

**MINUTES****REGULAR MEETING**

Honorable Bernard C. "Jack" Young, President  
Honorable Catherine E. Pugh, Mayor  
Honorable Joan M. Pratt, Comptroller and Secretary  
Rudolph S. Chow, Director of Public Works  
David E. Ralph, Interim City Solicitor  
S. Dale Thompson, Deputy Director of Public Works  
Bernice H. Taylor, Deputy Comptroller and Clerk

President: "Good morning. The June 21, 2017, meeting of the Board of Estimates is now called to order. In the interest of promoting the order and efficiencies of these hearings, persons who are disruptive to the hearing will be asked to leave the hearing room immediately. Meetings of the Board of Estimates are open to the public for the duration of the meeting. The hearing room must be vacated at the conclusion of the meeting. Failure to comply may result in a charge of trespassing. I will direct the Board members attention to the memorandum from my office dated June 19, 2017, identifying matters to be considered as routine agenda items together with any corrections and additions that have been noted by the Deputy Comptroller. I will entertain a Motion to approve all of the items contained on the routine agenda."

MINUTES

Interim City Solicitor: "I move the approval of the items on the routine agenda."

Comptroller: "Second."

President: "All those in favor say AYE. All opposed, NAY. The Motion carries. The agenda has been adopted."

\* \* \* \* \*

**MINUTES****BOARDS AND COMMISSIONS**1. Prequalification of Contractors

In accordance with the Rules for Prequalification of Contractors, as amended by the Board on October 30, 1991, the following contractors are recommended:

Alpha Painting & Construction Co., Inc.	\$ 72,140,000.00
Benfield Electric Co., Inc.	\$ 8,000,000.00
Bradshaw Construction Corporation	\$ 109,980,000.00
Cianbro Corporation	\$ 413,440,000.00
Citelum US, Inc.	\$ 1,500,000.00
Clark Construction Group, LLC	\$2,165,070,000.00
H.E.W. Contractors, LLC	\$ 170,000.00
Houck Services, Inc.	\$ 33,940,000.00
Mid Atlantic Fountain Design & MFG Co., Inc.	\$ 1,500,000.00
Rivers Construction Group, LTD	\$ 8,000,000.00
Sungate Unlimited, Inc.	\$ 1,030,000.00
T&D Plumbing & Heating Co., Inc.	\$ 8,000,000.00
Tutor Perini Corporation	\$1,477,010,000.00

2. Prequalification of Architects and Engineers

In accordance with the Resolution Relating to Architectural and Engineering Services, as amended by the Board on June 29, 1994, the Office of Boards and Commissions recommends the approval of the prequalification for the following firms:

AECOM Technical Services, Inc.	Engineer
	Landscape Architect

**MINUTES****BOARDS AND COMMISSIONS**

Bryant Associates, Inc.	Engineer Land Survey
Integrated Management Services, P.A. d/b/a IMS Engineers	Engineer
Michael Baker International, Inc.	Engineer Architect Landscape Architect Land Survey
Rossi Transportation Group	Engineer

There being no objection, the Board, UPON MOTION duly made and seconded, approved the Prequalification of Contractors and the Prequalification of Architects and Engineers for the listed firms.

MINUTES

TRANSFERS OF FUNDS

\* \* \* \* \*

UPON MOTION duly made and seconded,

the Board approved

the Transfers of Funds

listed on the following page:

2337

SUBJECT to receipt of favorable reports

from the Planning Commission,

the Director of Finance having

reported favorably thereon,

as required by the provisions of the

City Charter.

**MINUTES****TRANSFERS OF FUNDS**

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
<u>Baltimore Development Corporation</u>		
1. \$ 4,400.00 20 <sup>th</sup> EDF	9910-994001-9600 (Constr. Reserve) Unallocated Reserve	9910-908102-9601 S. Balto. Ind. & Coml.
3,800.00 20 <sup>th</sup> EDF	9910-994001-9600 (Constr. Reserve) Unallocated Reserve	9910-906835-9603 Westside Project Initiative
7,381.00 24 <sup>th</sup> EDF	9910-908018-9600 (Constr. Reserve) Seton Cross Rds. Park Circle	9910-903361-9601 Business Park Upgrades
45,352.00 <u>Pimlico VLT</u>	9910-921100-9600 (Constr. Reserve) Commercial Revitalization	9910-921101-9601 Commercial Revitalization
<b>\$60,933.00</b>		

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses for the month ending April 30, 2017.

Mayor's Office of Information Technology

2. <b>\$1,200,000.00</b> General Funds	9903-951002-9117 Mainframe Replacement Project (Reserve)	9903-947003-9116 Mainframe Replacement Phase II (Active)
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The funds will cover the additional resource costs of moving to a new model.

**MINUTES**

Department of Real Estate - Deed

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a Deed to 329 W. 29th Street LLC to convey a 3' and 4' foot alley in Block 3651, which have been legally closed.

**AMOUNT OF MONEY AND SOURCE:**

\$500.00

**BACKGROUND/EXPLANATION:**

On July 1, 2014, the City entered into a closing agreement with HKMJB Investments, LLC, to close a 3' and 4' alley in Block 3651. The two alleys that were closed are located within a parking lot and have been separated from public access for years. The adjacent properties at 317 W. 29<sup>th</sup> Street and 2824 Fox Street were used as a parking lot, and the 3' and 4' alleys located' between the parcels have been fenced off for years (probably decades). Seawall Development, through an affiliate entity (HKMJB Investments LLC), acquired the properties last year and now leases them to Remington Wine Company, which operates at 329 W. 29<sup>th</sup> Street and uses the parking lot for its customers. The purpose of the alley closing is to permit the owner to consolidate the lots for tax purposes.

This sale was authorized by means of Sales Ordinance No. 15-369 approved June 15, 2015.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Deed to 329 W. 29th Street LLC to convey a 3' and 4' foot alley in Block 3651, which have been legally closed.

**MINUTES**

Department of Real Estate - Deed

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a Deed with the Baltimore Affordable Housing Development, Inc., a subsidiary of the Housing Authority of Baltimore City, to convey a 10' foot by 105' foot strip of the south side of West Franklin Street which is part of the bed of West Franklin Street (Block 2285) which said portion of the street bed has been legally closed.

**AMOUNT OF MONEY AND SOURCE:**

\$1,300.00

**BACKGROUND/EXPLANATION:**

The strip of land has been used for parking of 10 cars for the residents of the Allendale high rise project since the project was built in the 1980's. Until recently, the project was owned by the Housing Authority of Baltimore City. The strip of land has been considered a part of the overall Allendale property. When the improvements were sold to the current owner, Allendale Limited Partnership, as one of the Rental Assistance Demonstration (RAD) projects, a survey revealed that the strip of land was part of West Franklin Street and thus the need for the street closing. The portion of the street bed was closed pursuant to Ordinance 16-516 and is being sold by the Comptroller pursuant to Ordinance 16-517 for the purchase price of \$1,300.00. The closing and sale of the street bed will allow the strip of land to be consolidated with the remainder of the parcel.

This sale was authorized by means of Sales Ordinance No. 15-362 approved August 29, 2016.

**MINUTES**

Department of Real Estate - cont'd

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Deed with the Baltimore Affordable Housing Development, Inc., a subsidiary of the Housing Authority of Baltimore City, to convey a 10' foot by 105' foot strip of the south side of West Franklin Street which is part of the bed of West Franklin Street (Block 2285) which said portion of the street bed has been legally closed.

MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS

\* \* \* \* \*

On the recommendations of the City agencies

hereinafter named, the Board,

UPON MOTION duly made and seconded,

awarded the formally advertised contracts

listed on the following pages:

2342 - 2344

to the low bidders meeting the specifications,

or rejected bids on those as indicated

for the reasons stated.

Item no. 2 was **DEFERRED** for one week.

MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS

Bureau of Purchases

- 1. B50004963, Unarmed Abacus Corporation \$4,000,000.00  
Uniformed Security  
Guard Services

(City-Wide)

**MWBOO SET GOALS OF 11% MBE AND 2% WBE.**

**MBE:** Aasim Security Agency, Inc. \$422,193.20 11%

**WBE:** Police Protection, LLC \$ 76,762.40 2%

**MWBOO FOUND VENDOR IN COMPLIANCE.**

- 2. B50004936, Suspension \$5,000,000.00  
and Spring Repairs Middleton & Meads  
Company  
Beltway Kenwood,  
LLC

DEFERRED

(Dept. of General  
Services, Fleet  
Management)

**MWBOO SET GOALS OF 4% MBE AND 2% WBE.**

**MWBOO FOUND VENDORS IN NON-COMPLIANCE.**

This award is recommended contingent upon the two vendors coming into compliance within ten days of the award date.

**MINUTES****RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS**Bureau of PurchasesMiddleton & Meads Company

<b>MBE:</b> Millennium Auto Parts	4%
<b>WBE:</b> Maryland Chemical	0.25%
Chesapeake Wiper & Supply	0.25%
	<b>0.50%*</b>

\*The bidder did not achieve the WBE goal and did not request a waiver. Not more than 25% of each goal may be attained by expenditures to MBE/WBE suppliers who are not manufacturers. Therefore, the maximum value allowed has been applied. Additionally, the bidder did not submit Part D: MBE/WBE Participation Affidavit.

Beltway Kenwood, LLC

<b>MBE:</b> Millennium Auto Parts	See note below
<b>WBE:</b> Robnet, Inc. The Rag Lady*	See note below

\*The bidder did not achieve the WBE goal and did not request a waiver. The Statement of Intent forms are not signed by the MBE and WBE. The Rag Lady, named for MBE participation, is not certified with Baltimore City. Additionally, the bidder did not submit Part D: MBE/WBE Participation Affidavit.

## MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONSBureau of Purchases

3. B50004852, Land Resources  
General Contractor

**REJECTION** - The following vendors were solicited by posting on CitiBuy, eMaryland Marketplace, and in local newspapers. Bids were received from Houses by PJ Design Corporation, Living Classrooms, and Paige Industrial Services, Inc. The three bids were opened on March 15, 2017 and all exceeded the agency's budget. The agency will revise the specifications and re-bid the requirements at a later date. The Board is requested to reject all bids, in the best interest of the City.

(Dept. of Housing and  
Community Development)

## MINUTES

OPTIONS/CONDEMNATION/QUICK-TAKES:

<u>Owner(s)</u>	<u>Property</u>	<u>Interest</u>	<u>Amount</u>
<u>Department of Housing and Community Development - Options</u>			
1. Shermar, LLC	1824 E. Chase St.	G/R \$40.00	\$ 366.00
Funds are available in account 9910-906416-9588-900000-704040, EBDI Phase II Project.			
2. CD & M Real Investments, LLC	1834 N. Chester St.	F/S	\$31,000.00
Funds are available in account 9910-908636-9588-900000-704040, FY16 Whole Block Demolition Project.			
3. McKinley Faulcon, Jr.	1003 Valley St.	L/H	\$12,300.00
Funds are available in account 9910-910715-9588-900000-704040, Johnston Square Ambrose Kennedy Park Expansion Project.			

In the event that the option agreement/s fail/s and settlement cannot be achieved, the Department requests the Board's approval to purchase the interest in the above property/ies by condemnation proceedings for an amount equal to or lesser than the option amount/s.

DHCD - Condemnation

4. Paul Nochumowitz and Amy Nochumowitz	1329 Myrtle Ave.	G/R \$60.00	\$ 600.00
Funds are available in account 9910-905142-9588-900000-704040, Upton Ball Fields Project.			

## MINUTES

OPTIONS/CONDEMNATION/QUICK-TAKES:DHCD - Condemnations or Redemptions

	<u>Owner(s)</u>	<u>Property</u>	<u>Interest</u>	<u>Amount</u>
5.	Unknown	1115 W. Lexington St.	G/R \$60.00	\$ 400.00
	Funds are available in City Bond Funds in account no. 9910-914135-9588-900000-704040, Poppleton Project.			
6.	Estate of Ada Winakur	1105 Vine St.	G/R \$18.00	\$ 120.00
	Funds are available in City Bond Funds in account no. 9910-914135-9588-900000-704040, Poppleton Project.			
7.	Estate of Ada Winakur	1107 Vine St.	G/R \$18.00	\$ 120.00
	Funds are available in City Bond Funds in account no. 9910-914135-9588-900000-704040, Poppleton Project.			
8.	Alvin F. Lipsitz and Shirley F. Lipsitz	1519 N. Washington St.	G/R \$78.00	\$ 520.00
	Funds are available in account no. 9910-908636-9588-900000-704040, FY16 Whole Block Demolition Project.			
9.	Rozalia Anuszewski	1535 N. Washington St.	G/R \$60.00	\$ 400.00
	Funds are available in account no. 9910-908636-9588-900000-704040, FY16 Whole Block Demolition Project.			

**MINUTES****OPTIONS/CONDEMNATION/QUICK-TAKES:**

DHCD - Condemnations or Redemptions - cont'd

The Board is requested to approve acquisition of the ground rent interest by condemnation, or in the alternative may, SUBJECT to the prior approval of the Board, make application to the Maryland Department of Assessments and Taxation to redeem or extinguish the ground rent interest for these properties.

UPON MOTION duly made and seconded, the Board approved the Options, Condemnation, and the Condemnations or Redemptions.

**MINUTES**

Parking Authority of - Amendment to the Card  
Baltimore City (PABC) Services Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the Amendment to the Card Services Agreement (agreement), with Global Payments Direct Inc. (Global). The amendment will extend the original agreement through June 30, 2018.

**AMOUNT OF MONEY AND SOURCE:**

<u>Facility</u>	<u>Account Number</u>	<u>Amount</u>
Arena	2075-000000-5800-407200-603016	\$ 79,209.00
Baltimore	2075-000000-5800-407700-603016	56,588.00
Caroline	2075-000000-5800-408200-603016	34,388.00
Fleet & Eden	2075-000000-5800-408300-603016	47,039.00
Franklin	2075-000000-5800-407400-603016	34,902.00
Fayette	2075-000000-5800-408750-603016	4,825.00
Lexington	2075-000000-5800-407600-603016	27,844.00
Little Italy	2075-000000-5800-407900-603016	35,796.00
Marina	2076-000000-2320-253800-603016	29,318.00
Market Center	2075-000000-5800-407100-603016	15,588.00
Marriott	2075-000000-5800-407000-603016	74,419.00
Penn Station	2075-000000-5800-407600-603016	125,901.00
Redwood	2076-000000-2320-253900-603016	47,283.00
St. Paul	2075-000000-5800-408100-603016	64,215.00
Water	2075-000000-5800-407300-603016	48,242.00
West	2076-000000-2320-254000-603016	50,962.00
PABC Admin	2076-000000-2320-253300-607001	35,430.00
Meter Account	2075-000000-5800-408700-607001	2,225,979.00
	<b>Total</b>	<b>\$3,037,928.00</b>

**BACKGROUND/EXPLANATION:**

On July 14, 2010, the Board approved the original card services agreement with Global in the amount of \$217,400.00 for the period of June 14, 2010 through June 30, 2017.

## MINUTES

PABC - cont'd

The PABC accepts credit card payments at parking garages, at parking meters, at the PABC walk-in office, and at the Residential Permit Parking website (PABC Programs). Accepting credit card payments has facilitated many of the revenue controls implemented by the PABC while providing convenience to customers of the PABC and the City's various programs.

In 2003, the PABC began installing parking access and revenue control equipment in City-owned off-street parking facilities (completed in 2006) to: provide better cash management, allow for credit card acceptance, and to make overall operations more efficient. In 2003, the PABC began accepting credit card payments online and at the PABC office for Residential Parking Permits. Beginning in 2004, the PABC began upgrading the City's on-street parking meters to, among other things, allow for credit card acceptance. Much of the success of the PABC's revenue collection duties can be attributed to credit card acceptance.

The number and value of credit card transactions has more than doubled over the past several years and will continue to grow as additional meters and programs are added to the PABC's services. The increased volume of transactions has correspondingly increased credit card fees substantially. The PABC currently averages 356,608 transactions per month, generating approximately \$1,959,887.00 in credit card sales per month for all the PABC Programs, with associated credit card processing fees averaging \$257,277.00 per month. The Parking Authority processed these transactions using multiple credit card processors at multiple points of sale with varying associated fees, prior to this agreement with Global. The PABC has realized substantial savings in consolidating credit card processing with Global.

This agreement will continue to:

- provide debit and credit card processing services, along with other related merchant services to multiple PABC Programs with varying requirements,

**MINUTES**

PABC - cont'd

- secure economies of scale to improve pricing,
- ensure timely and reliable authorization of credit/debit transactions,
- provide reporting products that meet the requirements of individual PABC Programs and PABC,
- consolidates processing, and,
- establish a single point of contact for coordination of all activities, including adding new PABC Programs, problem resolution (settlement, billing, reporting, etc.), adapting to and incorporating new technologies, etc.

The PABC has realized hundreds of thousands in savings annually as a result of consolidation of merchant services under this Card Services Agreement.

**MWBOO GRANTED A WAIVER.**

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Amendment to the Card Services Agreement with Global Payments Direct Inc.

**MINUTES**Mayor's Office of Human Services - Agreements

The Board is requested to approve and authorize execution of the following Continuum of Care Program Agreements:

1. **MARIAN HOUSE, INC.** **\$68,268.50**

Account: 4000-407016-3571-758300-603051

The organization will provide supportive services to 19 formerly homeless households who are part of their permanent supportive housing program. Clients served through this program are struggling with issues such as chronic mental illness, domestic violence, and/or substance abuse. The period of the agreement is September 1, 2017 through August 31, 2018.

**MWBOO GRANTED A WAIVER.**

2. **MARIAN HOUSE, INC.** **\$30,692.50**

Account: 4000-407016-3571-758400-603051

The organization will provide supportive services to 19 formerly homeless, low-income households who are part of their permanent supportive housing program. The period of the agreement is December 1, 2017 through November 30, 2018.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the foregoing Continuum of Care Program Agreements.

**MINUTES**

Department of Transportation - Developer's Agreement No. 1488

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of Developer's Agreement No. 1488 with Bon Secours New Shiloh II Limited Partnership, Developer.

**AMOUNT OF MONEY AND SOURCE:**

\$76,440.00

**BACKGROUND/EXPLANATION:**

Bon Secours New Shiloh II Limited Partnership would like to install new utilities to their proposed new building located in the vicinity of 1930 Windsor Avenue. This agreement will allow the organization to do its own installation in accordance with Baltimore City Standards.

A Letter of Credit in the amount of \$76,440.00 has been issued to Bon Secours New Shiloh II Limited Partnership, which assumes 100% of the financial responsibility.

**MBE/WBE PARTICIPATION:**

City funds will not be utilized for this project, therefore, MBE/WBE participation is not applicable.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Developer's Agreement No. 1488 with Bon Secours New Shiloh II Limited Partnership, Developer.

**MINUTES**

Department of Transportation - Traffic Mitigation Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a Traffic Mitigation Agreement with Gibbons Commons, LLC., Developer, for the St. Agnes Hospital Gibbons Commons located at 901 Caton Avenue. The period of the agreement is effective upon Board approval.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

Baltimore City Ordinance 11-529, approved on May 9, 2012, determined that Traffic Measures were required for the Development.

The Developer proposes to perform the Scope of Work for St. Agnes Hospital Gibbons Commons including a 75,000 SF Royal Farms Convenience Store and Gas Station; 83,600 SF of Bon Secours Housing; 53,200 SF YMCA; 104,000 SF Office and Restaurant; 66,500 SF of Office; 113,100 SF of housing; 76,800 SF of Retail development. The Developer will perform the following Traffic Mitigation Measures before final build out of the St. Agnes Hospital Gibbons Master Plan at the Developer's sole cost and expense.

1. Caton Avenue Modification:

- i. Widening of NB Caton Avenue from north of Benson Avenue and extended beyond the St. Agnes Main Hospital Entrance and should extend approximately 375' to the existing Emergency Room/School Entrance. To be completed in two phases:

1. Phase I Widening: From north of Benson Avenue to Gibbons Campus entrance, and

**MINUTES**Department of Transportation - cont'd

2. Phase II Widening: From Gibbons Campus entrance to existing Emergency Room/School entrance.
  - ii. Modify the existing lane use between the Emergency Room/School Entrance to the St. Agnes Main Entrance to provide a left turn lane along southbound Caton Avenue into the new development main entrance.
  - iii. Restrict left turns from southbound Caton Avenue into the Gibbons School Entrance. Existing left turn bay for southbound Caton Avenue traffic is to be converted into an extended left turn bay for northbound Caton Avenue traffic from Wilkens Avenue.
2. Wilkens Avenue Pavement Markings:
  - i. Extend the westbound left turn storage length with pavement markings by approximately 40 ft. minimum.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Traffic Mitigation Agreement with Gibbons Commons, LLC., Developer, for the St. Agnes Hospital Gibbons Commons located at 901 Caton Avenue.

**MINUTES**

Department of Transportation - Traffic Mitigation Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a Traffic Mitigation Agreement with 815 Park Ave. Apartments, LLC. Developer, for the property located at 815 Park Avenue. The period of the agreement is effective upon Board approval and termination will be deemed in writing by the Department of Transportation.

**AMOUNT OF MONEY AND SOURCE:**

\$3,186.53 - 9950-906082-9512-000000-490375

**BACKGROUND/EXPLANATION:**

Baltimore City Ordinance 11-529, approved on May 9, 2012, determined that a Traffic Mitigation Fee was required for the Development.

The Developer proposes to perform the Scope of Work for the 815 Park Avenue Apartments at 815 Park Avenue, an adaptive reuse of an existing building with a change of use from Office to an Apartment with 25 dwelling units and 19,000 SF. The Developer agrees to make a one-time contribution in the amount of \$3,186.53 to fund the City's multimodal transportation improvements in the Development's vicinity.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Traffic Mitigation Agreement with 815 Park Ave. Apartments, LLC. Developer, for the property located at 815 Park Avenue.

**MINUTES**Department of Transportation - Minor Privilege Permit Applications

The Board is requested to approve the following applications for a Minor Privilege Permit. The applications are in order as to the Minor Privilege Regulations of the Board and the Building Regulations of Baltimore City.

	<u>LOCATION</u>	<u>APPLICANT</u>	<u>PRIVILEGE/SIZE</u>
1.	24 E. Madison Street	24 East Madison Street, LLC	Outdoor seating 20' x 4'
	\$337.50 - Annual Charge		
2.	2696 Wilkens Avenue	LAL Properties, Inc.	ADA ramp 16'10" x 4'
	\$ 70.30 - Flat Charge		
3.	501 N. Charles Street	The Annie E. Casey Foundation	Four planters 4' x 2.2' ea.
	\$246.40 - Annual Charge		
4.	1609 Bank Street	Adan Orlando Salazar-Martinez	ADA ramp 15' x 4'
	\$ 70.30 - Flat Charge		
5.	3932 Frederick Avenue	Ivan Feit	Six awnings 7' x 3', five spot reflectors
	\$818.80 - Flat Charge		

**MINUTES**

Department of Transportation - cont'd

There being no objection, the Board, UPON MOTION duly made and seconded, approved the foregoing Minor Privilege Permits.

**MINUTES**Baltimore City Sheriff's Office - TRANSFER OF LIFE-TO-DATE  
SICK LEAVE

The Board is requested to approve the transfer of LIFE-TO-DATE sick leave days from the listed City employees to the designated employee, Ms. Tanya Carter.

The transfer of sick leave days is necessary in order for the designated employee to remain in pay status with continued health coverage. The City employees have asked permission to donate the sick leave days that will be transferred from their LIFE-TO-DATE sick leave balances as follows:

<u>Donors</u>	<u>Days</u>
Kim Black	5
Mark Scherr	3
Cleon R. Dickerson, Sr.	3
Rosalee Deese	2
Mark Hughes	2
Dae'sean Fields	3
Tara Purnell	<u>1</u>
<b>Total:</b>	<b>19</b>

Ms. Carter is not a member of a union sick leave bank and is not eligible for membership in a union sick leave bank. All of her leave has been used. This transfer will allow Ms. Carter to remain in pay status.

**THE LABOR COMMISSIONER RECOMMENDED APPROVAL.**

UPON MOTION duly made and seconded, the Board approved the transfer of LIFE-TO-DATE sick leave days from the listed City employees to the designated employee, Ms. Tanya Carter.

**MINUTES**

Department of Housing and                    - Acquisition by Gift  
Community Development (DHCD)

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the acquisition of the fee simple interests in the property located at 803 N. Payson Street (Block 0083 Lot 028) by gift from Mr. Michael Seay, Owner, **SUBJECT** to municipal liens, interest, and penalties, other than water bills.

**AMOUNT OF MONEY AND SOURCE:**

The Owner agrees to pay for any title work and all associated settlement costs, not to exceed \$600.00 total. Therefore, no City funds will be expended.

**BACKGROUND/EXPLANATION:**

The DHCD, Land Resources Division strategically acquires and manages vacant or abandoned properties, which enables these properties to be returned to productive use and improve neighborhoods in Baltimore City.

Mr. Seay has offered to donate to the City, title to the property located at 803 N. Payson Street. With the Board's approval, the City will receive clear and marketable title to the properties, subject only to certain City liens. The City's acceptance of this donation is less costly than acquiring the property by tax sale foreclosure or eminent domain.

The Owner will pay all current water bills up through the date of settlement. The DHCD will acquire the property subject to all municipal liens, and all interest and penalties that may accrue prior to recording a deed. The water bills must be paid as part of the transaction. A list of open municipal liens accrued through May 2, 2017, other than water bills, is as follows:

## MINUTES

DHCD - cont'd803 N. Payson Street

Tax Sale Cert #288796	Date 05/19/14	\$ 8,673.45
Tax Sale Cert #248068	Date 10/27/10	28,539.32
Real Property Tax	2016-2017	0.00
Real Property Tax	2014-2015	460.16
Real Property Tax	2013-2014	40.00
Miscellaneous Bill	5662408	126.85
Miscellaneous Bill	5925508	128.92
Miscellaneous Bill	6145429	137.28
Miscellaneous Bill	7340219	246.40
Miscellaneous Bill	7459837	384.96
Miscellaneous Bill	7748197	252.09
Miscellaneous Bill	7774862	252.60
Miscellaneous Bill	7977762	260.57
Miscellaneous Bill	8177453	283.99
Miscellaneous Bill	8191983	211.35
Miscellaneous Bill	8233827	204.88
Environmental Citation	#54619960	1,500.00
Property Reg.	#063147	<u>150.80</u>
<b>Total Taxes Owed:</b>		<b>\$41,853.62</b>

UPON MOTION duly made and seconded, the Board approved the acquisition of the fee simple interests in the property located at 803 N. Payson Street (Block 0083 Lot 028) by gift from Mr. Michael Seay, Owner, **SUBJECT** to municipal liens, interest, and penalties, other than water bills.

**MINUTES**

Department of Housing and Community Development - Community Development Block Grant Inter-Departmental Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the Community Development Block Grant Inter-Departmental Memorandum of Understanding (MOU) with the Baltimore City Health Department. The period of the MOU is July 1, 2016 through June 30, 2017.

**AMOUNT OF MONEY AND SOURCE:**

\$400,778.00 - 2089-208917-3024-268400-400999

**BACKGROUND/EXPLANATION:**

A MOU must be executed for the utilization of Community Development Block Grant funds to support other City agencies. The Department will continue funding support for the Office of Aging and CARE Services (OACS) to provide comprehensive services and programs to the senior citizens of Baltimore City.

On May 4, 2016, the Board approved the Resolution authorizing the Commissioner of the Department of Housing and Community Development (DHCD), on behalf of the Mayor and City Council, to file a Federal FY 2016 Annual Action Plan for the following formula programs:

1. Community Development Block Grant (CDBG)
2. HOME
3. Emergency Solutions Grant (ESG)
4. Housing Opportunities for Persons with AIDS (HOPWA)

**MINUTES**

Department of Housing and - cont'd  
Community Development

Upon approval of the resolution, the DHCD's Contracts Section began negotiating and processing the CDBG Agreements as outlined in the Plan effective July 1, 2016 and beyond. Consequently, this agreement was delayed due to final negotiations and processing.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Community Development Block Grant Inter-Departmental Memorandum of Understanding with the Baltimore City Health Department.

**MINUTES**

Department of Housing and - Correction to Previously Approved  
Community Development      HOME Investment Partnerships Loan

**ACTION REQUESTED OF B/E:**

The Board is requested to approve a correction of a previously approved HOME Investment Partnerships Program loan in the amount of \$1,250,000.00 (the HOME Loan) to Metro Heights Limited Partnership (the Borrower).

The Board is also requested to authorize the Commissioner of the Department of Housing and Community Development to execute any and all legal documents to effectuate this transaction subject to legal review for form and legal sufficiency.

**AMOUNT OF MONEY AND SOURCE:**

No additional funds are required.

**BACKGROUND/EXPLANATION:**

On May 17, 2017, the Board approved a HOME Investment Partnerships Program Loan (the HOME Loan) in the amount of \$1,250,000.00 to Metro Heights Limited Partnership (the Borrower) for the development of the Metro at Mondawmin Apartments (Metro Heights). The Metro Heights is a proposed 70-unit affordable rental housing development located in the Liberty Square neighborhood of West Baltimore City. The Metro Heights is being developed by Enterprise Homes, Inc. (the Sponsor). Capitalized terms not otherwise defined herein will have the meaning given to such terms in the prior approval.

In the Prior Approval, the HOME Loan was subordinate to the following loans:

## MINUTES

DHCD - cont'd

a construction First Loan from SunTrust in the approximate amount of \$1,825,000.00; the State Loan in the approximate amount of \$2,000,000.00, and a Third Loan from SunTrust in the approximate amount of \$12,175,000.00. After construction completion, the Third Loan is to be repaid from equity proceeds (leaving the HOME Loan in third mortgage lien position) and the First Loan is to be repaid from a permanent take-out loan (the Permanent First Loan) from Bellwether Enterprise Mortgage Investment, LLC, or its affiliate (Bellwether).

In order for a housing assistance payment contract (HAP Contracts) to be approved, a "subsidy layering review" is required in order to prevent excessive public assistance for any project. The Community Development Administration (CDA) handles this review for the HABC HAP Contracts. During the CDA's initial review of the applicable documentation, the CDA determined that the project's debt coverage ratio of 1.50x exceeded the subsidy layering guidelines and the development was in a position to absorb additional debt financing.

To bring the debt coverage ratio in line with the subsidy layering requirements, the Borrower and the Sponsor sought and is obtaining approval of an increase in the Permanent First Loan amount from approximately \$1,825,000.00 to approximately \$2,200,000.00 an increase of approximately \$375,000.00. By doing this, the project's debt coverage ratio has been reduced to 1.35x which is within the acceptable guidelines.

Increasing the Permanent First Loan also means that the construction First Loan will also increase by the same amount. To offset this increase, SunTrust will reduce the principal amount of the Third Loan from the \$12,175,000.00 described in the Prior Approval to \$11,800,000.00. The interest rate on the First Loan

## MINUTES

DHCD - cont'd

and Third Loan will be reduced to 30-day Libor Market Index Rate plus approximately 265 basis points from the 280 basis points described in the Prior Approval.

In addition, the total cost of the project has increased by approximately \$191,642.00 as construction related costs, financing fees, developer fees, and reserves have increased to accommodate the additional debt. The increase of the Permanent First Loan also reduces the deferred developer fee by approximately \$183,358.00: from the approximately \$649,417.00 described in the Prior Approval to approximately \$466,059.00. The additional approximately \$375,000.00 in loan funds will cover the additional construction related costs, financing fees, developer fees and reserves.

The City's loan amount and lien position remain unchanged.

The increase in the Permanent First Loan increase will allow the project to:

- present a debt coverage ratio that will come into compliance with the subsidy layering requirements,
- cover increased development costs, and
- reduce deferred development fee.

All other lender lien positions, loan amounts, and tax credit investor contributions remain as submitted and approved by the Board of Estimates on May 17, 2017.

**THE DIRECTOR OF FINANCE RECOMMENDED APPROVAL.**

**MINUTES**

DHCD - cont'd

UPON MOTION duly made and seconded, the Board approved the correction of a previously approved HOME Investment Partnerships Program loan in the amount of \$1,250,000.00 to Metro Heights Limited Partnership. The Board further authorized the Commissioner of the Department of Housing and Community Development to execute any and all legal documents to effectuate this transaction subject to review for form and legal sufficiency by the Law Department.

**MINUTES**Department of Audits - Audit Report and Related Audit Digest

The Board is requested to **NOTE** receipt of the following Audit Report and Related Audit Digest:

1. City of Baltimore Single Audit for the Fiscal Year Ended June 30, 2015.

President: "The first item on the on the non-routine agenda can be found on page 31, Department of Audits, Audit Report and Related Digest. Will the parties please come forward?"

City Auditor: "Good morning, Mr. President, Members of the Board, I'm Bob McCarty, City Auditor. Ah -- this Single Audit Report is the 34<sup>th</sup> Annual, ah -- Edition of it. Ah -- it, it excludes the Baltimore City Public School System and the Enoch Pratt Free Library, which are subject to separate audits as required by State law. The audit report includes the previously issued Comprehensive Annual Financial Report, the CAFR, and the related report on compliance and internal control over financial reporting. The Department of Audits and KPMG issued the CAFR portion of the report jointly, which includes a separate report that addresses the City's

## MINUTES

compliance with certain laws and regulations and the internal control over financial reporting relating to the financial statements. The City had two significant deficiencies in internal control over financial reporting for fiscal year '15, and both are considered material weaknesses. The first is a lack of control over financial statement preparation. During fiscal year '15, we noted several matters that highlighted the need for improved internal controls over financial reporting relating to the preparation, review and posting of transactions to the grant funds, journal entries, accounts payables, and pensions. We noted several instances where supervisory reviews were not performed at a level that would detect and correct material misstatements. We identified the following weaknesses in this finding, ah -- the Generation of Transaction Detail Underlying Financial Statement Balances. During our audit, we requested --."

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President: "Did I turn the lights out? Somebody leaning on the light switch. We'll put a sign up don't, don't lean on the lights."

City Auditor: "-- and to continue, ah -- during our audit, we requested certain transaction detail from which to select our sample items for audit. While the City was ultimately able to provide this information, the generation of such information was difficult to obtain and did not always agree to the related financial statement balances without material adjustments. We also noted that this information did not undergo appropriate supervisory review to ensure its accuracy and completeness prior to the submission for audit. Lack of Controls over Journal Entries: the City's financial reporting process is heavily reliant on the recording of various manual adjustments. During our review of the manual journal entries recorded into the City's general ledger system, which is CityDynamics, we noted that although the reviewer would review the batch of entries to ensure that the entry balances did not include inactive accounts, they did not obtain supporting documentation to ensure that the entry is warranted and that the amount of the entry agrees to the supporting details. Lack of

## MINUTES

Review over the Pension Schedule; ah -- management's review over the pension schedule did not detect certain errors in the net pension liability and related accounts. Management's initial review of the pension schedule did not detect that a change in proportionate, proportion was not calculated to allocate ERS pension amounts to the City's enterprise and governmental activities. In addition, after we brought the omission of the -- to the City's attention, the City's calculation included amounts related to the Baltimore City Public School System, even though the Baltimore City Public School System was not included in the underlying payroll data used to determine the allocation base. As a result, the City's pooled cash, net pension liability, deferred outflows, deferred inflows, other pension costs, and net pension -- net position were initially misstated for both the enterprise funds and governmental activities. In addition, a material pension liability attributable to the Baltimore City Public School System employees that participate in the ERS was not reported in their financial statements. The City believes the net pension --."

## MINUTES

President: "Excuse me."

City Auditor: "I'm sorry."

President: "You said the school system did not report something ERS?"

Mayor: "No. No."

City Auditor: "No. No."

President: "Oh."

Comptroller: "Read it again."

City Auditor: "I will. In addition the material pension liability that was related to Baltimore City Public School System employees that participate in the ERS was not reported in the Baltimore City Public School System financial statements. Is that --?"

President: "That's what I was... that, that, that was, yeah and they not re -- reporting it."

Comptroller: "They didn't."

President: "The school system. That's what I was saying."

City Auditor: "Yes."

President: "Okay. Alright, so we have to get on them."

## MINUTES

City Auditor: "The City believes the net pension liability attributable to Baltimore City Public School System employees of \$100 million, that's approximate, should be recorded by Baltimore City Public School System, and not the City, because the Baltimore City Public School System was responsible for making employer contributions attributable to their employees. Based on the information available and the size of unrecorded liability by the Baltimore City Public School System, the City decided not to include the Baltimore City Public School System in its financial statements. Next, is the lack of review over accruals. Management did not have adequate controls in place to identify invoices that should be accrued at year end, which resulted in an understatement of accounts payable and expense of \$2.5 million in the City's financial statements and approximately \$99,000.00 in the City's Stormwater Utility Fund. Lack of Review over Capitalized Assets: Management does not have sufficient controls in place to ensure that capitalized transactions were properly being reviewed to prevent and correct errors. Specifically, we noted that management approved transactions to be capitalized for motor vehicles in the

## MINUTES

Waste and Wastewater Utility Funds in the amount of \$2.9 million and \$1.8 million, respectively, which should have been expensed. Management subsequently corrected the errors once brought to their attention. Lack of Review between the Revenue Billing System and the General Ledger: During our testing, we noted there was systemic errors and limitations, that systemic errors and limitations still exists related to the City's water billing system. Additionally, management does not have proper controls in place to reconcile the revenue per the water billing system to the general ledgers on a periodic basis to ensure that revenue is complete and accurate. As a result, we noted an unrecorded difference in the Wastewater and Water Utility Funds in the amount of \$1.7 million and \$1.9 million, respectively. Lack of Review over Proper Coding of Expenses: Management did not have adequate controls in place to ensure that accounts were being properly reviewed and assigned to the appropriate financial statement line items. During our testing, we noted management did not adequately review the general ledger transactions to note if the account was properly stated.

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All 6,000 accounts were set to record salaries and wages in the general ledger, when in reality only the 6,100 accounts should be classified as salaries and wages. The others should be other personnel costs. As a result, the City misclassified \$5 million, \$5.7 million and \$2.1 million of salaries and wages to other personnel costs in the Water, Waste, -- the Water Wastewater, and Stormwater Utility Funds, respectively. Management corrected this error once brought to their attention. We recommend that management refine the process used to complete the draft citywide financial statements and the related notes, all significant adjustments, conversion from cash to accrual adjustments, and necessary account reconciliations. We further recommend that these items be timely prepared and reviewed by management. In their response to the Department of Finance, stated that it generally agrees with the findings and recommendations, that the material pension liability that was left off the Baltimore City Public School System financial statements was not the City's responsibility to change, and it was the first year of a very complicated Pension GASB. The Department

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of Finance stated that it continues to strive to improve business processes that will straighten -- strengthen internal control and make reporting more accurate and less cumbersome -- cumbersome, and its implementation is implementing an upgrade to accounts payable to allow a review process for accounts payable and journal entries. The second, ah -- finding is a Lack of Controls over Accounting for the Grants Fund. During our audit procedures over the Grants Revenue Fund, we identified certain errors in the City's grant accrual calculation related to aged grant accounts receivable and unearned revenue balances that were initially not reserved by management, but upon further investigation were assessed to be uncollectible or invalid. As a result, management adjusted the Due from Other Governments, Unearned Revenue and Unavailable Revenue balances in the Grant Fund by \$65.0 million, \$9.5 million, and \$55.5 million, respectively. In addition, we noted an uncollected, uncorrected misstatement of \$3.1 million related to unreserved grant account receivable balances that did not have subsequent cash receipts within 90 days of the fiscal year end and

## MINUTES

did not have any fiscal year 2015 expenditures. We also identified several instances -- instances in which the City improperly included transactions related to other income or fees for services that were unrelated to grants. These transactions resulted in error in the City's calculation of Due from Governments, Unearned Revenue, and Unavailable Revenue in the amounts of \$6.0 million, five -- \$1.5 million, and \$4.5 million, respectively. Management subsequently reviewed these balances from their grants analysis and adjusted their balances. Lastly, the City reported \$14.0 million of unearned revenue in its grants revenue; however, the City is unable to provide sufficient documentation to support this balance. Ah -- we recommend that the City implement a process for agency personal -- personnel responsibility for administering grants to review the status of each grant and to make adjusting entries in the general ledger to remove the effect of invalid grants receivable and unearned revenue balances; and to provide confirmation to the Department of Finance that all such balances are valid. Ah -- recommend they, the City continue the cleanup--

## MINUTES

its clean-up efforts to remove aged grants from its general ledger; and improve the level of precision of the review of coding new grants in the general ledger during the initial setup process to ensure the grant and non-grant related receipts are appropriately classified, as such. Ah -- the Department of Finance stated in its response that it has established a grant organization within the Department of Finance. This organization is in the process of having policies approved by the Board of Estimates so that they can better work with the Departments in the City that have grant awards. Ah -- this organization has also, also taken over day-to-day act -- responsibilities to review the proposed entries for attachment and to ascertain the entry is proper. And, that concludes the CAFR portion. Um -- Mr. Mr. Raymond you want to speak before I go to the Single Audit?"

President: "Thank you. Mr. Raymond."

Mr. Henry Raymond: "Uh -- Good morning, Mr. President, Madam Pugh, Mayor Pugh, uh -- Members of the Board of Estimates. The Department of Finance, generally concurs with, um -- the first finding, the

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specific note regarding Baltimore City Public Schools is that, ah -- the pension liability is clearly the responsibility of the school system and not the City Government. As it relates to the second finding of the Department of Finance's implemented, ah -- Grants Management Unit to assist all agencies citywide in the implementation and close out of grants, including review of ah -- journal entries, um -- overall management, cash flow, etc. and ah -- excuse me, and that is already, ah -- been put into place so that, that is ongoing. We went to the Board of Estimates, ah -- several meetings ago for the approval of the, ah -- administrative policies that were upgraded to govern all transactions related to federal grants. And, finally as it relates to the first finding, ah -- one of the things that we'll be doing is implementing a new accounting system that should help us achieve, ah -- better precision with, ah -- the transactions that are being recorded. That will be during fiscal '18."

## MINUTES

President: "Okay. Um -- since the, um -- Board of Estimates, um -- approved the changes to the administrative manual, um -- with the grants administration process, um -- do those charges address your, your concerns?"

City Auditor: "When implemented, when implemented, yes they would, they would um -- address, um -- they would address these concerns. Yes."

President: "Okay. Um -- has the City taken any other steps as it relates to that?"

Mr. Raymond: "Well, that unit has already closed out over 15, 1,600 inactive, ah -- accounts. Ah -- we're working with the, um -- agencies that all journal entries, ah -- will be reviewed and approved by the Grants Management Unit. So, yes, this is already underway."

President: "Okay, ah -- with the, ah -- Water, Water Department, um -- how do funds get into the Water Department's account and separate from the general funds."

Mr. Raymond: "Well, because the Water Fund and the Wastewater Fund are separate enterprise funds, they have separate account numbers, so, ah -- every water account has a separate, unique account number that's specific for the water fund."

## MINUTES

President: "So, if I pay my -- I, I, I'm trying to understand something. If I pay my property tax, I know that goes into, immediately goes into one separate fund. If I pay my water bill, does that water bill actually directly go into the water fund or does it sit in the general fund and be divvied out."

Mr. Raymond: "It does not sit in the general fund. It goes directly into the water fund account based on that individual or commercial entity's account number."

President: "So, if I called the Director of Public Works into a hearing and asked him how much money do he have as it relates to water bills being paid. He could tell me how much he has?"

Mr. Raymond: "Yes."

President: "Okay."

Mr. Raymond: "And, the Director of Finance would provide that information. It's in the City's accounting records."

President: "Okay. Alright. Thank you. Madam Comptroller --."

Comptroller: "Yes."

President: "You have a question?"

## MINUTES

Comptroller: "Yes."

President: "Ah -- you can go ahead."

Comptroller: "Okay. Um -- on Finding One: Lack of Control over Financial Statement Preparation, I heard that you said you have a new accounting system because this finding has been going on since Fiscal 2010. So, the accounting system has been installed and staff has been trained and they're using?"

Mr. Raymond: "No, ma'am. The new accounting system will begin to be installed in fiscal '18. So, we're still using CityDynamics. We're looking at an upgrade to CityDynamics that should alleviate a lot of these issues. A lot of these issues are caused by the manual processes with the current accounting system. So, upgrading the current accounting system will help with automation and should alleviate a number of these problems."

Comptroller: "And, so, when will it be upgraded?"

Mr. Raymond: "Ah -- starting in fiscal '18, prob --."

Comptroller: "So, July 1?"

Mr. Raymond: "Well, July 1 is the start of the Fiscal Year, but probably like the third quarter, January."

## MINUTES

Comptroller: "So, it could be a continued Finding, because then, ah -- three-fourths of the year --."

Mr. Raymond: "Yes."

Comptroller: "It will be -- you tend, so --."

Mr. Raymond: "Hope, hopefully the Findings will not be as significant in the future because we will be looking at, ah -- what we can do to strengthen the present manual processes while we're, ah --."

President: "Upgrading."

Mr. Raymond: "Planning for the upgrade."

Comptroller: "Okay. So, can you report back to the Board in January of exactly where you are with the implementation?"

Mr. Raymond: "Yes, ma'am."

Comptroller: "And, on, um -- Finding two: Lack of Controls over Accounting for Grants Fund, you've already hired the employees for this section?"

Mr. Raymond: "Yes, ma'am."

## MINUTES

Comptroller: "Okay. And so, could you also report back in six months where they are with, um -- with the grant section and hopefully we won't have these Findings."

President: "Madam Mayor."

Mayor: "So, this is the Audit for 2015, am I correct?"

City Auditor: "Yes. We still have the single audit portion to cover, but yes."

Mayor: "So, 2016 we'll find the same issues, am I correct?"

President: "They should."

Mayor: "We will. Some of the same issues because, ah -- the issue that you just asked about, Madam Comptroller, we'll still see it in 2017 Audit too, am I correct?"

Comptroller: "Possibly."

Mayor: "Okay. That's a problem and it's one that we really need to pay very close attention to because I don't want to be here as I've said before I'm not going to sit here and defend agencies that aren't correcting action. I think you pointed out, this has been occurring since, when?"

## MINUTES

Comptroller: "Fiscal 10."

President: "2010."

Comptroller: "Since, Fiscal 2010."

Mayor: "And, I think some the folks we're talking to have been here since 2000 --."

Comptroller: "10."

Mayor: "You've been here since when?"

Mr. Raymond: "Oh."

Mr. Raymond: "2008."

Mayor: "Okay. Alright. Thank you."

President: "Okay. The Audit has been Noted."

City Auditor: "I excuse me, I, I still have a Single Audit portion."

President: "Oh, you have another part?"

City Auditor: "Yeah, I'm sorry, I just have another, another."

President: "Oh, so we're stopped."

City Auditor: "-- a page and a half, I'm sorry."

President: "Alright."

## MINUTES

City Auditor: "Okay. The, the balance of the Single Audit report is issued by the Department of Audits and represents mandated coverage of federal financial assistance. This report includes the Supplementary Schedule of Expenditures of Financial Federal Awards which total \$204.7 million. We audited 15 major programs for fiscal year '15, which totaled \$169.5 million. In our opinion, one of these programs, the Low Income Home Energy Assistance Program or LIHEAP, administered by the Mayor's Office of Human Services, did not comply with the requirements applicable to the LIHEAP program. In our finding, we tested el -- we tested client eligibility with a sample of 114 clients. The amount of benefits paid these 114 clients total \$69,214.00. Our review of the sample determined that 22 of the findings were not provided to us by MOHS. The benefit payments representing, represented by these 22 missing folders amounted to \$13,645.00, which we, um -- have to question this amount. For the 92 remaining folders that we did not review, that we did review with benefit payments totaling \$55,569.00, we noted widespread and pervasive errors and omissions in many

## MINUTES

of them. We found that there were 261 separate instances of errors or omissions and documented 14 types of errors in these folders. Those with the most incl -- in -- occurrences included: 23 instances of agency forms that were not signed by the agency worker; 81 instances of database information that did not agree with the folder data; and 54 instances in which the certification section of the Energy Assistance Application was missing key information and signatures. Based on these foregoing issues, we questioned an additional \$15,871.00 because the benefits amounts paid were not based or on -- were based on incorrect or missing data in certain client folders, and accordingly should not have been made. Due to the significant number of errors found, including the above total of \$29,516.00 in questioned costs, and the weak controls through book -- over recordkeeping, over recordkeeping we projected likely questioned costs to the total population of clients. Based on the State database of City clients, there were 27,619 clients in the City program. Our analysis of the questioned

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costs, the sample selected, and the total population of clients resulted in a projection of likely questioned costs of \$5.5 million. We also note that the system in place for determining benefits during our audit exhibited material internal control weaknesses which, if not corrected, could lead to future questioned client payments. We recommend that MOHS resolve the known questioned costs of \$29,516.00 to the satisfaction of the grantor, which is U.S. Department of Health and Human Services or HHS. We also recommend that the likely questioned costs of \$5.5 million be resolved in accordance with the determination of HHS. We further recommend that MOHS institute internal control procedures such that future energy assistance applications are properly processed and completed, benefits awarded are accurately calculated, and awards are made to only qualified individuals. Additionally, while performing tests of payroll costs, we noted that payroll costs totaling \$36,920.00 for an employee that was not part of the LIHEAP program was improperly charged to its accounts. Accordingly, we are questioning these costs of \$36,920.00. We

## MINUTES

recommend that MOHS ensure that only appropriate grant employees are charged to the LI -- LIHEAP, LIHEAP accounts. We also recommend that MOHS prepare a correcting journal entry to credit LIHEAP and charge the appropriate program account for the \$36,920.00 in questioned costs. In their response, MOHS provided detailed steps to resolve this finding and stated that it would work with the Maryland Department of Human Resources whose the pass through from HHS to the City regarding the questioned costs and they had an anticipation clete -- completion date of June 2017. Also in our opinion, the City did comply, in all material respects, with the requirements of the other 14 major programs for fiscal year '15. The report contains 17 other findings and as in past years, some of the federal programs, programs continue to have problems in reconciling grant financial reports to the City's accounting records, submitting grant financial reports in a timely manner, and providing adequate supporting documentation. As required, the City's Summary Schedule of Prior Audit Findings and corrective action plans for both current and prior findings are included in our report."

## MINUTES

President: "Ah, Mr. McCarty, um -- is this similar to the issue we had, um -- a while back?"

City Auditor: "Yeah, this is the third ye -- straight year for the same issue."

President: "Same issue. Okay and nothing has been corrected."

City Auditor: "Not yet. No, sir."

Mayor: "Well this is 2015, correct?"

President: "Yeah."

City Auditor: "It so, it was --."

President: "We had --."

City Auditor: "It was 13, 14, and 15."

President: "Yeah, We had an issue with the same problem. Um -- Madam Comptroller."

Comptroller: "Yes. Okay. So, as you said this is the third consecutive year for this finding and the Mayor's Office of Human Services said that it would be corrected by the end of Fiscal '17. So, my question is, will it be completed?"

City Auditor: "Is, is someone here from Mayor's Office of Human Services?"

## MINUTES

Mr. Terry Hickey: "Good morning Madam Mayor, Mr. President, Madam Comptroller. I'm Terry Hickey, Director of the Mayor's Office of Human Services. Um -- we've got our program team that represents LIHEAP and our Finance office here, as well. Fiscal Year '15 was the first year that MOHS took possession of this program from DHCD. We've been working diligently to clean up the issues, um -- that were brought about in the audit, um -- and have taken appropriate steps to do so. I'm happy to answer specific questions, if you will."

Comptroller: "So, in your, your response, you said that these findings will be resolved as of June 30, 2017."

Mr. Hickey: "Correct."

Comptroller: "And, that's -- it will be?"

Mr. Hickey: "Yes."

Comptroller: "Okay. Good."

Mr. Hickey: "Yes."

President: "Okay. We don't want you to come back and the Auditor's tell us they haven't been done. Okay."

Mr. Hickey: "Understood."

## MINUTES

President: "Alright. Cause we going to start putting penalties in place for agencies that's not following the proper procedures."

Mr. Hickey: "Absolutely."

President: "Because it costs the City in the long run."

Comptroller: "Yeah, millions."

Mayor: "Well, let me just say that one, there's a new team in place and, um -- we don't' expect to see the same thing, that we've seen that you all have seen for the last three years. Um -- I know you probably have some of those same people inside of your agency. So, I'm hoping that this review, um -- and this notification is doesn't lay on deaf ears and that we really do go about the business of fixing it. Because as I've already said, we got to, we've, we're going to be transparent and when we make mistakes the public is going to know and these are funds that affect people's lives."

Mr. Hickey: "Very much."

Mayor: "Okay. Thank you."

Hickey: "Thank you, ma'am."

Mayor: "Thank you."

President: "Thank you. Um -- the Audit has been Noted."

\* \* \* \* \*

## MINUTES

Health Department - Agreements

The Board is requested to approve and authorize execution of the various Agreements.

1. **THE JOHNS HOPKINS UNIVERSITY (JHU)** **\$ 27,014.00**

Account: 4000-480317-3150-762100-603051

The Johns Hopkins University will offer Hepatitis C Virus (HCV) testing services to patients who are not having clinical blood work performed during their visit. The JHU will evaluate the potential additional value (from both a clinical and public health perspective) of offering point of care Hepatitis C Virus (HCV) screening alongside existing traditional blood-based HCV screening in a high volume emergency department setting in the Johns Hopkins Hospital. The period of the agreement is November 1, 2016 through June 30, 2017.

2. **THE JOHNS HOPKINS UNIVERSITY (JHU)** **\$912,302.00**

Account: 4000-484717-3023-718000-603051

The Johns Hopkins Center for Child & Community Health Research (CCHR) will provide day-to-day management of the required evaluation of a demonstration project focused on Pre-Exposure Prophylaxis (PrEP) medication implementation across the Baltimore Metropolitan Statistical Area. The JHU, CCHR will be responsible for implementing the evaluation metrics and refining in response to feedback from the Centers for Disease Control and Prevention (CDC); monitoring stakeholder progress and providing feedback to grantees in conjunction with the BCHD project staff; reporting evaluation progress to the CDC as required; and development and implementation of a social marketing/community mobilization campaign regarding PrEP. The period of the agreement is September 30, 2016 through September 29, 2017.

## MINUTES

Health Department - cont'd

**MWBOO GRANTED A WAIVER.**

The agreements are late because budget revisions delayed processing.

3. **PROJECT PLASE, INC.** **\$421,168.00**

Account: 4000-424517-3023-274412-603051

Project PLASE, Inc. will provide counseling to HIV positive persons. Clients will be selected from the at-risk population (African-American women, male youth, men who have sex with males, gay, bi-sexual, lesbian, and transgendered) considering additional factors, such as lack of medical assistance, those who are newly diagnosed and currently not in care, and those who have multiple needs, including mental health or substance abuse. The period of the agreement is July 1, 2016 through June 30, 2017.

4. **SISTERS TOGETHER AND REACHING INCORPORATED** **\$580,000.00**

Account: 5000-569717-3023-274404-603051

Sisters Together and Reaching Incorporated will provide services in the area of psychosocial support; housing assistance; outreach; Health Insurance Premium and Cost Sharing Assistance to ensure clients have access to high-quality care and pharmacy assistance; and Early Intervention Services to assist people with HIV/AIDS to become fully linked to and engaged in their medical and other essential support services. The period of the agreement is July 1, 2016 through June 30, 2017.

**MINUTES**

Health Department - cont'd

The agreements are late because the State of Maryland Department of Health and Mental Hygiene's Prevention and Health Promotion Administration programmatically manages Ryan White State Special services. The providers are asked to submit a budget, budget narrative, and scope of services. The Baltimore City Health Department thoroughly reviews the entire package before preparing a contract and submitting it to the Board of Estimates. These budgets are many times revised because of inadequate information from the providers. This review process is required to confirm with the grant requirements.

**MWBOO GRANTED A WAIVER.**

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the foregoing Agreements.

**MINUTES**

Health Department - Amendment No. 1 to Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of Amendment No. 1 to Agreement with Park West Health Systems, Incorporated. The period of the Amendment No. 1 to Agreement is July 1, 2016 through June 30, 2017.

**AMOUNT OF MONEY AND SOURCE:**

(\$116,433.00) - 4000-424517-3023-274411-603051

**BACKGROUND/EXPLANATION:**

On March 1, 2017, the Board approved the agreement in the amount of \$614,994.00, for the period of July 1, 2016 through June 30, 2017. Park West Health Systems, Incorporated will not use the total amount of \$614,994.00, within the Agreement period. The grantor, Department of Health and Mental Hygiene (DHMH), Prevention and Health Promotion Administration (PHPA) is reducing its award to Park West Health Systems, Incorporated by (\$116,433.00), making the total Agreement amount \$498,561.00.

The Amendment No. 1 to Agreement is late because the reduction was just approved by DHMH - PHPA.

**MBE/WBE PARTICIPATION:**

N/A

**AUDITS REVIEWED AND HAD NO OBJECTION.**

**MINUTES**

Health Department - cont'd

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Amendment No. 1 to Agreement with Park West Health Systems, Incorporated.

## MINUTES

Health Department - Employee Expense Reports**ACTION REQUESTED OF B/E:**

The Board is requested to approve the various expense reports for the following employees:

1. **ANITA CLAY-STARKS** **\$ 107.92**

Account: 5000-532816-3254-767200-603002	76.41
5000-532816-3254-767200-603026	31.51
June 2016	

The Department requests reimbursement to Ms. Anita Clay-Starks for local mileage, meeting, and training expenses.

2. **RENEE PARKER** **\$ 328.03**

Account: 4000-499617-3080-294213-603020	48.22
4000-499617-3080-294213-603002	279.81
September 2016	

The Department requests reimbursement to Ms. Renee Parker for meals and mileage expenses.

3. **HEANG TAN** **\$ 151.98**

Account: 1001-000000-3252-273300-603020	35.89
1001-000000-3252-273300-603020	116.09
September 2016	

The Department requests reimbursement to Ms. Heang Tan for meals and travel expenses.

## MINUTES

Health Department - cont'd

4. **NANCY JILL KERR**

Account: 4000-499617-3080-294213-603002           \$     **81.70**  
February 2017

The Department requests reimbursement to Ms. Nancy Jill Kerr for local mileage expenses.

These reimbursements are late because the employee expense statements and appropriate back up documents were inadvertently misplaced due to oversight.

Pursuant to Administrative Manual Section 240-11, an Employee Expense Report must be received by the Bureau of Accounting and Payroll Services within 40 work days from the last calendar day of the month in which the expenses were incurred. Expenses submitted after this time limit will not be reimbursed without written approval of the Board of Estimates.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved various expense reports for the foregoing employees.

**MINUTES**Health Department - Expenditure of Funds**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize the purchase of incentive gift cards from the AMC Theaters and Downtown Locker Room for the Office of Youth Violence Prevention (OYVP) School-Based Violence Prevention Project.

**AMOUNT OF MONEY AND SOURCE:**

	<u>Vendor</u>	<u>Number of Cards</u>	<u>Denomination</u>
\$1,000.00	AMC	100	\$10.00 each
<u>1,000.00</u>	Downtown Locker Room	40	\$25.00 each

**\$2,000.00** - 4000-483317-3160-308000-603050

**BACKGROUND/EXPLANATION:**

The gift cards will be distributed as incentives for youth participants in the OYVP School-Based Violence Prevention project for participation in health education sessions, conducting community outreach and awareness, event planning, and organization of after-school club and summer activities.

The program is implemented in four targeted Baltimore City Public High Schools in communities targeted by the city-wide strategic plan for the prevention of youth violence. The prevention strategies are designed to improve connections between youth and their peers, adults, and communities leading to healthier youth, and safer schools, homes, and neighborhoods.

**MINUTES**Health Department - cont'd

The Department has a consolidated policy account for the purchase, distribution, and documentation of all incentive cards. The central tenets of this policy account for: 1) a single means of procuring all incentive cards through the Board of Estimates; 2) the documentation of each incentive card and its recipient; 3) a monthly reconciliation for all purchases that account for all distributed and non-distributed cards, and; 4) periodic internal review of programs' activity vis-à-vis the internal policy which are to be shared with the Department of Audits.

This policy has been reviewed by both the Solicitor's Office and by the Department of Audits. Consistent with the original Board of Estimates approval, all requests for payment for the above incentive cards will be subject to the Department of Audits approval.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized the purchase of incentive gift cards from the AMC Theaters and Downtown Locker Room for the Office of Youth Violence Prevention School-Based Violence Prevention Project.

**MINUTES**

Department of Finance - FY 2018 Targeted Homeowners Tax Credit

**ACTION REQUESTED OF B/E:**

The Board is requested to authorize the Department of Finance to set up the Fiscal 2018 Targeted Homeowners Tax Credit rate at \$0.216 per \$100 of improved assessed value pursuant to Article 28 §10-16 of the Baltimore City Code. The Targeted Homeowners Tax Credit is limited to the City tax liability, excluding Special Benefit districts.

**AMOUNT OF MONEY AND SOURCE:**

The Targeted Homeowners tax Credit will result in a reduction of an estimated \$26.1 million from the City's property tax collection.

**BACKGROUND/EXPLANATION:**

The Targeted Homeowners Tax Credit is available to all owner occupied homes in Baltimore City that qualify for the Homestead Exemption under the Property Tax Article § 9-105 of the State Code. The tax credit is calculated by multiplying the Targeted Homeowners Tax Credit rate by the eligible property's improved assessment. The credit when taken singularly or with other credits will be limited to the City tax liability and shall not cause a refund to any taxpayer.

**MBE/WBE PARTICIPATION:**

N/A

**MINUTES**

Department of Finance - cont'd

UPON MOTION duly made and seconded, the Board authorized the Department of Finance to set up the Fiscal 2018 Targeted Homeowners Tax Credit rate at \$0.216 per \$100 of improved assessed value pursuant to Article 28 § 10-16 of the Baltimore City Code.

**MINUTES**

Department of Finance - Payment In Lieu of Taxes  
Agreement Template

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the Payment in Lieu of Taxes (PILOT) Agreement template.

The Board is further requested to approve and authorize the Director of Finance to execute individual PILOT agreements in the form of the template with the entities listed herein or their subsidiaries (the Owners), subject to review and approval for form and legal sufficiency by the Department of the Law.

**AMOUNT OF MONEY AND SOURCE:**

No City funds are requested at this time, and the PILOTs will have no impact on City revenue.

**BACKGROUND/EXPLANATION:**

The Housing Authority of Baltimore City (HABC) is a public corporation of the State of Maryland, separate from the City of Baltimore and established to serve the City. The HABC owns and operates the largest inventory of affordable housing in Maryland, with over 9,400 public housing units available to the City's most vulnerable residents. The HABC is the fifth largest Public Housing Authority (PHA) in the country.

Public housing has been inadequately funded by the federal government, which is solely responsible for paying for the program, for many years. As a result, there is a loss of 10,000 to 15,000 public housing units nationwide each year. Baltimore has felt the pinch of underfunding and has lost public housing units. In addition, the remaining stock of public housing is in desperate need of rehabilitation. The HABC estimates that its entire

## MINUTES

Department of Finance - cont'd

portfolio requires about \$800 million of capital improvements. In order to address the shortfall of capital funds for public housing, the congress passed the Rental Assistance Demonstration Program (RAD). The HABC applied for the conversion of about 4,000 public housing units under RAD. The Federal Department of Housing and Urban Development (HUD) approved the HABC's applications. RAD allows the HABC to convert its current public housing subsidy to a Project Based Housing Choice Voucher, the effect of which is to allow the HABC to attract about \$350 million of new capital in the form of federal, State, and private funds, for the repair and maintenance of its properties.

The HABC, mixed-finance & Hope IV properties, including the properties covered by this request, are currently governed by a Cooperation Agreement between the City and the HABC which, among other things, allows for a Payment in Lieu of Taxes by the HABC for its properties. The PILOT calls for a payment of ten percent of the shelter rents collected by the HABC, which is, ten percent of the revenue collected directly from tenants. Due to the financing structure that will be necessary to support the rehabilitation work in the RAD properties, the HABC will ground lease the land under the buildings and sell its ownership interest in the buildings to a new owner entity. The HABC, will however have an ownership interest in the new owner entity. The effect of this new ownership will be that the properties are no longer covered by the Cooperation Agreement. In order to maintain the existing property tax status the HABC has requested and the Finance Department supports a new PILOT agreement for each RAD property. The owners will be entities controlled by a partnership between the HABC and the development partners indicated below, and each owner will be eligible to receive a PILOT under Section 12-104 of the Housing and Community Development Article of the Annotated Code of the State of Maryland.

The PILOT is necessary to preserve the properties' present tax levels, which are in turn necessary to raise sufficient capital

## MINUTES

Department of Finance - cont'd

for rehabilitation. Without the PILOTs these properties will not be financeable, will not be able to take advantage of the RAD program and the HABC will not be able to secure the significant capital resources necessary to complete the full modernization and updates to these buildings.

The RAD properties are in various stages of completing their financing. Phase I properties have closed as of December 2016. Phase II Properties began their RAD Conversion in November 2016. Financing is being secured through the State of Maryland and HUD, which must complete their reviews before the transactions can close. Executed PILOTs are a necessary part of completing that review. The executed PILOT agreements must be provided before loan commitments can be issued and loans closed.

Because there are three individual PILOTs that will be identical, the Department is proposing that the PILOT agreement template be approved and the Director of Finance be authorized to execute these PILOT agreements, one for each project, at such time as they become necessary to complete the transactions.

A list of the RAD properties, providing the unit count, HABC developer partner, and addresses is set forth below. The names of the ultimate ownership entities are not shown as they will be created as part of the closing process for each transaction.

<u>Project Name</u>	<u>Unit</u>	<u>Developer</u>	<u>Address</u>
Broadway Overlook	84	Landex	100 North Broadway
Hillside Park	30	Landex	4902 Parkton Court Rear
Town at Terraces Senior	47	CSI	751 W. Saratoga St.

**MINUTES**

Department of Finance - cont'd

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Payment in Lieu of Taxes Agreement template. The Board further approved and authorized the Director of Finance to execute individual PILOT agreements in the form of the template with the entities listed herein or their subsidiaries, subject to review and approval for form and legal sufficiency by the Department of the Law.

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PAYMENT IN LIEU OF TAXES AGREEMENT  
BETWEEN

AND

THE MAYOR AND CITY COUNCIL OF BALTIMORE

THIS AGREEMENT (this "**PILOT Agreement**"), made as of this \_\_\_\_ day of \_\_\_\_\_, 201\_, by and between \_\_\_\_\_, a limited liability company organized under the laws of the State of Maryland (hereinafter referred to as the "**Owner**") and the Mayor and City Council of Baltimore, a municipal corporation of the State of Maryland acting by and through the Department of Finance (hereinafter referred to as the "**City**").

WHEREAS, the Owner owns real property known as \_\_\_\_\_ (the "Property") comprised of \_\_\_\_\_ (FILL IN WHETHER IT IS A MULTI-FAMILY APARTMENT BUILDING OR TOWNHOMES) (the "**Improvements**"). The specific units which are the subject of this Agreement are described on Exhibit A attached hereto and made a part hereof and are located in the City of Baltimore, Maryland (hereinafter referred to as the "**Low Income Units**").

WHEREAS, the Improvements were originally constructed in \_\_\_\_\_ (YEAR) as part of a project in which the Housing Authority of Baltimore City had an ownership interest and in which the Low Income Units were to house \_\_\_\_ low-income households; and

WHEREAS, the Improvements require renovation and will be substantially rehabilitated, modernized, made energy efficient and preserved as \_\_\_\_ rental units, of which \_\_\_\_ units shall be the Low Income Units. The Improvements and the Property once rehabilitated are hereinafter referred to as the "**Residential Project**". The Residential Project will be subject to the legal operation and effect of (i) a Low Income Housing Tax Credit Covenant (the "**Tax Credit Covenant**") between the Owner and the Community Development Administration, a unit of the Division of Development Finance of the Department of Housing and Community Development,

## MINUTES

a principal department of the State of Maryland (“CDA”), and (ii) a HUD Rental Assistance Demonstration (“RAD”) Use Agreement (the “HUD RAD Use Agreement”) executed by the Owner in favor of the United States Department of Housing and Urban Development (“HUD”). The Tax Credit Covenant and HUD RAD Use Agreement are recorded, or intended to be recorded, among the Land Records of Baltimore City, Maryland in connection with a reservation of low income housing tax credits from CDA and the requirements of the RAD conversion; and

WHEREAS, the Residential Project will be operated by the Owner for low-income housing pursuant to the Tax Credit Covenant and HUD RAD Use Agreement; and

WHEREAS, pursuant to the Tax Credit Covenant and HUD RAD Use Agreement, the Residential Project is governmentally controlled as to rents, charges, and management of the Residential Project; and

WHEREAS, Section 12-104(c) of the Housing & Community Development Article of the Code of Maryland (“Maryland Code”), provides, among other things, that in any case in which (i) the Residential Project is used to house persons of eligible income and (ii) is owned in whole or in part, directly or indirectly, through one or more wholly or partially owned subsidiary entities of a Baltimore Housing Authority entity, the City is authorized to enter into an agreement with the Owner for the payment of an amount that may be set by mutual agreement that does not exceed the amount of regular taxes levied on similar property in lieu of all taxes and special assessments of the State and the City (the “PILOT Agreement”), subject to the approval of such PILOT Agreement by the Board of Estimates; and

WHEREAS, the Owner hereby represents that the Residential Project will house persons of eligible income as required by the Maryland Code; and

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WHEREAS, the Owner hereby represents that the Residential Project in terms of its legal structure will be owned in whole or in part, directly or indirectly, through one or more wholly or partially owned subsidiary entities of a Baltimore Housing Authority entity as required by the Maryland Code; and

WHEREAS, the Owner hereby represents that it will complete rehabilitation of the Improvements and when completed the Low Income Units will qualify in all respects, under the provisions of the Maryland Code, for such a PILOT Agreement; and

WHEREAS, the Board of Estimates on February 16, 1973, approved a policy governing its approval of agreements for payments in lieu of Baltimore City real property taxes, and the City has agreed to enter into this PILOT Agreement for payment of a negotiated sum or sums in lieu of Baltimore City and State real property taxes, provided the Owner conducts its operations in accordance with the applicable criteria and controls under the Tax Credit Covenant and the HUD RAD Use Agreement for low-income housing; and

WHEREAS, the Owner and the City, pursuant to the power and authority of the Maryland Code, have agreed upon a formula to determine the sum payable by the Owner to the City in lieu of Baltimore City and the State of Maryland real estate taxes upon the Residential Project.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

In consideration of the mutual covenants, terms and agreements hereof and pursuant to the power and authority of said Housing & Community Development Article Section 12-104 (c), and subject to the approval of this PILOT Agreement by the Board of Estimates, it is agreed as follows:

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1. The payments to be made by the Owner to the City, provided for herein with respect to the Residential Project shall be in lieu of (i) all City of Baltimore taxes and special assessments, under the Maryland Code and (ii) all State of Maryland taxes and special assessments. Such payments shall be made by the Owner and shall be accepted by the City only as long as (i) the Residential Project shall be used by the Owner for low-income housing and to provide essential related facilities therefore pursuant to the Tax Covenant Agreement and the HUD RAD Use Agreement; and (ii) the Owner shall in all other respects comply with the conditions of the Maryland Code, pursuant to which the City is authorized to enter into this PILOT Agreement for the payment of negotiated sums in lieu of taxes, and shall comply with all of its obligations under this PILOT Agreement. It is further agreed that the payments provided for herein shall be accepted in lieu of Baltimore City and State of Maryland ordinary real property taxes on the Residential Project, only so long as:

(a) The Residential Project is occupied by tenants whose incomes do not exceed the standards and limitations set forth in the Tax Credit Covenant and/or HUD RAD Use Agreement copies of which shall be provided to the Director of Finance within ten (10) days of the execution of such documents by the Owner. If the documents are hereafter amended from time to time and approved by CDA and HUD, then copies of such amendments shall be furnished to the City within ten (10) business days of the effective date of any such amendments; and

(b) The Owner, in order to ensure full and complete compliance with all of the terms and provisions of this PILOT Agreement shall permit the City, by its authorized representative, to examine the books and records of the Owner in Baltimore City and to require that the Owner furnish proof, satisfactory to the City, of the eligibility of the tenants to reside in

## MINUTES

such facilities, including, but not limited to, the limitations on income aforesaid; provided that any documentation of tenant incomes provided to and approved by HUD or CDA shall be deemed approved by the City.

2. The in-lieu payment shall at no time exceed the amount of taxes otherwise payable based on the assessment for Baltimore City real property taxes and State of Maryland real property taxes.

3. Upon payment of the negotiated sum provided in paragraph four (4) of this Agreement, the Residential Project shall be exempt from Baltimore City and State of Maryland ordinary real estate taxes billed from the date hereof and thereafter.

4. The Owner agrees to pay to the City, in lieu of the ordinary Baltimore City and State of Maryland ordinary real estate taxes upon the Residential Project, effective from the date the Owner acquires the Residential Project which date the Owner shall document by a letter sent to the City (the "Commencement Date") through June 30, 2018; and for the fiscal year beginning July 1, 2018 and for each year thereafter, until the obligations of the City to accept negotiated payments provided in this PILOT Agreement shall cease under the provisions hereof, an amount determined as follows:

For the Low Income Units covered by the Tax Credit Covenant or HUD RAD Use Agreement, ten percent (10%) of the tenant portion of the rent ("**Shelter Rent**"), based on the Rental Schedule beginning on the Commencement Date and continuing until the obligations of the City to accept negotiated payments provided in this PILOT Agreement shall cease under the provisions hereof. The Rental Schedule shall clearly set out the amount of the Shelter Rent which shall be the basis for the City computing the PILOT payment, and shall be provided by the Owner to the Baltimore City Director of Finance ("**Director of Finance**"), the Department of

## MINUTES

Audits for the City of Baltimore (“Audits”) and the Baltimore Department of Housing and Community Development (“DHCD”) by April 1st each year. Failure to provide the Rental Schedule by such date shall be cause for the Director of Finance to declare a default in accordance with the provisions of paragraph 5(c) below.

5. All payments shall be subject to the same interest and penalties set forth in the Baltimore City Code for real property taxes and for the payment under this PILOT Agreement as provided as follows:

(a) The Director of Finance shall bill annual PILOT Payments on July 1st of each year based upon the Rental Schedules reported to the Director of Finance. Tax payments shall be considered delinquent thirty (30) days after the date of the bill therefore. For the first fiscal tax year of operation of the Project, the amount of PILOT payments shall be prorated for the number of days remaining in the tax year from the date of the Owner’s acquisition of the Residential Project;

(b) The penalties and interest provided for shall be added to the bill for in lieu tax payments and collected by the Director of Finance in the same manner as taxes are collected;

(c) If the Owner remains in default for sixty (60) days after written notice from the City, under any of the provisions hereof, this PILOT Agreement may at the City’s sole option be subject to renegotiation or voided at the option of the City unless the Owner has commenced efforts to cure any such default and is diligently prosecuting such cure; provided that the Agreement may not be modified or voided without sixty (60) days prior written notice to HUD, CDA and the Owner’s tax credit investor or their successors provided the Owner provides current addresses for the sending of such notices.

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6. Changes in the Rental Schedule of the Shelter Rent shall be submitted to the City within thirty (30) days after their approval by HUD or CDA and shall be the basis for adjustments in the PILOT paid commencing with their effective date.

7. The Owner, within one hundred twenty (120) days after the close of each of its accounting years shall submit to the Director of Finance, Audits, and DHCD, a complete annual financial report, based upon an examination of the books and records. The financial statements, prepared in accordance with generally accepted accounting principles, shall be audited by and certified to by a Certified Public Accountant registered to practice in the State of Maryland or with the registration authority of any other State. Notwithstanding the requirement above, the Rental Schedule shall be submitted to the City no later than April 1st of each year.

8. The Owner's compliance with the terms and conditions of this PILOT Agreement shall be subject to annual review by the City.

9. The Owner shall maintain in its office at \_\_\_\_\_, Baltimore, Maryland \_\_\_\_\_ records showing the Rental Schedule for the Residential Project upon which the payments herein provided in lieu of taxes are to be based. The Owner has the obligation, pursuant to the HUD Use Agreement and the Tax Credit Covenant to provide low-income housing and, in the event of any increase or decrease in the rental charged made by the Owner and approved by HUD or CDA or their successors which has the effect of increasing or decreasing the total of the Shelter Rent on the latest previous Rental Schedule filed with the City, a report of such increase or decrease shall be made promptly by the Owner to the Director of Finance and to Audits. No such increase or decrease in the rents shown on the latest said Rental Schedule previously filed with the City shall be effective for the purpose of computing the

MINUTES

annual PILOT hereunder until such report showing all such changes in the Rental Schedule for the Residential Project has been filed with the Director of Finance and with Audits.

10. The Owner shall not make any transfer or exchange of the Residential Project including transfers of interests in the Owner to a third party entity which qualifies under the Maryland Code without first providing written notice thereof to the Director of Finance no later than thirty (30) days prior to such transfer or exchange.

11. A notice or communication under this PILOT Agreement by either the City, on the one hand, to the Owner, or on the other, by the Owner to the City, shall be sufficiently given or delivered if (i) personally delivered with a receipt, (ii) sent by overnight delivery by a recognized carrier, or (iii) dispatched by registered or certified mail, postage prepaid, return receipt requested and addressed as follows:

All notices to the Owner under this PILOT Agreement shall be to:

Owner

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All notices to the City under this PILOT Agreement shall be to:

City of Baltimore  
100 N. Holliday Street, 4th Floor  
Baltimore, Maryland 21202  
Attn: Director of Finance

Copy to:

Law Department of Baltimore City  
Room 100, City Hall  
100 N. Holliday Street  
Baltimore, Maryland 21202  
Attn: City Solicitor

Department of Audits  
City of Baltimore

MINUTES

100 N. Holliday Street, 3rd Floor  
Baltimore, Maryland 21202  
Attn: City Auditor

Bureau of Accounting and Payroll Services  
City of Baltimore  
401 E. Fayette Street, 5th Floor  
Baltimore, Maryland 21202  
Attn: Divisions Chief

12. Owner shall comply with the Housing Authority of Baltimore City's requirements related to use of minority owned businesses, women owned businesses and the use of local source labor a copy of said policy being attached hereto and incorporated herein as Exhibit B.

13. Miscellaneous Provisions:

a. Governing Law. The laws of the State of Maryland shall govern the validity, performance and enforcement of this PILOT Agreement.

b. Covenants. The parties hereto agree that all the provisions of this PILOT Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof.

c. Exhibits. It is agreed and understood that any Exhibits referred to herein, and attached hereto, form an integral part of this PILOT Agreement and are hereby incorporated by reference.

d. Pronouns. The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.

e. Separability. If any term or provision of this PILOT Agreement or applications thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remaining terms and provisions of this PILOT Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held or

## MINUTES

unenforceable, shall not be affected thereby, and each term and provision of this PILOT Agreement shall be valid and enforced to the fullest extent permitted by law.

f. Counterparts. This PILOT Agreement may be executed in several counterparts, but all counterparts shall constitute one and the same legal document.

g. Authority. Owner and the City hereby covenant each for itself, that each has full right, power and authority to enter into this PILOT Agreement upon the terms and conditions herein set forth. If Owner signs as a corporation, each of the persons executing this PILOT Agreement on behalf of Owner does hereby covenant and warrant that Owner is a duly authorized and existing corporation, qualified to do business in the jurisdiction in which the Residential Project is located, that the corporation has full right and authority to enter into this PILOT Agreement, and that each and both of the persons signing on behalf of the corporation were authorized to do so. If Owner signs as a partnership, each of the persons executing this PILOT Agreement on behalf of Owner does hereby covenant and warrant that Owner is a duly formed and validly existing partnership, that the partnership has full right and authority to enter into this PILOT Agreement, and that each of the persons signing on behalf of the partnership were authorized to do so.

h. Interpretation. Although the printed provisions of this PILOT Agreement were drawn by City, this PILOT Agreement shall not be construed for or against Owner or City, but this PILOT Agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

i. Entire Agreement; Modification. This PILOT Agreement contains the entire agreement between the parties, and any agreement hereafter made shall be ineffective to change, discharge or effect an abandonment in whole or in part unless such PILOT Agreement is

MINUTES

in writing and signed by the party against whom enforcement of the change, modification, discharge or abandonment is sought.

j. Binding Effect. This PILOT Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and the heirs, personal representatives, successors and assigns of said parties.

IN WITNESS WHEREOF, the Owner has caused this Agreement to be signed in its name by \_\_\_\_\_, the managing member of the Owner, and the Mayor and City Council of Baltimore have caused their names to be signed and corporate seal to be affixed on this Agreement, duly attested by the Custodian of the City Seal, in the day and year first hereinabove written.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

MINUTES

WITNESS:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_(SEAL)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF OHIO, CITY/COUNTY OF \_\_\_\_\_, to wit:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, before me, the subscriber, a Notary Public of \_\_\_\_\_, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be the \_\_\_\_\_ of \_\_\_\_\_, the managing member of \_\_\_\_\_, itself the managing member of \_\_\_\_\_, and that he, on behalf of such limited liability company, being authorized so to do, has executed the foregoing instrument for the purposes herein contained, AND IN MY PRESENCE SIGNED AND SEALED THE SAME.

IN TESTIMONY WHEREOF, I have affixed my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_



MINUTES

EXHIBIT A

ADDRESSES FOR LOW INCOME UNITS THAT ARE SUBJECT TO PILOT

## MINUTES

## EXHIBIT B

## HOUSING AUTHORITY OF BALTIMORE CITY MBE AND SECTION 3 POLICIES

**HOUSING AUTHORITY OF BALTIMORE CITY  
MINORITY BUSINESS ENTERPRISE PROGRAM**

**II.22. SUBCONTRACTING WITH MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES:**

1. **Statement of Policy:** It is the policy of HABC to ensure that Minority Business Enterprises ("MBEs"), as defined in Subsection 2 below, and Women-owned Businesses ("WBEs") are provided maximum opportunity to participate in contracts administered by HABC. In accordance with Executive Order 11625, HABC has established a minimum goal of twenty percent (20%) of the total dollar amount of any contract awarded under this solicitation, for MBE utilization. HABC has not established a minimum goal for participation of WBEs, however, in accordance with Executive Order 12138, HABC encourages and affirmatively promotes the use of WBEs in HABC contracts.
2. **Definition of MBE:** For these purposes, a MBE is defined as: (a) any legal entity other than a joint venture, organized to engage in business transactions, that is at least fifty-one percent (51%) owned and controlled by one or more minority persons; and (b) has been certified as an MBE in accordance with Subsection 5 below. For these purposes, a minority person is defined as a member of a socially or economically disadvantaged minority group, which includes African-Americans, Hispanic-Americans, Native-Americans, and Asian-Americans. Notwithstanding the certification of a firm as an MBE, the ownership and control of such firm must be by one or more persons who meet the definition of minority persons hereinabove, in order for such firm to be considered a MBE.
3. **Applicability of Policy:** The HABC MBE utilization policy applies to all minority-owned and non minority-owned businesses bidding to perform as the prime contractor in the proposed contract. Therefore, all minority-owned businesses bidding to perform as the prime contractor is required to provide all information requested in this Section II.22. Further, a minority-owned business bidding as the prime contractor cannot count its participation towards the 20% goal.
4. **MBE Certification:** Any MBE proposed by the Bidder to be utilized in the proposed contract must be certified as an MBE by an authorized public body or agency of a Federal, State, or local jurisdiction authorized under the applicable Federal, State, or local laws to make such certifications, in order for participation of such MBE to be applied toward the MBE utilization goals. HABC does not certify MBEs but will accept certifications from other authorized jurisdictions, which meet the requirements herein stated. All certifications must be current as of the date of the Bid submission deadlines. Notwithstanding evidence of the certification of any firm as an MBE, HABC reserves the right to: (1) independently verify the status of such firm as an MBE; (2) review and make a final determination as to the appropriateness of the proposed utilization of a MBE, based on the a trade or profession for which the MBE has been certified; (3) reject the proposed use of a MBE based on non-compliance with the requirements of this Section II.22; and (4) request additional information from the Bidder necessary for HABC's review.
5. **Award Considerations:** The twenty percent (20%) MBE participation is a minimum goal that Bidders are expected to meet in the performance of the proposed contract. Therefore, to be considered for award, the Bid must include: (a) information demonstrating the Bidder's plan for achieving the minimum MBE participation goals for the proposed contract as described in Subsection 6 below; or (b) the Bidder's request for a waiver of the MBE participation requirements as described in Subsection 8 below. Bids that do not address the

## MINUTES

MBE participation or waiver requirements set forth in this IFB may be deemed unacceptable. HABC will not accept a blanket statement or commitment by the Bidder to utilize MBEs in the proposed contract without the specific information requested in this Section II.22.

6. **MBE Utilization Plan:** The Bid must include the Bidder's MBE utilization plan ("MBE Utilization Plan") describing the Bidder's strategy for achieving the MBE participation requirements if awarded a contract, and any additional efforts the Bidder may make to subcontract with WBEs. However, Bidders are advised that use of WBE subcontractors for the proposed contract will not apply towards, or otherwise be substituted for the MBE utilization goals. The MBE Utilization Plan shall include the following:
  - (a) A fully completed and executed Bidder's MBE Utilization Affidavit showing the Bidder's committed total MBE utilization goal for the proposed contract.
  - (b) A fully completed and executed Prime Contractor MBE Statement of Intent attached hereto as Attachment \_\_\_\_, completed for each MBE to be utilized in the proposed contract. The Bidder shall ensure that the Prime Contractor MBE Statement of Intent contains all information therein requested including:
    - (i) The names, addresses, telephone numbers and contact person for each MBE that will be performing work on this project.
    - (ii) A specific description of the work to be performed by each MBE and the proposed schedule for delivery of services.
    - (iii) The fee structure showing the dollar amount to be awarded to each MBE to be utilized, and the total value of each proposed MBE subcontract towards the twenty percent (20%) MBE utilization goal.
  - (b) A current and valid MBE certification for each MBE to be utilized.
7. **Price Reasonableness:** HABC will not award a contract to any Bidder whose price is deemed by the Contracting Officer to be unreasonable based on accepted government cost principles, irrespective of the Bidder's success in meeting the MBE utilization goals for the proposed contract.
8. **Request for Waiver of MBE Utilization Requirements:** A waiver of the MBE participation requirements may be granted by HABC, in whole or in part, only upon a reasonable demonstration based upon documentary evidence submitted by the Bidder that MBE participation was unable to be obtained or was unable to obtain at a reasonable price. Any actual or prospective Bidder that seeks a waiver of the MBE utilization requirements must submit a written request for a waiver to HABC on or before the deadline for submitting Bids, with documentary evidence to support such waiver request. Such documentary evidence shall include, at the least:
  - (a) Correspondence, records, and other documents showing efforts made to contact and negotiate with MBEs;
  - (b) A description of the specifications plans, bonding requirements, anticipated schedule of delivery and other pertinent information provided by the Bidder to MBEs;

## MINUTES

- (c) A list of MBEs that Responded to solicitations or inquiries by the Bidder including contact information of each MBE and quotes or Bids submitted by MBEs; and
- (d) A list of MBEs contacted by the Bidder and found to be unavailable including addresses and phone numbers of each MBE and dates of each such contact.
- (e) A list of MBE directories, trade associations, local minority assistance organizations, and Federal, State and local government small business agencies contacted by the Bidder for assistance in locating MBEs.

9. **Deadline for Submission of Request for Waiver of MBE Utilization Requirements:**  
All requests for a waiver of the MBE utilization requirements in whole or in part, and required supporting documentation must be received in writing by HABC no later than deadline for submission of Bids. Any request for a waiver received after the deadline for submission of Bids will not be considered, and may render the Bid subject to rejection.

10. **Additional Efforts:** In addition to the foregoing requirements, Bidders should take the following steps to ensure that whenever possible, subcontracts are awarded to MBEs and WBEs such as the following:

- (a) Placing qualified MBEs, WBEs and small businesses on solicitation lists;
- (b) Dividing the total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by MBEs, WBEs and small businesses;
- (c) Establishing delivery schedules where possible, in a manner, which encourages participation by MBEs, WBEs and small businesses;
- (e) Using the services and assistance of the United States Small Business Administration, the Minority Business Development Agency of the United States Department of Commerce, the Housing Authority of Baltimore City Office of Fair Housing and Equal Opportunity ("FH&EO"), the City of Baltimore Office of Minority and Women's Business Opportunity Office ("M/WBOO"), the local minority assistance organizations, and the various State and local government small business agencies. FH&EO is located at 417 East Fayette Street, Suite 922, Baltimore, Maryland 21202 and may be contacted by phone at 410-396-3246. M/WBOO is located at 100 N. Holliday Street, 1st Floor, Room, Baltimore, Maryland 21202 and may be contacted by phone at 410-396-4355.

## MINUTES

INFORMAL AWARDS, RENEWALS, INCREASES TO CONTRACTS AND EXTENSIONS

<u>VENDOR</u>	<u>AMOUNT OF AWARD</u>	<u>AWARD BASIS</u>
---------------	------------------------	--------------------

Bureau of Purchases

- |   |         |         |
|---|---------|---------|
| 1. XYLEM DEWATERING SOLUTIONS, INC. d/b/a<br>GODWIN PUMPS OF AMERICA, INC.  | \$ 0.00 | Renewal |
| Contract No. 08000 - Service/Labor/Repair Parts for Godwin Pumps - Department of Public Works, Bureau of Solid Waste - P.O. No. P527885 |         |         |

On June 25, 2014, the Board approved the initial award in the amount of \$240,000.00. The award contained three 1-year renewal options. Two renewal options have been exercised. This final renewal in the amount of \$0.00 is for the period June 25, 2017 through June 24, 2018. The above amount is the City's estimated requirement.

It is hereby certified, that the above procurement is of such a nature that no advantage will result in seeking nor would it be practical to obtain competitive bids. Therefore, pursuant to Article VI, Section 11 (e)(i) of the City Charter, the procurement of the equipment and/or service is recommended.

**MBE/WBE PARTICIPATION:**

Not applicable. This meets the requirement for certification as a sole source procurement. These commodities are only available from the vendor, and are not available from subcontractors.

- |  |              |         |
|--|--------------|---------|
| 2. LEHIGH OUTFITTERS, LLC  | \$300,000.00 | Renewal |
| Contract No. B50002893 - Safety Shoes and Boots - Department of Finance - Risk Management Occupational Safety - Req. No. P523803 |              |         |

MINUTES

INFORMAL AWARDS, RENEWALS, INCREASES TO CONTRACTS AND EXTENSIONS

VENDOR	AMOUNT OF AWARD	AWARD BASIS
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Bureau of Purchases

On June 12, 2013, the Board approved the initial award in the amount of \$806,074.00. The award contained three 1-year renewal options. Two renewal options have been exercised. This contract will ensure that each affected employee uses protective footwear when working in areas where there is a danger or hazard. This final renewal in the amount of \$300,000.00 is for the period July 1, 2017 through June 30, 2018. The above amount is the City's estimated requirement.

MBE/WBE PARTICIPATION:

On October 1, 2012, it was determined that no goals would be set because of no opportunity to segment the contract. This contract is for the purchase of the following commodities: safety shoes and boots. No services are being provided under this contract.

**MWBOO GRANTED A WAIVER.**

- |   |         |  |
|---|---------|--|
| 3. ADP,<br>LLC  | \$ 0.00 | Third Amendment to<br>Master Services<br>Agreement |
| <u>Contract No. 08000 - Human Resource Information, Automatic Processing, E-time and Enterprise Payroll Systems Licensing - Departments of Finance and Human Resources - P.O. No. P529369</u> |         |  |

The Board is requested to approve and authorize execution of a Third Amendment to Master Services Agreement with ADP, LLC. The period of the Third Amendment to Master Services Agreement is June 21, 2017 through June 30, 2018, with two 1-year renewal options.

## MINUTES

INFORMAL AWARDS, RENEWALS, INCREASES TO CONTRACTS AND EXTENSIONS

<u>VENDOR</u>	<u>AMOUNT OF AWARD</u>	<u>AWARD BASIS</u>
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Bureau of Purchases

On July 25, 2007, the Board approved the initial award in the amount of \$1,600,000.00. Subsequent actions have been approved. The vendor is the sole provider of licensing, maintenance, and support of proprietary software for the Human Resource Information Systems and Enterprise Payroll Systems in use by the Department of Finance, Bureau of Accounting and Payroll Services and Department of Human Resources.

This third amendment is to utilize the ADP Wage Payments Module ALINE Pay Electronic Services for payment in support of the City's YouthWorks Program at no additional cost to the City.

It is hereby certified, that the above procurement is of such a nature that no advantage will result in seeking nor would it be practical to obtain competitive bids. Therefore, pursuant to Article VI, Section 11 (e)(i) of the City Charter, the procurement of the equipment and/or service is recommended.

MBE/WBE PARTICIPATION:

Not applicable, refer to the above certification.

UPON MOTION duly made and seconded, the Board approved the foregoing Informal Awards, Renewals, Increases to Contracts and Extensions. The Board further approved and authorized execution of a Third Amendment to Master Services Agreement with ADP, LLC (item no. 3).

**MINUTES**

Baltimore City Fire Department (BCFD) - FY 2017 Operation Care Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of an FY 2017 Operation Care Agreement with HealthCare Access Maryland, Inc. (HCAM). The period of the Agreement is effective upon Board approval through June 30, 2017.

**AMOUNT OF MONEY AND SOURCE:**

\$186,121.00 - 1001-000000-6100-716500-603026

**BACKGROUND/EXPLANATION:**

The agreement covers a project known as Operation Care, which was previously provided by Baltimore HealthCare Access, Inc., in a pilot program in FY 2009 in collaboration with the Baltimore City Health Department that has continued through FY17. Operation Care personnel follow high risk patients who call frequently for 911 services and are matched to health services providers. The expected outcomes of this program are that patients who frequently call 911 will be properly matched with the services that best address their needs and secondarily, will result in a reduction of the number of calls for emergency medical service. The BCFD provides the patient data to HCAM and their staff does the follow-up with the patients. The program is staffed with a project coordinator and an outreach case manager.

Operation Care is a solely unique collaboration between Maryland HealthCare Access Maryland, Inc. and the BCFD. This program resolves a Fire Department EMS dilemma of frequent low acuity 911 callers. The Department uses a great deal of resources to meet the demands of these callers, but cannot reduce their impact. There is

**MINUTES**

BCFD - cont'd

no way to codify a general approach to this problem for competitive bidding. The collaboration with HCAM allows each person identified as a high volume caller to be greeted and given compassionate cost effective medical care thereby reducing the 911 burden.

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the FY 2017 Operation Care Agreement with HealthCare Access Maryland, Inc.



**MINUTES**

Department of Public Works/ - cont'd  
Human Resources

UPON MOTION duly made and seconded, the Board approved the transfer of LIFE-TO-DATE sick leave days from the listed City employees to the designated employee, Ms. Lannette Shartice Newkirk.

**MINUTES**

Department of Public Works - Amendment No. 1 to the  
Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of Amendment No. 1 to the Memorandum of Understanding (amendment) with the University of Baltimore. The amendment will extend the period of the Memorandum of Understanding through July 13, 2018.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

On July 13, 2016 the Board approved a Memorandum of Understanding (MOU) with the University of Baltimore to perform a pilot microbial source tracking study to evaluate the impact of proposed improvements in the Total Maximum Daily Load Watershed Implementation Program. The work was scheduled to begin in the fall and winter of 2016 but due to scheduling conflicts and the limitations of the laboratory, sampling did not begin until March 2017.

The MOU will expire on July 14, 2017; this amendment will extend the MOU through July 13, 2018. This will allow the University of Baltimore to complete the sampling requirement of the original MOU.

**AUDITS NOTED THE NO-COST TIME EXTENSION.**

**MINUTES**

Department of Public Works - cont'd

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Amendment No. 1 to the Memorandum of Understanding with the University of Baltimore.

**MINUTES**

Department of Public Works/Office - Amendment No. 1 to  
of Compliance and Laboratories Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of Amendment No. 1 to the Memorandum of Understanding (Amendment No. 1 to MOU) with University of Baltimore/Baltimore Neighborhood Indicators Alliance-Jacob France Institute (BNIA). The Amendment No. 1 will extend the period of the Memorandum of Understanding (MOU) through July 31, 2018.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

On October 26, 2016, the Board of Estimates approved the MOU with the BNIA to modify an interactive resource tool for urban water quality and community-based efforts. The MOU will expire on July 31, 2017. The Department requests a no-cost time extension through July 31, 2018. The Amendment No. 1 to MOU will allow the BNIA to complete beta-testing of the upgrades and train organizations on the use of the interactive tool, adding the ability to crowd source information.

**AUDITS NOTED THE NO-COST TIME EXTENSION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Amendment No. 1 to the Memorandum of Understanding with University of Baltimore/Baltimore Neighborhood Indicators Alliance-Jacob France Institute.

**MINUTES**

Department of Public Works/ - Renewal of Agreement  
Bureau of Solid Waste (DPW)

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the exercising of the option to renew the agreement with the Downtown Partnership of Baltimore, Inc. The period of the renewal is July 1, 2017 through June 30, 2018.

**AMOUNT OF MONEY AND SOURCE:**

\$357,000.00 - 1001-000000-5152-386200-603026

**BACKGROUND/EXPLANATION:**

On June 29, 2016, the Board approved the original agreement for the period July 1, 2016 through June 30, 2017, with the option to renew for two additional 1-year periods.

The DPW desires to renew the agreement with the Downtown Partnership of Baltimore, Inc. to continue to provide cleaning services in the Downtown Management District, under the same terms and conditions as in the original agreement.

**MWBOO GRANTED A WAIVER ON MAY 31, 2016.**

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved the exercising of the option to renew the agreement with the Downtown Partnership of Baltimore, Inc.

**MINUTES**

Department of Recreation and Parks - Task Assignment

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the assignment of Task No. 07 to Murphy & Dittenhafer, Inc. under Project 1234, On-Call Architectural Design Services. The period of the task assignment is approximately two years.

**AMOUNT OF MONEY AND SOURCE:**

\$184,157.39 - 9938-912039-9474-00000-703032

**BACKGROUND/EXPLANATION:**

This task will include design development and construction document services, for the Gwynn Falls Division Maintenance Yard.

**MBE/WBE PARTICIPATION:**

**MBE: 28.16%**

**WBE: 22.04%**

**AUDITS REVIEWED AND FOUND THE BASIS FOR COMPENSATION CONSISTENT WITH CITY POLICY.**

**TRANSFERS OF FUNDS**

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
\$47,000.00	9938-911039-9475	
Rec & Parks 27 <sup>th</sup>	Park Maintenance	
Series	Facility (Reserve)	

MINUTES

Department of Recreation and Parks - cont'd

TRANSFERS OF FUNDS

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
141,000.00	" "	
State (Program Open Space)		
<u>\$188,000.00</u>	-----	9938-912039-9474 Park Maintenance Facility (Active)

This transfer will provide funds to cover the costs associated with design services under On-Call Contract No. 1234, Task No. 7 to Murphy & Dittenhafer, Inc.

UPON MOTION duly made and seconded, the Board approved the assignment of Task No. 07 to Murphy & Dittenhafer, Inc. under Project 1234, On-Call Architectural Design Services. The Transfer of Funds was approved, SUBJECT to the receipt of a favorable report from the Planning Commission, the Director of Finance having reported favorably thereon, in accordance with the provisions of the City Charter.

**MINUTES**

Department of Recreation and Parks - Donation Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize the execution of a Donation Agreement with the University of Maryland Foundation, Inc. (Donor) and Roane's Rigging & Transfer Company, Inc., (Contractor). The period of the Donation Agreement is effective upon Board approval through the Final Acceptance of the Phase 1 Project by the City, unless terminated sooner.

**AMOUNT OF MONEY AND SOURCE:**

\$470,909.14 - 9938-918059-9474-900000-706065

This amount of money represents the value of the in-kind donation to the City for Phase I. This amount will be paid directly to the Contractor by the Donor. No funds will be received by the City.

**BACKGROUND/EXPLANATION:**

This Donation Agreement concerns Lakeland Recreation Center (LRC), located at 2921 Stranden Road, Baltimore, Maryland 21230 (the Project).

The Final Acceptance of Phase I of the Donation Agreement is defined as acceptance of the Phase 1 Project by the City after the Donor and the City have verified that the equipment and systems are fully operational, all warranty work is complete and the Contractor has fulfilled its contractual obligations.

The funding for the project is being provided by the Donor through a gift made by Northrop Grumman Foundation. The Donor selected the Contractor to perform interior renovations to the Project at the LRC, which adjoins Lakeland Elementary/Middle School (LEMS) PS#12.

**MINUTES**Department of Recreation and Parks - cont'd

The Department and Baltimore City Public Schools will collaboratively operate the Lakeland "STEAM" (Science, Technology, Engineering, Arts, Athletics, and Math) Center, as per the Joint Use Agreement between the Department of Recreation and Parks and the Baltimore City Board of School Commissioners, which was approved by the Board on March 22, 2017. The parties to this Agreement desire to improve the recreation center by transforming the 9,368 sq. ft. facility into a state-of-the-art facility from which students of the school and the community at large can benefit.

The estimated cost of Phase I is \$470,909.14. Additionally, subsequent phases for the interior renovation are expected to bring the total project cost to an estimated \$1,032,286.25. The total cost of the Project, in addition to the cost for the design of the facility, the Contractor's labor, and the material and equipment, is being furnished by the Donor. Upon completion of the STEAM Center renovation project, the total donation of improvements will become the sole property of the City.

**APPROVED FOR FUNDS BY FINANCE****AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Donation Agreement with the University of Maryland Foundation, Inc., and Roane's Rigging & Transfer Company, Inc.

**MINUTES**

Bureau of Water and Wastewater - 2017 Sewer Surcharge Adjustment

**ACTION REQUESTED OF B/E:**

The Board is requested to concur with an adjustment of the 2017 Sewer Surcharge assessed to Oriole Park at Camden Yards.

**AMOUNT OF MONEY AND SOURCE:**

No refund is necessary

**BACKGROUND/EXPLANATION:**

Article 25 of the Baltimore City Code (2000 ed., as amended) grants the City the authority to assess industries a sewer surcharge of industrial waste. Industries are billed in advance each January covering the period of January 1 through December 31 of each billing year. Oriole Park at Camden Yards was originally assessed \$10,043.80 for Calendar Year 2017. However, in a letter dated June 31, 2017, the company requested that the surcharge be reconsidered as incorrect data was used to calculate the surcharge assessment. Delaware North, the Baltimore Orioles' food service vendor supplied the number of home games and catered events as well as the average attendance for both, but after receiving the surcharge bill, the stadium manager contacted the Pollution Control Section with a revised figure for the number of catered events.

The Bureau agreed that reconsideration was warranted and recalculated the surcharge with the revised numbers. This resulted in a revised assessment of \$8,968.82 and represents a reduction of \$1,074.98. As Oriole Park at Camden Yards has not paid the original surcharge amounts, a refund would not be necessary.

**MINUTES**

Bureau of Water and Wastewater - cont'd

The Bureau of Water and Wastewater requests that the Board concur with the decision to assess Oriole Park at Camden Yards \$9,394.24 for Calendar Year 2017 and rescind any interest and/or penalties that have accrued since the original surcharge bill (Invoice #8204091) was issued in January 2017.

UPON MOTION duly made and seconded, the Board concurred with an adjustment of the 2017 Sewer Surcharge assessed to Oriole Park at Camden Yards.

**MINUTES****TRAVEL REQUESTS**

<u>Name</u>	<u>To Attend</u>	<u>Fund Source</u>	<u>Amount</u>
<u>Police Department</u>			
1. Stephanie Robinson	FBI Hazardous Devices Technician Basic Course Huntsville, AL Aug. 5 - Sept. 16, 2017 (Reg. Fee \$0.00)	Asset Forfeiture Fund	\$7,293.59
2. Ethan Conway	2017 International Association of Identification Conference Atlanta, GA Aug. 5 - 12, 2017 (Reg. Fee \$375.00)	Asset Forfeiture Fund	\$ 958.96

The airfare in the amount of \$243.96 was prepaid by Mr. Conway. The registration fee in the amount of \$370.00 was prepaid on a City-issued procurement card assigned to Mr. Tribhuvan Thacker. Therefore, Mr. Conway will be disbursed \$583.96.

3. Robert Ross	2017 International Association of Bloodstain Pattern Analysis Redondo Beach, Los Angeles, CA September 23-29, 2017 (Reg. Fee \$450.00)	Asset Forfeiture Fund	\$2,346.56
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Mr. Ross will travel on September 23, 2017 and will pay for the cost of lodging and food for that date.

**MINUTES****TRAVEL REQUESTS**

<u>Name</u>	<u>To Attend</u>	<u>Fund Source</u>	<u>Amount</u>
<u>Baltimore Police Department - cont'd</u>			
The registration costs of \$450.00 and airfare costs of \$380.90 were prepaid using a City-issued credit card assigned to Tribhuvan Thacker. Therefore, the disbursement to Mr. Ross is \$1,515.66.00.			
4. Adam C. Kirhagis	Crimes Against Children Conf./ Sex Offender Dallas, TX August 6-10, 2017 (Reg. Fee \$495.00)	SORU Grant	\$1,979.36
<u>Mayor's Office of Employment Development</u>			
5. Jason Perkins-Cohen	US Conference of Mayors - Workforce Development Council Meeting Miami, FL June 22-24, 2017 (Reg. Fee \$800.00)	Admin- istrative Cost Pool	\$1,720.05

The registration cost of \$800.00 was prepaid using EA000207673. Therefore, the disbursement to Mr. Perkins-Cohen is \$920.05.

**MINUTES****TRAVEL REQUESTS**

<u>Name</u>	<u>To Attend</u>	<u>Funds</u>	<u>Amount</u>
<u>Employees' Retirement System (ERS)</u>			
6. Roselyn Spencer	NASP 28 <sup>th</sup> Annual Pension and Financial Services Conference Los Angeles, CA June 25 - 28, 2017 (Reg. Fee \$0.00)	Special Funds - ERS	\$1,725.79

The subsistence rate for this location is \$222.00 per night. The cost of the hotel is \$229.00 per night plus hotel taxes of \$35.61 per night.

The ERS is requesting additional subsistence of \$7.00 per day for the hotel and \$40.00 per day for meals and incidentals.

**RETROACTIVE TRAVEL REQUESTS**Mayor's Office of Human Services (MOHS)

7. Gabby Knighton	National Human Services Data Consortium Spring Conference Los Angeles, CA April 11 - 14, 2016 (Reg. Fee \$460.00)	HMIS Grant	\$1,639.13
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On April 12, 2016, Ms. Knighton traveled to Los Angeles, CA to attend the National Human Services Data Consortium Spring Conference.

## MINUTES

RETROACTIVE TRAVEL REQUESTS - cont'dMOHS - cont'd

<u>Name</u>	<u>To Attend</u>	<u>Fund Source</u>	<u>Amount</u>
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The subsistence rate for this location is \$222.00 per night. Ms. Knighton incurred out of pocket expenses for the cost of the hotel in the amount of \$179.00 plus hotel tax of \$27.84 per night and food in the amount of \$63.66.

The total cost of Ms. Knighton retroactive travel request is \$1,639.13. The airfare in the amount of \$434.95 was paid by a City-issued procurement card assigned to Assad Assadi and the registration fee in the amount of \$460.00 was paid by EA 000183282. Therefore, Ms. Knighton will be reimbursed for out-of-pocket expenses \$744.18, as follows:

TRAVEL REIMBURSEMENT - Ms. Knighton

\$537.00	- subsistence (\$179.00/night x 3 nights - hotel)
83.52	- hotel tax
63.66	- food
60.00	- Transportation
<u>\$744.18</u>	

**MINUTES****RETROACTIVE TRAVEL APPROVAL**Mayor's Office of Human Services (MOHS) - cont'd

	<u>Name</u>	<u>To Attend</u>	<u>Fund Source</u>	<u>Amount</u>
8.	Elizabeth Botkin	National Human Services Data Consortium Spring Conference Los Angeles, CA Apr. 11 - 17, 2016 (Reg. Fee \$425.00)	HUD Supportive Housing Program (SHP) Grant	\$1,386.12

On April 12, 2016, Ms. Botkin traveled to Los Angeles, California to attend the National Human Services Data Consortium Spring Conference.

The subsistence rate for this location was \$214.00 per night. The hotel cost was \$179.00 per day plus occupancy taxes of \$25.06 per night, a city tourism assessment of \$2.69 per night, and a California tourism tax of \$0.09 per night. The registration fee in the amount of \$425.00 was prepaid by Expenditure Authorization No. EA000183282.

Ms. Botkin personally incurred the costs of the hotel, the occupancy taxes, the city tourism assessments, the California tourism taxes, the airfare, the ground transportation, and meals. She stayed from April 13 - 17, 2016 at her own expense. Therefore, Ms. Botkin is requesting reimbursement in the amount of \$961.12.

## MINUTES

TRAVEL REIMBURSEMENT

<u>Name</u>	<u>To Attend</u>	<u>Fund Source</u>	<u>Amount</u>
MOHS - cont'd			

TRAVEL REIMBURSEMENT

\$ 358.00 - Hotel (\$179.00 x 2)			
50.12 - Occupancy taxes (\$25.06 x 2)			
5.38 - City tourism assessment (\$2.69 x 2)			
0.18 - California tourism tax (\$0.09 x 2)			
445.96 - Airfare			
60.00 - Ground transportation			
41.48 - Meals			
<b>\$ 961.12 - Total Reimbursement</b>			

The request for travel reimbursement is late because of delays in gathering supportive documentation as Ms. Botkin is no longer employed with the Mayor's Office of Human Services.

UPON MOTION duly made and seconded, the Board approved the forgoing Travel Requests and the Retroactive Travel Reimbursements. The Comptroller **ABSTAINED** on item no. 6.

**MINUTES**

Department of Communication Services - Amendment No. Six to  
MiCTA Participation  
Contract

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of + The Amendment No. Six to MiCTA Participation Contract is effective upon Board approval for three years.

**AMOUNT OF MONEY AND SOURCE:**

\$767.51 - 2070-000000-5501-397201-603025 (Monthly recurring)

The costs for services were projected in the Centrex contract with Verizon. The costs will be charged to agency accounts, subject to budget approval.

**BACKGROUND/EXPLANATION:**

As a result of the merger between MCI Communication Services, Inc. (MCI) d/b/a Verizon Business Services and Verizon, some services and or upgrades to services, which were in the past provided under the City's contract with Verizon for Centrex, now must be procured through Verizon on behalf of the MCI.

This Amendment No. Six to MiCTA Participation Contract will allow the Department of Public Works to upgrade and add private IP

**MINUTES**

Department of Communication Services - cont'd

wireless access and managed wide area network service for the SCADA project at the sewage and water pumping station located at 751 Eastern Avenue. Under this amendment, other locations may be added or changed upon mutual assent of the parties.

**APPROVED FOR FUNDS BY FINANCE**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the Amendment No. Six to MiCTA Participation Contract with Verizon Business Network Services, Inc.

MINUTES

President: "There being no more business before the Board,. We will recess until bid opening at 12 noon. Thank you."

\* \* \* \* \*

**MINUTES**

Clerk: "The Board is now in session for the receiving and opening of bids."

**BIDS, PROPOSALS, AND CONTRACT AWARDS**

Prior to the reading of bids received today and the opening of bids scheduled for today, the Clerk announced that **THERE WERE NO ADDENDUM RECEIVED** extending the dates for receipt and opening of bids.

Thereafter, UPON MOTION duly made and seconded, the Board received, opened, and referred the following bid to the respective department for tabulation and report:

Department of Transportation - TR 17020, Utility Locating Test Holes & Boring for Engineering Projects - Citywide

KCI Technologies, Inc.

MINUTES

\* \* \* \* \*

There being no objections, the Board, UPON MOTION duly made and seconded, adjourned until its next regularly scheduled meeting on Wednesday, June 28, 2017.



JOAN M. PRATT  
Secretary