceptable bid was received. So kudos for doing two

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rounds, but what is the problem? This is pretty plain vanilla construction work on call. Aren't there some companies in Baltimore that would like to bid on this?

MR. RAHN: Mr. Comptroller, as you had mentioned we did go through an extensive process once we had received the first response to our bids in which we had a sole proposer. And so I'm going to have to have the Port explain what they went through and the assessments of what's occurring here and what are the difficulties in providing these services. So --

COMPTROLLER FRANCHOT: Yeah, I'm only bringing this up because I love the Port and I don't question the, you know, the need to do these repairs. It's just that I keep account of these single bid contracts and this messes us up for the whole year because it's, in my view, a questionable sole bid, single bid contract. And you know, for example, I understand one of the bidders that could have bid exclusively does repair and construction work at marine terminals but they don't do it at class A office space like the World Trade Center. I mean, can't we have two companies that are, one for the World Trade Center and one for the bulkheads?

MR. THORNTON: Yes, good morning, Governor, Madam Treasurer, Mr. Comptroller. I'm John Thornton, Manager of Procurement for the Maryland Port Administration. We could have split this contract into two parts but it would create a --

TREASURER KOPP: Governor, excuse me, could you just within two minutes go through -- this is a long sorry saga that goes back some time. Just go through the saga so we know how we got here?

MR. THORNTON: Okay. Well first of all, we bid this contract back about 2014 --

COMPTROLLER FRANCHOT: Mm-hmm.

MR. THORNTON: -- practically identically to the way we bid it this time. And we got five bids. And the Trade Center was included with the terminals as locations where the work could be performed. We had no reason to think any change was necessary when we put this out the first time this year for bids in order to get multiple bids. Yet we received only one bid. We advertised on eMaryland Marketplace to 800-some contractors, I believe that was the number. We received a single bid. It only was from the incumbent.

Before making a decision or asking the Board for approval, we made phone calls. We sent emails to companies, particularly ones that we had bid with us in the past, to try to find out why companies weren't interested. We only got one response to that first effort. One company told us it was because they didn't have high rise construction experience.

We subsequently got a response from another company through the engineering department that said, by the way, we saw this out on eMaryland

Marketplace and we didn't bid because it was, they thought it was a small business reserve. Well, it wasn't. It was a mistake on their part.

In any case, we decided to rebid. We changed experience requirements. I have to apologize, there is a slight error in the Board item based on misinformation that was given to me by my staff. When we rebid it the second time, we didn't put in a provision about class A construction experience. We simply eliminated some of the requirements for commercial high rise and industrial building experience. So we even relaxed the specifications more than is stated in the Agenda item. I didn't find that out until last night. But the, we, so when we advertised it again, we contacted these, at least these two companies and others that we had been emailing to try to find out why companies didn't bid to encourage them to bid. Both companies that had, we had been in direct communication with before we put it out for bid the second time indicated to us they were going to bid. We informed them that it was out there again. We informed them we had relaxed the qualifications requirements. And yet neither one bid the second time. And one of them it was simply because of an internal bonding problem on their part, or their bonding company.

We think the lack of bids is -- well, let me back up a little bit. A common response we get from bidders as to why they don't bid, or -- yeah, why they don't bid, is many contractors just don't want to bid against incumbents. If we, at pre-bid meetings it's been my personal experience in procurements I've

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handled myself, bidders will ask, who is the incumbent? And are you satisfied with them? And we'll say, well, here's the incumbent contractor. And once they know there is an incumbent, they don't want to compete. They want to target, they don't know when they are going to win a contract. They go to a lot of expense to prepare bids. So they target the business where they think they have the best chance. And we believe that in this case, these companies probably simply didn't want to compete for the contract. The economy is good. There's a lot of work out there. There are other places they can do business at less cost.

COMPTROLLER FRANCHOT: Well I think --

GOVERNOR HOGAN: So they think that you are going to be biased in favor of the incumbent, which is the whole point he's trying to make?

MR. THORNTON: No. I think they believe that incumbents have knowledge of contracts that gives them a legitimate competitive edge so it's not worth trying to compete against somebody who knows how to write the bid with a finer pencil.

COMPTROLLER FRANCHOT: Yeah, so I agree with the Governor's assessment that you have just made the case for me suggesting that in a non-negative way -- because I love Jim White. I love the Port. You guys are economic engines for the State of Maryland. God bless you. But for this contract, you're asking us to believe that in the absence of bid competition the taxpayers are getting a good deal. I'm almost embarrassed to bring it up because

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it's such a small amount of money compared to the Port. But I do feel very strongly that the only way to root out the vestiges of incumbent vendor protection, which is what I call some of these bids, and you kind of gave the view from the competitors' side as to why they do not want to bid, you know, the only way we're going to change it is to turn these down and ask you to go back and try again with this.

So I guess the question is what bad things will happen? I noticed you mentioned the word security and I've been watching -- what's that show with Jack Ryan in it? What's that show? I just saw it the other day --

MR. RAHN It's called Jack Ryan.

COMPTROLLER FRANCHOT: Jack Ryan, yeah --

(Laughter.)

COMPTROLLER FRANCHOT: That's right. Jack Ryan. I mean, I don't want to get in the way of security at the Port of Baltimore. But what bad things would happen if we just asked you to go and make a third effort at this?

MR. THORNTON: The engineering department has projects that they would like to have performed under this contract, some at the Trade Center, some on the terminals. One contract in particular is the one mentioned in the Agenda item. We have a gate access project for which we have federal funding and a deadline roughly a year from now by which we must pay out all the money. And we, so there's been delay now in getting this contract issued and we're

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concerned about being able to start that project on time so that it can be finished and we can meet that federal deadline for expending those funds. That's one particular concern for us.

COMPTROLLER FRANCHOT: Okay. So I'm just going to defer to my colleagues but I'm going to vote no because otherwise this practice just continues to be entrenched. And I don't think this is something that is dramatic, like some of the other contracts that come before us. But the point you made about the competition not wanting to compete once they find out that the incumbent is bidding, just goes right to the issue that I've raised. And so I would vote no. Governor, you and the Treasurer have different perspectives. I'd love to see this put off and have the Port truly come up with two legitimate bids.

MR. THORNTON: If I might address that one point?

COMPTROLLER FRANCHOT: Sure.

MR. THORNTON: In this case there's no possibility that we could favor the incumbent because this is strictly a competitive sealed bidding procurement. Low bid wins. All somebody had to do was bid and underbid --

COMPTROLLER FRANCHOT: Yeah, no, I'm not suggesting you in this instance are favoring the incumbent. I'm just saying the system favors the incumbent because the perception from the competitors, potential competitors, is it's not worth the expense of bidding because the incumbent is bidding. And therefore, there is an advantage. And we're trying to get rid of that because if you

don't have two bids you can't really rationally go to the public and say we're getting the best possible bang for your buck, can we? I mean, we think we're doing well. But so anyway --

GOVERNOR HOGAN: Secretary Rahn?

COMPTROLLER FRANCHOT: Yeah, Secretary Rahn, rescue me from this, if you would.

MR. RAHN: Well, Mr. Comptroller, Governor, Treasurer, we absolutely hate receiving single bids. We hate having when we do have to go to services that are only offered by one company as well. And we have greatly reduced the number of single bids and sole source contracts that we've brought to BPW because we know how much you dislike them. And for legitimate reasons. When we bring one of these to you, we have an extensive conversation about how important is this, do we think we can do better, do we think we can get more? My observation of the efforts that the Port put into trying to drum up a second bid is that they did everything they could and were stuck with a single bid procurement. The fact that there's maintenance that needs to be done on the World Trade Center is we are in a position currently with the World Trade Center is that we need to be keeping it in a condition that makes this space desirable to potential tenants. And we are finding it difficult to have to fill all of the space that's available within the World Trade Center. I know this is distasteful to you. I know that --

COMPTROLLER FRANCHOT: Distasteful is the wrong word.

MR. RAHN: Yeah.

COMPTROLLER FRANCHOT: It just never changes, Mr. Secretary, because there is always a, obviously an advantage to an incumbent bidding on a contract. How do you -- and so I guess I'm importuning my colleagues just to help me out here.

GOVERNOR HOGAN: Let me just weigh in on this a little bit, if I might. First of all, I share the Comptroller's concerns about single bids. He and I both, and I think, I believe the Treasurer as well --

TREASURER KOPP: We all do.

GOVERNOR HOGAN: -- we've been all expressing our concerns about this for four years. We've also made a tremendous amount of progress, not only in all the modes of Transportation but in every single State agency and across the Board here before -- I forgot the exact statistic. But I think we're, you know, down 88 percent we've reduced --

MR. RAHN: Mm-hmm.

GOVERNOR HOGAN: -- the amount of single bids. Something like that. I mean, it's a huge improvement over what has been happening here for decades. I'd love to never see a single bid contract. That's probably impractical and it's not going to happen.

In this particular instance, I mean, I don't want to hold up the important work that needs to be done at the Port, which is an economic engine, as you said. I don't want to stop the improvements to the World Trade Center where we desperately need to get some tenants in there and you're not going to lease it if you don't get the work done. But I would suggest two things. One, Mr. Secretary, you go back again to Jim White at the Port and to his team and impress upon them to take a look at what can we possibly do, what can his team do in the future, to work to structure these bids so that they can attract more people. Because he's not in these meetings. I've seen him rarely at the Board of Public Works. He sent, nice of him to send you guys but maybe he should show up at the next one and he can hear us, our concerns directly.

And secondly, we ought to bring these issues up to our Procurement Reform Task Force and talk about, you know, this particular issue, which I think is a valid one. It's not necessarily incumbent protection or the favoring of incumbents. But bidders saying, I'm not going to bid because probably the incumbent has insider information or knows a little bit better how to put the bid in, and the market is good. You know, the economy is booming. People are working. I'm not going to waste my time. And that's a real legitimate concern that you brought up. And it's not that we're doing anything wrong. It's just that bidders have other things to spend their time on. So it's probably something we ought to try to address. And so while I share my colleague's

concern, you know, I'm going to vote to affirmatively move this item forward and I'll make that motion.

TREASURER KOPP: Could I just say if you hadn't gone out a second time, I would not support this. It seems to me that you did listen and try to go out. I don't understand the question about small business set aside, how somebody can make that mistake and have it not come up in any sort of pre-bid discussion or inquiry. But I gather it did?

MR. THORNTON: They didn't come to the pre-bid meeting.

TREASURER KOPP: Right.

MR. THORNTON: We had no indication that that company was interested in the contract. I think we had tried to solicit them because they've done other work for us. But they didn't bid. We were surprised by that. And I think somebody in the engineering department asked them and they said, oh, it's small business reserve. No, it wasn't. But they didn't bid the second time. Well, actually that was the company that had the, said their bonding company had an issue. So.

COMPTROLLER FRANCHOT: Well I thought the Governor was going to support me. So that's okay.

TREASURER KOPP: So, so --

GOVERNOR HOGAN: I usually do.

COMPTROLLER FRANCHOT: Yeah --

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TREASURER KOPP: Let me ask another question, Peter. You made a correction to your item description here. Can you say again what the correction was?

SECRETARY MCDONALD: Can I read what's going to be put into the record?

TREASURER KOPP: Yeah.

SECRETARY MCDONALD: Okay. So this is on the second page of MDOT 6-C, the very top paragraph that starts, "MDOT MPA." The second sentence, "the primary change."

TREASURER KOPP: Right.

SECRETARY MCDONALD: All right. Are you ready? The second sentence is going to say, "The primary change to the solicitation was to eliminate some requirements for experience in commercial high rise and industrial building experience." So what they did --

TREASURER KOPP: That's what I thought.

SECRETARY MCDONALD: -- the second time they went out was they eliminated some of the requirements they had had for commercial high rise and industrial building experience.

TREASURER KOPP: So you were thinking you would attract people perhaps who could do the Port part and not the World Trade Center?

MR. THORNTON: Yes, and in particular --

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TREASURER KOPP: Yeah.

MR. THORNTON: -- the one bidder who had said they lacked high rise.

TREASURER KOPP: Which is the one thing that I think we would suggest that you do. I am concerned. I have friends and relatives who are involved in procurements like this in other states, like the Commonwealth of Massachusetts, where I'm sure there is incumbent protection, personally. And I think that is what it often looks like. On the other hand, if we reject it after this discussion, it's whatever the opposite of incumbent protection is. We're saying an incumbent, if an incumbent bids, they probably won't get it because we don't - - which isn't what we want either. We want open competitive bids. So let me just say, after --

GOVERNOR HOGAN: Incumbent rejection.

TREASURER KOPP: Incumbent rejection.

(Laughter.)

TREASURER KOPP: Exactly. We'll -- I'm going to support this. I understand why you need it and I understand all the steps you've taken, and I understand that they haven't been as successful as we would like. And I think the Governor's proposal to take it up thoroughly sort of at an arm's length in a Procurement Task Force exploration, this isn't the only case of this sort of thing happening, would be very useful.

GOVERNOR HOGAN: I'm going to take one more shot at my colleague. He I think was going to make a motion to deny. It failed for lack of a second.

COMPTROLLER FRANCHOT: Yeah. To defer.

GOVERNOR HOGAN: Do you want to make a motion to pull it out of the thing?

COMPTROLLER FRANCHOT: Thank you.

GOVERNOR HOGAN: And what, or should we just move the whole thing and --

COMPTROLLER FRANCHOT: God bless America. Just let's defer it for a couple of weeks and --

GOVERNOR HOGAN: No, that's a whole different story.

TREASURER KOPP: Yeah.

COMPTROLLER FRANCHOT: What are you suggesting? That you want to --

GOVERNOR HOGAN: I was just suggesting that we note your, your concern --

COMPTROLLER FRANCHOT: Yes. No.

GOVERNOR HOGAN: -- and we move forward. But --

COMPTROLLER FRANCHOT: No. I think we should -- because here's the problem. I'll say it again. You never root this out of the system unless

you demand two legitimate bids on these contracts. Yes, we went from 38 in 2011, then there were 54, then in 2013 there were 82 single bid contracts approved. Most of them I kept raising my hand on. In 2014 there were 63. Then -- when did you get elected?

GOVERNOR HOGAN: Well I got sworn in in '15.

COMPTROLLER FRANCHOT: Okay. So '16, in '15 they went down to 31, then 30 in 2016, 39 in 2017, then went up last year they were 24. I'm just suggesting that we had a good trend going and this is a type of contract that you can say no to and, yeah, down the road if you literally cannot get a second bid, I might be a little more deferential. But it just doesn't strike me as anything other than let's either postpone it or let me vote against it.

GOVERNOR HOGAN: Okay so --

COMPTROLLER FRANCHOT: And the logic there is that we can do the procurement reform package, and the commission, and the legislation until the cows come home and it's never going to change unless we turn down where we can without damaging the State these single bid contracts. And the Treasurer mentioned Massachusetts. Well, Maryland like any state is subject to this kind of poor perception. So here's a way to take action. I'm sorry if it went on too long. I'm happy to vote no on --

GOVERNOR HOGAN: So what item number is this?

SECRETARY MCDONALD: This is Item 6-C. So --

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GOVERNOR HOGAN: So there's a motion to pull Item 16 out for a separate vote.

COMPTROLLER FRANCHOT: Thank you.

SECRETARY MCDONALD: Six. Six. Six.

GOVERNOR HOGAN: I'll second the motion to, for a second --

SECRETARY MCDONALD: To approve six.

GOVERNOR HOGAN: -- to pull it out for a vote.

SECRETARY MCDONALD: Right. And he won't -- right.

GOVERNOR HOGAN: And then the vote is no?

COMPTROLLER FRANCHOT: No.

SECRETARY MCDONALD: Okay. Right.

TREASURER KOPP: Aye.

GOVERNOR HOGAN: We're both voting for it.

SECRETARY MCDONALD: All right. Then we have the balance of the Agenda.

GOVERNOR HOGAN: So it fails. We're voting --

COMPTROLLER FRANCHOT: Would you let the press know I just voted against the Governor? Yes.

(Laughter.)

GOVERNOR HOGAN: But we agreed to disagree without being disagreeable.

SECRETARY MCDONALD: Right.

MR. RAHN: Mr. Comptroller, I'm sorry I didn't have a life preserver to throw.

(Laughter.)

GOVERNOR HOGAN: Are there any other questions on Transportation or is there a motion on the remainder of the Agenda?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Second?

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: Three-nothing on the remainder of the Agenda. And last but not least we move to the Department of General Services.

MR. CHURCHILL: Well, good morning, Governor, Mr. Comptroller, Madam Treasurer. For the record, I'm Ellington Churchill, Secretary for the Department of General Services. The department has 17 items on our Agenda today and we are available to answer any questions you may have at this time.

GOVERNOR HOGAN: Questions on Department of General Services?

COMPTROLLER FRANCHOT: Item 1.

MR. CHURCHILL: Item 1 concerning the statues, Harriet Tubman and Frederick Douglass.

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COMPTROLLER FRANCHOT: Great. So we're being asked today, Mr. Secretary, to approve a \$575,000 contract with the Christman Company in Sterling, Virginia to design and fabricate bronze statues of Harriet Tubman and Frederick Douglass to be placed in the historic Old House Chamber. I'm very, very pleased personally that the State of Maryland is taking steps to permanently honor these two Maryland heroes whose statues deserve a rightful place in the State House. I do have a couple of questions about the way in which the contract was procured.

It's my understanding that your agency invoked an exemption for renovations to historic structures and decided to forego a competitive solicitation process.

MR. CHURCHILL: That's correct.

COMPTROLLER FRANCHOT: And I'm told that the Christman Company is familiar with the structural issues in our historic State House building. But I'm having a hard time understanding why that requires us to cut a check to them for more than half a million dollars, which includes funds I believe for a Brooklyn, New York firm to do the actual sculpting. Is that the case?

MR. CHURCHILL: They do have the contract including the sculptor. The sculptor is the same sculptor that was utilized for the George Washington statue.

COMPTROLLER FRANCHOT: But why can't we do a competitive bid?

MR. CHURCHILL: The project is in the oldest part of the State House so there are significant concerns about making sure that we bring on a contractor, a vendor, that is appropriately familiar with our State House and has had a great deal of experience with historic work. This is the gem of Maryland. And so along with conversation with Archives, the greatest way to protect the State House was to go to the same contractor that --

COMPTROLLER FRANCHOT: Okay. No, I can see that. But couldn't we find a very talented sculptor right here in Maryland?

MR. CHURCHILL: Well the -- yes, of course. Maryland has many great artisans. In this case, the focus was really providing the sculptor that had the same vernacular, had the same skills, the same design, the same effect for George Washington. And so that was the overwhelming thought in terms of going back to the previous sculptor.

COMPTROLLER FRANCHOT: Okay. And Governor, I yesterday received a letter from Delegate Julian Ivey, who is a favorite of mine. He is a newly elected Delegate from Prince George's County. I just want to read the letter that he wrote, apparently to you, and we got cc'd on it.

Julian Ivey says, I strongly support recognizing Ms. Tubman and Mr. Douglass and I think the projects concept is long overdue. However, in this

case the administration is proposing spending over \$575,000 on a contract such as this one that, quote, would have zero percent MBE participation, would not go to a business based in the State of Maryland, was not presented to the Legislative Black Caucus of Maryland for consideration, and then he goes on. You know, this is a young, energetic, talented legislator who shares my concern about the fact that these two legendary heroes of Maryland, we can't find a sculptor in State.

GOVERNOR HOGAN: Those are all very worthwhile and legitimate concerns. I'll just remind you that this was the Speaker and the President and the Archives who made this decision and made these suggestions, and they are the ones that made the decision before we got here to use this sculptor to do the George Washington statue. And so the Delegate ought to speak to the people that passed the legislation and who arranged for the sculpture to be done.

TREASURER KOPP: Could I also add to that that of course the Black Caucus has been involved in the statue and in pressing everyone to get the statues of Harriet Tubman and Frederick Douglass for some time now. And I think are quite pleased that a decision was finally made and moving forward.

GOVERNOR HOGAN: Yeah.

TREASURER KOPP: I received Delegate Ivey's letter and was very concerned because I thought he raised some good questions. And the response that I received indicated, as you said, that the firm did do the work on

the Old Senate Chamber, did do the work on the Old House Chamber, and understands the House Chamber, where these statues are going to be, and they will be essentially equivalent of the George Washington statue, which is big, heavy, permanent, so people can come and I don't know if they are supposed to touch it, but you do.

MR. CHURCHILL: Mm-hmm.

TREASURER KOPP: And, and --

GOVERNOR HOGAN: I've touched it.

(Laughter.)

TREASURER KOPP: Yes. Yes. And are embedded in the fabric.

And the fabric is the oldest part --

MR. CHURCHILL: Yes.

TREASURER KOPP: -- of our historic State Capitol. So it is very important that it be somebody who not only does a statue, which is obviously very important, but understands the statue in the situation of this old fabric and can fit it in there without doing any harm. And they've worked on the vision, they've worked on the placing, and everything. And it seems to me that the thing to do is to build it and let's get it up and let's have it so the Capitol tells the complete story.

MR. CHURCHILL: Mm-hmm.

TREASURER KOPP: And of course, bring along all the members of the Legislature, and our public school system, and all the citizens of Maryland. Because the story has to be told. And from my perspective with just George Washington standing there or Ridout standing there, it's an incomplete story.

GOVERNOR HOGAN: And it passed I think unanimously through the Legislature.

TREASURER KOPP: Yeah.

GOVERNOR HOGAN: It was started in the Black Caucus. It went through the State House Trust, which is the Speaker, the President, and the Lieutenant Governor, and the Archives. The Archives was taking the lead on it. It's the old part of the State House. So it's not, Secretary Churchill really can't be blamed for picking the sculptor.

COMPTROLLER FRANCHOT: Oh, I'm sorry, I apologize if that was the case. But you know, I'm sure --

GOVERNOR HOGAN: I mean, we could have had Secretary Churchill do, I'm sure he has artistic ability --

MR. CHURCHILL: I do have tools. I do have some tools, yes.

COMPTROLLER FRANCHOT: I just recall on this subject the Senate President, who I have great respect for obviously and he's got some health challenges. I don't want to be critical. But the last time I saw him speak on a historic statue was the Taney statue. That didn't, you know --

TREASURER KOPP: That --

COMPTROLLER FRANCHOT: So I'm inclined to just say, look, if you can't find a Maryland artist to do Frederick Douglass and Harriet Tubman, and you can't I guess, I don't know, maybe they approved this knowing that. But it's a darn shame that we can't go and give this business to a Maryland company and to a Maryland artist. And --

GOVERNOR HOGAN: I'll just say in the Governor's Mansion we have a bust of Harriet Tubman --

MR. CHURCHILL: Yes --

COMPTROLLER FRANCHOT: God bless you.

GOVERNOR HOGAN: -- and an oil painting, life sized, of Frederick Douglass. And both of them are Maryland artists. So --

TREASURER KOPP: And they are terrific but the Governor's Mansion came a couple of hundred years later.

GOVERNOR HOGAN: It's only 150 years old.

TREASURER KOPP: Yeah.

COMPTROLLER FRANCHOT: Okay. Well I defer then. I'm going to vote for it. But I raised my objection. I think Delegate Ivey made some excellent points and I'm just sorry the, you know, I guess what the Treasurer is saying is that everybody was aware we were going to not offer this to Maryland artists, and we were not going to offer it to a Maryland --

GOVERNOR HOGAN: Actually I wasn't aware of it --

TREASURER KOPP: No.

GOVERNOR HOGAN: -- until I saw this yesterday.

COMPTROLLER FRANCHOT: I mean, is that what --

TREASURER KOPP: I'm not saying that.

GOVERNOR HOGAN: But I wasn't involved in the process.

TREASURER KOPP: I'm saying the explanation is one that it seems to me is protective of the fabric of this old building and the project ought to go forward.

GOVERNOR HOGAN: Yes.

TREASURER KOPP: I appreciate the fact that, since we're on this, that the legislators are becoming more active and involved in our Agenda. And I think it's a terrific thing and not only did we hear from Delegate Ivey about this item but I'd like to point out that we also heard from Delegate Boyce and Delegate Crosby, two of the new delegates, on Items 8A and 9A, which shows that the elected representatives of the people are participating in support of --

GOVERNOR HOGAN: That's nice.

TREASURER KOPP: Yes, it is.

COMPTROLLER FRANCHOT: Fabulous. I move approval of the calendar, program, whatever it is, unless the Treasurer has --

GOVERNOR HOGAN: Any other questions on DGS? No? The motion, second?

COMPTROLLER FRANCHOT: Move approval.

GOVERNOR HOGAN: Three-nothing. That concludes the Board of Public Works.

SECRETARY MCDONALD: Thank you.

GOVERNOR HOGAN: Thank you all.

(Whereupon, at 11:17 a.m., the meeting was concluded.)