

MINUTES

**REGULAR MEETING**

Stephanie Rawlings-Blake, President  
Sheila Dixon, Mayor  
Joan M. Pratt, Comptroller and Secretary  
George A. Nilson, City Solicitor  
David E. Scott, Director of Public Works  
Donald Huskey, Deputy City Solicitor  
Ben Meli, Deputy Director of Public Works  
Bernice H. Taylor, Deputy Comptroller and Clerk

The meeting was called to order by the President.

**MINUTES**

Baltimore Development Corporation - Memorandum of Understanding -  
Video Lottery Terminal  
Facility

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a memorandum of understanding (MOU) with Baltimore City Entertainment Group (BCEG).

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

In November 2008, Maryland voters passed a State of Maryland bill approving the constitutional amendment that authorized a maximum of 15,000 video lottery terminals (VLTs) at a maximum of five locations (facilities). A facility was authorized in Baltimore City if located within one-half mile of Interstate 95 and Interstate 295, on property owned by the City of Baltimore and not adjacent to or within one-quarter mile of residential property.

The City plans to generate revenue from the VLT facility in the form of a ground rent and various taxes, described below. The State authorized legislation (Senate Bill 3/2007 Special Session) requires that revenue derived from the VLT facility must be used for a property tax reduction and school construction/renovation. It is anticipated that the majority of the revenue generated will be pledged to reduce the property tax as recommended in the December 5, 2007 report of Mayor Sheila Dixon's Blue Ribbon Committee on Taxes and Fees.

The State of Maryland and the Video Lottery Facility and Location Commission issued a Request for Proposals for Video Lottery Operations Licenses on December 19, 2008, with proposals due on February 2, 2009. The BCEG was the respondent for the Baltimore City location.

## MINUTES

BDC - cont'd

Subsequently, the City and, on the City's behalf, the Baltimore Development Corporation (BDC) entered into negotiations with the BCEG in which the City's benefit expectations were a major topic. As a result, the BCEG has agreed that the ground rent payments will be computed as 2.99% of Gross Gaming Revenue (money wagered by players less jackpots) and will include a guaranteed minimum payment to the City. The guaranteed minimum payment stabilizes at \$15,956,000.00 in year 3. However, the 2.99% City share will allow for additional revenue growth and therefore further City benefit. In addition, the BCEG will make an annual payment equal to the greater of the property tax or \$3,200,000.00, increasing annually 3% and stabilizing in year five. For example, if the property tax in year one is \$3,000,000.00, the BCEG will pay the property tax plus an additional \$200,000.00.

Under State law, 95% of the revenue generated by the facility must be used for property tax reduction or school construction/renovation. Although not part of the MOU with the BCEG, the City has calculated its revenue expectations as only the following elements: 1) the 2.99% of gross gaming revenue with a guaranteed minimum payment stabilizing at \$15,956,000.00 in year three; 2) the greater of the annual property tax or \$3,200,000.00 (increasing annually by 3%); and, 3) other direct taxes generated from the facility including piggyback income taxes, personal property taxes and related hotel taxes.

The BDC hired Christiansen Capital Advisors (CCA) as an independent consultant to review the BCEG's gross revenue projections and help project the total ground rent that would be paid. The CCA provided a high and low estimate for purposes of estimating future ground rent. With the CCA's concurrence, the City chose to utilize the mid-range projections.

Based on the projections, in year one, the VLT facility would generate an estimated \$20,800,000.00, which includes the guaranteed minimum rent, percentage rent, property tax, and other direct taxes. By year five, the VLT facility would generate an estimated \$25,400,000.00, which includes the guaranteed minimum rent, percentage rent, property tax, and other direct taxes.

## MINUTES

BDC - cont'd

If the BCEG is awarded the Video Lottery Operations License by the State of Maryland and the Video Lottery Facility and Location Commission, the Baltimore facility will account for 1,862 direct and indirect construction jobs and \$99,000,000.00 in wages and personnel benefits. Once operational, the facility will contain 700 full-time jobs, 452 part-time jobs (totaling 1,152 jobs), with average wages per full-time equivalent (FTE) of \$41,000.00, and total on-site operational wages and benefits of \$38,000,000.00 annually.

In addition to the City's direct benefit calculation and the benefits received as a result of this facility, the City will receive additional funds for education, local impact grants, which will be used to improve infrastructure in the area and to provide services to the communities in immediate proximity to the facility, and funds for the redevelopment of the Park Heights area. In fiscal year 2012, the Baltimore City facility will help to provide \$250,000,000.00 to the Maryland Education Trust Fund, of which Baltimore City Public Schools will receive approximately \$44,000,000.00 annually. In addition, local impact grants are estimated at \$23,500,000.00 and could grow to \$28,000,000.00 within five years and stabilize at this amount each year for the life of the facility. In addition, the Park Heights redevelopment initiative will receive funding for 15 years estimated at \$12,000,000.00 in FY 2012 and growing by about \$1,000,000.00 each year for 5 years, stabilizing at approximately \$19,000,000.00 annually.

**MBE/WBE PARTICIPATION:**

The developer has signed the City's Commitment to Comply with the Minority and Women's Business Enterprise Program of the City of Baltimore.

(FILE NO. 57012)

## MINUTES

BDC - cont'd

President: "Just briefly, I want to say that I am very happy that we are at this point in Baltimore's history. I think the election in November, with the historic election of President Obama, overshadowed a bit some significant progress that we are making in the City when it comes to significant reduction in property taxes. As you know, the voters in the City overwhelmingly, by nearly 20 percentage points, voted to approve the amendment that would allow the Video Lottery Terminals or Slot Machines in the City. Today, we are one step closer to fulfilling the will of the voters. I have supported this effort from the beginning. Because I know that in order for Baltimore to flourish, in the long term, we have to address the disparity in our property tax rate. We have to make Baltimore attractive to new residents and livable for current residents. So, I am looking forward in the next several weeks to working with the administration, and my council colleagues to move forward with the appropriate zoning. It is important to me that this legis-

## MINUTES

BDC - cont'd

lative process is completely open, transparent and subject to public scrutiny. I look forward to formally -- and by formally introducing the legislation to the City Council, we can assure that the citizens are heard. I want to thank -- Jason is not here today? I am looking for you in your seat. Sorry. I want to thank Jay (Brodie), Kim (Clark) the other members of the other team at BDC for helping to make this happen, Deputy Mayor Andy Frank. Oh, it is on non-routine. I am sorry."

Mayor: "That is why we were wondering why you were going on. They are going to do a presentation."

President: "You see I am jumping the gun. I am sorry. Let's just forget that I said that, because I am going to say it all again at the beginning. Alright, sorry about that."

Deputy Mayor Andy Frank: "You stopped just about when you were going thank me."

President: "I was going to thank you."

Deputy Mayor Andy Frank: "Then you stopped."

President: "I will finish."

## MINUTES

BDC - cont'd

Deputy Mayor: "No, that is okay."

President: "I want to thank Deputy Mayor Andy Frank."

Deputy Mayor: "Before I make my presentation? Are you sure?"

President: "I do want to thank you before you make the presentation."

Deputy Mayor: "Okay. That is the usually the side of the people on the other side. But that is okay if they stand there?"

President: "Yes. Or you can all stand on one side."

Deputy Mayor: "Good morning Madam President, Madam Comptroller, Madam Mayor, and members of the Board of Estimates. My name is Andy Frank. I am the Deputy Mayor for Neighborhoods and Economic Development. I would like to introduce who is with me today. Jay Brodie of course, President of the Baltimore Development Corporation. Paul Shelton, who is the counsel to BCEG, the developer of the proposed VLT facility, Paul Micucci, who is the principal of GEM, the operator of the VLT facility, and Mike Cryor, who is a member of the development team. First I would like to review the MOU terms, then I would like to

## MINUTES

BDC - cont'd

talk a little bit about the strength of the development team. In fact, it might be better if they spoke about themselves. I know they had the opportunity to meet with you Madam President, and we would very much like to schedule an opportunity to meet with you, Madam Comptroller. Third, I would like to talk about the additional benefits the facility would bring and fourth, talk a little about the open and transparent process that you spoke of. This agreement is the first step in the process. It is an MOU that commits the parties to negotiate in good faith towards a ground lease which will contain the terms and conditions under which the City will lease property to BCEG to build and operate a 3,750 machine VLT facility. Under the State's procurement rules, a ground lease or MOU needed to be approved by the Board of Estimates by today. So, upon approval, assuming it is approved, these gentleman will literally take the certified documents and drive it down to Annapolis and submit or drive it I am not sure whether driving it but, it will literally be submitted today with additional information. The MOU covers

## MINUTES

BDC - cont'd

a lot of ground. It proposes a 50 year term with one 25 year renewal. The \$230,000,000.00 facility will be financed with private debt and equity and the issuance of \$50,000,000.00 of parking revenue bonds. Let me point out that BCEG will cover 100% of the debt service on the parking revenue bonds. The facility will pay full taxes. There is no City subsidy in this deal. It is unusual for us to bring a major real estate deal to the Board of Estimates that not only does not have subsidy, but will result in substantial payments to the City. Which I will get to in a minute. The MOU commits the administration to introducing legislation that would establish the zoning for the site and changes to the urban renewal plan. The MOU requires minority and women-owned participation in construction, and it requires the development team to prepare a diversity plan with respect to construction and operation of the facility. The MOU requires BCEG to participate in the Mayor's Executive Order known as Baltimore City Residents First, which will require the developer to use the offices of the Mayor's Office of Employment

## MINUTES

BDC - cont'd

Development in attracting and retaining employees at the facility. We envision a world class design that incorporates green building practices. BCEG, in the MOU, agrees to participate in an open and transparent community engagement and education process that explains the impact of the facilities on the nearby residential communities. Now, let me talk about the rent that seems to be something that many people are interested in. The City plans to generate revenue from the VLT facility in the form of ground rent and various taxes that I am about to describe. The significance of the revenue is that under the State law, 95% of the revenue generated must be devoted to property tax reduction or new school construction. We envision that the majority of the revenue that is generated will be used for property tax reduction first. That decision and that split will be made later in consultation with the Board and with the Council. We were able to negotiate a deal that would provide a guaranteed minimum payment, plus a percentage rent that has no cap. The City has defined the revenue expectations as the

## MINUTES

BDC - cont'd

following; first, the developer will pay 2.99% of gross gaming revenue with a guaranteed minimum payment stabilizing at \$15,900,000.00 in year three. Meaning, in year three, the City will receive a minimum of \$15,900,000.00, no matter what the gross gaming revenue is. Second, the developer reported the greater of the annual property tax or \$3,200,000.00 increasing annually and then leveling off in year five. So for example, if the property tax in year one only \$3,000,000.00, BCEG will pay that \$3,000,000.00 plus an additional \$200,000.00. Then other direct taxes generated directly from the facility, which includes piggyback income taxes -- and we expected a large majority of the employees at this facility will be Baltimore City residents, who will be earning wages and paying piggyback income taxes on that wage that will be to Baltimore City. Personal property taxes will be paid on the machines themselves. Utility taxes will be paid and there will be some spin off hotel benefits. The City hired Christiansen Capital Advisors as an independent consultant to review BCEG's gross revenue

## MINUTES

BDC - cont'd

projections. We wanted to keep them honest. We hired our own consultant to look at the numbers and to come up with realistic revenue projections so that we could communicate that to you and to the public. Based on mid-range projections, not best case, not worse case, in year one, we estimate that the VLT facility will generate an estimated \$20,800,000.00, which can be used to either reduce property taxes or build new schools. That includes the guaranteed minimum rent, the percentage rent, the property taxes and the other direct taxes. This assumes gaining revenue of \$478,000,000.00 and that was a number again that came from our consultant. By year five, the facility will generate an estimated \$25,400,000.00, which again can be used to reduce property tax or build new schools. Again, that includes the minimum rent, the percentage rent, the property tax, and the direct taxes. That assumes gross gaining revenue of \$615,000,000.00 in 2015. What are the other benefits of the VLT facility? If the BCEG is awarded the Video Lottery operation, the Baltimore facility will account for over 1,800 direct and

## MINUTES

BDC - cont'd

indirect construction jobs and \$99,000,000.00 in wages and personnel benefits. Once operational, the ongoing benefits are substantial. The facility will employ 700 full-time -- create 700 full-time jobs, 452 part-time jobs for a total of over 1,100 jobs with average wages per full-time equivalent of \$41,000.00, with benefits, and the total site operational wages and benefits of \$38,000,000.00 annually. In addition to the City's direct benefit calculation, the City will receive additional funds for education, local impact grants and funds to improve the Park Heights Master Plan. In fiscal year 12, the Baltimore City facility will help to provide \$250,000,000.00 to the Maryland Educational Trust Fund, of which Baltimore City Schools will receive approximately \$44,000,000.00. In addition, the local impact grants are estimated to be \$23,500,000.00 and could grow to \$28,000,000.00 almost \$30,000,000.00 within five years. This is money that can be used to invest in neighborhoods around the facility in infrastructure, housing projects, parks, public safety, sanitation etcetera. And lastly, the Park Heights

## MINUTES

BDC - cont'd

Redevelopment Initiative will receive funding for 15 years, estimated at \$12,000,000.000 in Fiscal Year 12 growing by an amount of \$1,000,000.00 each year for five years, stabilizing at \$19,000,000.00. That is \$19,000,000.00 a year to help us implement the Park Heights Master Plan. I am going to skip the team experience and qualifications and let Paul speak to that himself. I will end with the role that the community will play in this. The State law requires that we create a local Development Council and it is very prescriptive as to who can be on that Council, and we are working with the State delegation and will be working with the City Councilmen who have to approve the members of that Council. The members are appointed by the Mayor, but have to be approved by the State Delegates and by the Council person in whom this facility's district will be located. The local impact grants, as I mentioned, can be used for improvements in communities in immediate proximity to the facility and may be used for infrastructure improvements, facilities, public safety, sanitation, economic community development, including housing and other public services. So,

## MINUTES

BDC - cont'd

this is money that can be invested Sharp Leadenhall, South Baltimore, Federal Hill, Riverside, Westport, Washington Village and Pigtown, and portions of downtown. We must create a comprehensive transportation plan for the area around the VLT facility and that plan needs to be reviewed by the local impact group. As I mentioned, this is the very first step in the process. We will be back to the Board of Estimates with a ground -- a ground rent lease. We will be working with your office, Madam President, to introduce legislation necessary for zoning. Now, I would like to turn it over to Paul Micucci, who could speak to the strength of the development team that they bring to the Baltimore site."

President: "Thank you very much."

Mr. Paul Micucci, Principal of GEM: "I'd like to first of all thank Andy and the City for a long negotiation, but I am glad that we have come to a conclusion. I would also like to thank Jay and the BDC staff for a long negotiation, but a good one. I would like to introduce myself today and my team. My name is Paul Micucci. My partner is Alex Larrick. He is not here today

## MINUTES

BDC - cont'd

because he is actually working on the State's submission that we are going to be filing at 2 o'clock today. So, he is working on that as we move forward. We are really excited about the opportunity. Our group has opened over 20 facilities across North America. We have implemented over 20,000 slots machines in these facilities and we have hired and trained over 10,000 people. We are very proud of each and every one of those facilities. We are especially proud to be here today and to be working on this project chosen by the Baltimore City Entertainment Group to do so. So, I look forward to any questions that you have and meeting everyone as we go through the process. Thank you."

Deputy Mayor: "Let me add, Madam President, Paul did what I should have done, I also wanted to acknowledge the staff at BDC, Jason Swartzberg --"

President: "I did in my remarks."

## MINUTES

BDC - cont'd

Deputy Frank: "You did. Jason Swartzberg, Kim Clark and Larry Jenkins from the Law Department, Jay (Brodie), of course. It wasn't a long negotiation because we didn't have a lot of time, but it was a very intense negotiation, and we wouldn't be here today without the support of BDC and the Law Department."

President: "Are there any questions?"

Mayor: "No, I don't have any questions, Madam President, but I also want to note Mary Pat Fannon, from our Legislative team, who was very involved and even though this process was not long, it actually was long because it started when we created the Blue Ribbon Committee -- for the City anyway. We made a commitment that through this Blue Ribbon Committee, we were going to come up with ways that we could look at reducing property tax. We all know that we have the highest property tax in the State of Maryland. This was one recommendation that if, we went forward in the referendum, passed at the State, we could use as a new source -- aside from some of the structural issues that we face. I made it very clear in supporting the referendum, that I could

## MINUTES

BDC - cont'd

only support it if we worked through this process to reduce property tax and have monies for school construction since we have not built a new school in 30 to 40 years almost in the City. I really want to also commend Andy and the entire team; there was a lot of work. A lot of weekends were sacrificed putting this together. I think that having a role and insight along with incorporating within the legislation at the State level and having it in a community or area that doesn't impact neighborhoods, has been a great benefit as well. I am pleased that the team came with minority and women participation and benefiting from this effort along with the impact that we will have on this community in putting revenues not only in that immediate area but also in Park Heights. This does not take away -- and there is those who believe that when you have gambling it creates additional ills in the community, but I believe with the impact money, the resources that we are going to be putting into that community along with our overall strategic plan in the City, will not take away from that. But,

## MINUTES

BDC - cont'd

it will enhance and increase Baltimore even more as a destination place, even though the numbers we used wasn't based on tourists, but based on our competition that we currently face here in the City. I believe that. Again, the media will ask what does this mean with other issues that impact the City as it relates to our deficit, ecetera, but again, Andy and the team when they met they knew what the goals were. They knew that we had to meet a substantial number in reducing the property tax and also school construction and I really want to thank the team and the City and Andy in particular for coming back with a very workable plan with a great potential site. I know that has to come back to the Board, as well as the long-term impact that this is going to have on the City -- long term in helping us to accomplish many of the goals that we want to fulfill in this process. I really want to commend all of you for this process, and I know that this is really the beginning step as we move forward, but we want to be able to hit the ground running and get this moving. One of the added pieces that I mentioned

## MINUTES

BDC - cont'd

probably about a week or so ago was, hopefully we could incorporate some green technology within the construction of this effort as well. But to be able create the number of jobs and the number that will go to City residents, I think is also another big piece in what we face. So, I just want to thank him for that."

Mr. Michael Cryor: "Madam Mayor, Madam President, two quick things. I am pleased to be a member of this team. The citizens of the City should be very pleased with both the quality of the participation of the City. In negotiating this -- I think, as it has been stated, it was tough. Tough not because people did not want to agree, but the reality of the markets and what have you, are as they are. But, I think the end result is quite positive. The other important thing is that the team, our team, was as committed to helping the City to meet its objectives as it was to reach an agreement. So, I think that was an important element in finding the common ground. We are looking forward to being long-term partners. When Paul and I first conceived the project frankly, it was -- we didn't begin with how do we meet our MBE

## MINUTES

BDC - cont'd

requirements or diversity requirements, it began with what does it take to build a quality team that represents the City, and the best that the City can produce. So, we met that frankly at the very beginning. So, the big rocks from the jar and now we are working to do the things that are required to finalize the project. So, just as we have conceived this project and as people think about its strength, frankly, the potential for this project is far greater than what we, I think, currently realize. This is not simply a Casino. The potential to provide a broader range of activity that will be attractive to a broader segment of our community is quite strong. We are very positive, very happy and pleased to be in partnership with the City in this very great moment. This is our version, our contribution to what is a great stimulus plan for Baltimore City. Thank you."

President: "Any other questions? Is there a Motion?"

City Solicitor: "I would MOVE approval for the items contained on pages one to three of the Agenda."

Director of Public Works: "Second."

## MINUTES

BDC - cont'd

President: "All those in favor say AYE. All those opposed."

Comptroller: "I Oppose. I have always been opposed to gambling and therefore I am opposed to the revenue that it generates. I believe that Baltimore is not a gambling destination and that the location is close to Anne Arundel County. The facility that will be there -- I do not believe that persons will come from Virginia or Washington and by pass Anne Arundel to come to Baltimore. So, therefore, I believe that most of the gambling will be done by the citizens, and we know that the people who can least afford to gamble will gamble and we know that because of the zip codes where people play lotteries. I think that we should think about more sustainability by creating better schools and continue to reduce crime that way we get a guaranteed revenue stream. I just think that the projections are off. Another concern that I have is in the MOU you mention that Baltimore City will get 2.99% of the gross and to me gross means all wages, but you define it as gross minus payouts. So, there is a big difference between gross and net, to

## MINUTES

BDC - cont'd

me. So, I just think that the projections are off and as the Mayor said, there are social ills that will be created, addiction, family issues, loss of jobs and safety issues. So, therefore, I am opposed to this item. So, I vote No."

President: "Thank you. The Motion carries. I would start my recitation again but I am sure that the fact that I was so eager to move with my remarks about the success of this -- what I hope is the success of this project, by going even ahead of the vote unfortunately, by mistake. It shows that I am fully committed to what this means for the future of Baltimore. I am convinced that there is a future that uses the resources that we have to reduce property tax, to improve our schools and use all the tools in our tool box to get us to a Baltimore that reaches its fullest potential. I don't think this is the only answer, but I certainly think this is one of things that will get us there. So, I want to thank both Pauls, Michael, BDC and the administration for moving forward, and again I look forward to doing my part to having this open process that we spoke of,

MINUTES

BDC - cont'd

Deputy Mayor, to move this forward. Thank you very much. Did you need to say anything Jay (Brodie)?"

Mr. Jay Brodie, President, BDC: "I think it has been all covered."

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**MINUTES**

Commission on Aging & Retirement Education (CARE) - Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a memorandum of understanding with Ms. Katasha Smart d/b/a Savvy Senior Shopper (SSS). The period of the memorandum of understanding is for one day, April 18, 2009 and expires at 12:01 a.m.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

The SSS will host a one-day event at the Waxter Senior Center on Saturday, April 18, 2009 from 8:30 a.m. to 3:30 p.m. The event will bring together various vendors such as the BGE, Comcast, and Verizon. The vendors will provide information to seniors residing in Baltimore City on how to properly apply for services, and address their questions and concerns regarding the services. CARE will present its resources and services to the seniors. The SSS will not charge a fee to any vendor participating or to any senior for attending the event.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the memorandum of understanding with Ms. Katasha Smart d/b/a Savvy Senior Shopper. The President

**ABSTAINED.**

**MINUTES**

Commission on Aging and Retirement Education (CARE) - Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of an agreement with Rona Martiyan. The period of the agreement is March 01, 2009 through May 31, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$1,500.00 - 6366-325-805-00-326

**BACKGROUND/EXPLANATION:**

Ms. Rona Martiyan, Trainer, will provide services as a qualified master trainer for the Chronic Disease Self-Management Program (CDSMP). The CDSMP is an evidence based health promotion program developed by Stanford University, School of Medicine. Master Trainers for the CDSMP conduct training sessions for senior/volunteers designated by CARE to become lay leaders for the CDSMP. The CDSMP teaches patients how to manage their health, physical condition, and maintain active and fulfilling lives.

**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 agreement with Rona Martiyan.

**MINUTES**

Commission on Aging and - Grant Award Acceptance  
Retirement Education CARE

**ACTION REQUESTED OF B/E:**

The Board is requested to approve acceptance of a Revised Notification of Grant Award from the Maryland Department of Aging. The period of the grant award is July 01, 2008 through June 30, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$22,109.00 - 5000-534109-3250-319900-600000

**BACKGROUND/EXPLANATION:**

Acceptance of the revised grant award will allow CARE to adjust the amount of funds to be utilized by the Senior Care Program for this contract period. The award for this program was reduced from \$1,326,560.00 to \$1,304,451.00 for a difference of \$22,109.00. The total amount of the original award of \$2,923,545.00 was first reduced to \$2,912,206.00, which resulted in a reduction of \$11,339.00 for the Senior Information and Assistance Program. This award reduces the award from \$2,912,206.00 to \$2,890,097.00.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized acceptance of the Revised Notification of Grant Award from the Maryland Department of Aging.

## MINUTES

Bureau of General Services - Minor Privilege Permit Applications

The Board is requested to approve the following applications for a Minor Privilege Permit. The applications are in order as 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. 1044 S. Charles St.	Sung Jin Jung	One awning with signage 13'11" x 2'6", one fluorescent tube
Annual Charge: \$140.70		
2. 101 President St.	Brewmasters Hotel, LLC	Two 4" Conduit @ 10', two 4" conduit at 85'
Annual Charge: \$665.00		
3. 4215 Eastern Ave.	Alliance Enterprises, LLC	One single face electric sign 31.87 sq. ft.
Annual Charge: \$140.60		
4. 248 S. Broadway	Cardinal Holding, LLC	One awning with signage 23' x 2', six fluorescent tubes
Annual Charge: \$642.77		

## MINUTES

Bureau of General Services - cont'd

<u>LOCATION</u>	<u>APPLICANT</u>	<u>PRIVILEGE/SIZE</u>
5. 1607, 1609, 1611, E. Preston St. 1613, 1615 E. Preston St.	TRF Development Partners, LLC	Three sets of steps, two sets of steps

Annual Charge: \$176.00

Since no protests were received, there are no objections to approval.

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

## MINUTES

Department of Planning - Report on Previously  
Approved Transfers of Funds

At previous meetings, the Board of Estimates approved Transfers of Funds 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. Today, the Board is requested to **NOTE 4** favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on March 11 and 18, 2009; **17** favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on February 11 and 18, 2009; **30** favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on February 25, 2009 and March 4, 2009.

The Board **NOTED** 4 favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on March 11 and 18, 2009; 17 favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on February 11 and 18, 2009; 30 favorable reports on Transfers of Funds approved by the Board of Estimates at its meetings on February 25, 2009 and March 4, 2009.

MINUTES

TRANSFERS OF FUNDS

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UPON MOTION duly made and seconded,

the Board approved

the Transfers of Funds

listed on the following pages:

1235 - 1240

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**Baltimore Development Corporation

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
1. \$ 7,117.99 M&CC	9911-903859-9600 Constr. Res. BDC Econ. Dev.	9910-905852-9601 M&CC - Econ. Dev. Incentives
4,938.21 M&CC	9910-904115-9600 Constr. Res. West Side Init.	9910-905825-9603 M&CC - West Side Downtown
10,117.55 M&CC	9910-902483-9600 Constr. Res. S. Balto. Ind. & Coml. Dev.	9910-903483-9601 M&CC - S. Balto. Ind. & Coml. Dev.
116.02 M&CC	9910-902483-9600 Constr. Res. E. Balto. Ind. & Coml. Dev.	9910-906575-9601 M&CC - E. Balto. Ind. & Coml. Dev.
5,878.53 M&CC	9910-904982-9600 Constr. Res. Coml. Revital. Prog.	9910-902879-9601 M&CC - Coml. Revital.
4,780.36 Gen'l. Funds	9910-600878-0000 Constr. Res. Howard Park Grocery Store Project	9910-902879-9601 Gen'l. Fund - Coml. Revital.
4,300.00 20 <sup>th</sup> EDF	9910-905575-9600 Constr. Res. E. Balto. Ind. & Coml. Dev.	9910-906575-9601 20 <sup>th</sup> EDF - E. Balto. Ind. & Coml. Dev.
5,300.00 20 <sup>th</sup> EDF	9910-902879-9600 Constr. Res. Brownfields Incentive Fund	9910-903873-9601 20 <sup>th</sup> EDF - Brown- fields Incentive Fund

## MINUTES

TRANSFERS OF FUNDSBDC - cont'd

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
8,546.00 21 <sup>st</sup> EDF	9910-904115-9600 Constr. Res. West Side Initiative	9910-905825-9603 21 <sup>st</sup> EDF - West Side Downtown
4,328.81 21 <sup>st</sup> EDF	9910-903354-9600 Constr. Res. W. Balto. Ind. & Coml. Dev.	9910-904354-9601 21 <sup>st</sup> EDF - W. Balto. Ind. & Coml. Dev.
7,667.67 21 <sup>st</sup> EDF	9910-902483-9600 Constr. Res. S. Balto. Ind. & Coml. Dev.	9910-903483-9601 21 <sup>st</sup> EDF - S. Balto. Ind. & Coml. Dev.
7,598.51 21 <sup>st</sup> EDF <u>\$70,689.65</u>	9910-905575-9600 Constr. Res. E. Balto. Ind. & Coml. Dev.	9910-906575-9601 21 <sup>st</sup> EDF - E. Balto. Ind. & Coml. Dev.

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses for the month ending August 31, 2008.

2. \$ 3,292.50 M&CC	9911-903859-9600 Constr. Res. BDC Econ. Dev.	9910-905852-9601 M&CC - Econ. Dev. Incentive
1,417.31 M&CC	9910-904115-9600 Constr. Res. West Side Initiative	9910-905825-9603 M&CC - West Side Downtown
645.64 M&CC	9910-903354-9600 Constr. Res. W. Balto. Ind. & Coml. Dev.	9910-904354-9601 M&CC - W. Balto. Ind. & Coml. Dev.

## MINUTES

TRANSFERS OF FUNDSBDC - cont'd

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
1,002.10 M&CC	9910-905575-9600 Constr. Res. E. Balto. Ind. & Coml. Dev.	9910-906575-9601 M&CC - E. Balto. Ind. & Coml. Dev. Dev.
11,647.90 M&CC	9910-904982-9600 Constr. Res. Coml. Revitalization	9910-902879-9601 M&CC - Coml. Revital. Program
10,020.00 20 <sup>th</sup> EDF	9910-903354-9600 Constr. Res. W. Balto. Ind. & Coml. Dev.	9910-904354-9601 20 <sup>th</sup> EDF - W. Balto. Balto. Ind. & Coml. Dev.
1,130.00 20 <sup>th</sup> EDF	9910-902873-9600 Constr. Res. Brownfields Incentive Fund	9910-903873-9601 20 <sup>th</sup> EDF Brownfields Incentive Fund
25,725.63 21 <sup>st</sup> EDF	9910-904115-9600 Constr. Res. West Side Initiative	9910-905825-9603 21 <sup>st</sup> EDF West Side Downtown
772.60 21 <sup>st</sup> EDF	9910-902483-9600 Constr. Res. S. Balto. Ind. & Coml. Dev.	9910-903483-9601 21 <sup>st</sup> EDF S. Balto. Ind. & Coml. Dev.
1,636.74 <u>21<sup>st</sup> EDF</u>	9910-905575-9600 Constr. Res.	9910-906575-9601 21 <sup>st</sup> EDF
<b>\$57,290.42</b>	E. Balto. Ind. & Coml. Dev.	E. Balto. Ind. & Coml. Dev.

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses for the month ending September 30, 2008.

## MINUTES

TRANSFERS OF FUNDS

BDC - cont'd

	<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
3.	\$ 3,801.40	9911-902859-9600	9910-905852-9601
	M&CC	Constr. Res.	M&CC - Econ. Dev.
		BDC Econ. Dev.	Incentive
	23,981.54	9910-904115-9600	9910-905825-9603
	M&CC	Constr. Res.	M&CC - West Side
		West Side Initiative	Downtown
	362.12	9910-903354-9600	9910-904354-9601
	M&CC	Constr. Res.	M&CC - W. Balto.
		W. Balto. Ind. &	Ind. & Coml. Dev.
		Coml. Dev.	
	11.92	9910-905575-9600	9910-906575-9601
	M&CC	Constr. Res.	M&CC - E. Balto.
		E. Balto. Ind. &	Ind. & Coml. Dev.
		Coml. Dev.	
	8,460.00	9910-904982-9600	9910-902879-9601
	19 <sup>th</sup> EDF	Constr. Res.	19 <sup>th</sup> EDF - Coml.
		Coml. Revital. Prog.	Revital.
	6,007.00	9910-903354-9600	9910-903352-9601
	20 <sup>th</sup> EDF	Constr. Res.	20 <sup>th</sup> EDF - Warner
		W. Balto. Ind. &	St./Russell St.
		Coml. Dev.	
	1,500.00	9910-903354-9600	9910-904354-9601
	20 <sup>th</sup> EDF	Constr. Res.	20 <sup>th</sup> EDF - W. Balto.
		W. Balto. Ind. &	Ind. & Coml. Dev.
		Coml. Dev.	
	2,925.90	9910-905575-9600	9910-906575-9601
	21 <sup>st</sup> EDF	Constr. Res.	21 <sup>st</sup> - E. Balto.
	<b>\$47,049.88</b>	E. Balto. Ind. &	Ind. & Coml. Dev.
		Coml. Dev.	

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses for the month ending October 31, 2008.

## MINUTES

TRANSFERS OF FUNDSBDC - cont'd

- |    |                    |                  |                  |
|----|--------------------|------------------|------------------|
| 4. | <b>\$43,942.00</b> | 9910-000000-9600 | 9910-902879-9601 |
|    | General Funds      | Constr. Res.     | Coml. Revital.   |

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses in connection with the demolition of 4610 Maine Avenue by JLN Construction Services, LLC for the month ending November 30, 2008.

- |    |                    |                  |                  |
|----|--------------------|------------------|------------------|
| 5. | <b>\$ 8,533.42</b> | 9910-904982-9600 | 9910-902879-9601 |
|    | M&CC               | Constr. Res.     | Coml. Revital.   |
|    |                    | Coml. Revital.   |                  |
|    |                    | Program          |                  |

This transfer will provide funds to reimburse Baltimore Development Corporation for eligible capital expenses in connection with the relocation of Akilah Rabb and David Muhammad, owner of 4604 Maine Avenue, 2<sup>nd</sup> floor in conjunction with the Howard Park Grocery store project for the month ending December 31, 2008.

- |    |                      |                   |                  |
|----|----------------------|-------------------|------------------|
| 6. | <b>\$13,100.00</b>   | 9910-901880-9600  | 9910-906575-9601 |
|    | 20 <sup>th</sup> EDF | Constr. Res.      | E. Balto. Ind. & |
|    |                      | Open Public Space | Coml. Dev.       |

This transfer will provide funds to McLean Contracting Company for structural improvements to the dock, fender and rail system of Brown's Wharf. The City is under certain contractual obligations to ensure the Fells Point landing is open per the Wharfage Agreement, dated March 30, 2005, by the City and Harbor Boating, Inc. In addition, the Water Taxi is an integral part of the City's economy, especially the tourism industry.

## MINUTES

TRANSFERS OF FUNDS

BDC - cont'd

	<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
7.	\$800,000.00	9910-904858-9600	9910-905825-9603
	21 <sup>st</sup> EDF	Constr Res.	21 <sup>st</sup> EDF - West
		BDC Acquisition/ Development	Side Downtown
	150,000.00	9910-904115-9600	9910-905825-9603
	<u>21<sup>st</sup> EDF</u>	Constr. Res.	21 <sup>st</sup> EDF - West
	<b>\$950,000.00</b>	West Side Init.	West Side Downtown

On April 8, 2009, the Board approved a settlement for the acquisition of 109-11 W. Lexington Street. This transfer will provide funds for the acquisition of the property located at 109 W. Lexington Street (a six-story commercial office building) for \$730,000.00, the higher of two appraisals. The owners (Nam S. Koo & Seon G. Koo), rejected the City's offer and commissioned an appraisal, which valued the property at \$1,467,000.00. In January 2008, the City filed condemnation of the property. In February 2009, the parties entered into mediation and agreed to settle the suit and Reichs Ford claims for a combined total of \$950,000.00.

**MINUTES****TRAVEL REQUESTS**

<u>Name</u>	<u>To Attend</u>	<u>Amount</u>
<u>Department of Housing and Community Development - Baltimore City Head Start</u>		
1. Deborah Tisdale Marguerite Bellamy* Ida Hopkins	NHSA 36 <sup>th</sup> Annual National Training Conference Orlando, FL April 27 - May 2, 2009 (Reg. Fee \$595.00 ea.) (Reg. Fee \$820.00*)	\$5,576.20
<u>Health Department</u>		
2. Catherine Watson Shaonna Gorham	Title X Male Reproductive Health Conference New Orleans, LA May 4 - 6, 2009 (Reg. Fee \$25.00 ea.)	\$1,922.00
3. Tonya Johnson* Cynthia Mobley	Office of Population Affairs HIV Prevention Proj. Annual Support Conference San Diego, CA April 22 - 24, 2009 (Reg. Fee \$125.00*)	\$2,735.36
4. Eric Thomas Lomboy	The Lead and Healthy Homes Grantee Conference Orlando, FL April 27 - May 1, 2009 (Reg. Fee \$300.00)	\$1,415.93

UPON MOTION duly made and seconded, the Board approved the travel requests.

**MINUTES**

Mayor's Office of Employment Development - Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of an agreement with London Technologies, LLC. The period of the agreement is May 4, 2009 through June 30, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$1,555.00 - 8953-631-431-05-351

**BACKGROUND/EXPLANATION:**

London Technologies, LLC will provide 80 hours of training for one incumbent employee of London Technologies, LLC, through an initiative known as Maryland BusinessWorks.

The incumbent employee will be trained in Telecommunications Design and Communications Distribution Design.

**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 agreement with London Technologies, LLC.

**MINUTES**

Department of Recreation and Parks - Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of an agreement with Legacy Marketing Partners. The period of the agreement is May 01, 2009 at 2:00 p.m. through May 2, 2009 at 10:00 p.m.

**AMOUNT OF MONEY AND SOURCE:**

\$2,050.00 - Funds will be deposited in account  
2096-796319-7960-831900-603013

**BACKGROUND/EXPLANATION:**

Legacy Marketing (Legacy) Partners is the sponsor of the Burger King B-Ball Battle, a 3-on-3 basketball tournament. The tournament will be held at the Virginia S. Baker/Patterson Park Recreation Center at 2601 East Baltimore Street. This agreement will provide Legacy a right-of-entry into the property for the event and activities associated with the set-up and clean-up from the event.

Legacy Marketing Partners will compensate the City \$2,050.00 for use of the property at a rate of \$100.00 per hour for approximately 20.5 hours. The payment is due to the City at least two weeks prior to the event.

The funds will be utilized to support youth programming at the recreation center.

**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 agreement with Legacy Marketing Partners.

**MINUTES**

Department of Recreation and Parks - Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a memorandum of understanding with Baltimore County for the Growing Home Campaign. The renewal period of the memorandum of understanding is March 19, 2009 through March 18, 2010.

**AMOUNT OF MONEY AND SOURCE:**

\$24,995.00 - 9958-904091-9520-000000-703044

**BACKGROUND/EXPLANATION:**

On March 19, 2008, the Board of Estimates approved a memorandum of understanding with Baltimore County to implement strategies that would assist each jurisdiction with increasing its urban tree canopies on private residential properties through expansion of Baltimore County's Growing Home Campaign. The City and County have been working together for the past year and the collaboration will continue as both municipalities strive to reach their goals.

The request is late because of delays in the administrative review process.

**APPROVED FOR FUNDS BY FINANCE**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the memorandum of understanding with Baltimore County for the Growing Home Campaign.

**MINUTES**

Department of Recreation and Parks - Grant Award and Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve acceptance of a grant award and approve and authorize execution of a grant agreement with the National Fish and Wildlife Foundation. The period of the grant award agreement is July 01, 2008 through June 30, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$29,500.00 - D/4783-478-905

**BACKGROUND/EXPLANATION:**

The National Fish and Wildlife Foundation has approved an award in support of the Department's "Urban Weed Warriors Program III." The project is in its third phase and is designed to eradicate invasive species in the Jones Falls, Herring Run, and Gwynns Falls Watershed areas, and to develop strategies for the prevention of future infestations. Receipt of the funding is contingent upon the Department providing matching funds in the amount of \$77,909.00 in non-Federal funds. The Department's match will consist of in-kind services.

The program also includes a community education and outreach component.

The request is late because the National Fish and Wildlife Foundation did not forward the documents in a timely manner.

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

UPON MOTION duly made and seconded, the Board approved acceptance of a grant award and approved and authorized execution of a grant agreement with the National Fish and Wildlife Foundation.

**MINUTES**

Department of Transportation - 2009 Towing Rates Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the 2009 Towing Rates Agreement with the Baltimore Towers' Association. The period of the agreement is effective upon Board approval for two years, with an automatic one year renewal, unless written notice is provided by either party.

**AMOUNT OF MONEY AND SOURCE:**

\$300,000.00 - 3001-195-002-00-366

**BACKGROUND/EXPLANATION:**

On January 28, 2009, the Board approved a six month Towing Rates Agreement with the Baltimore Towers' Association. In order to enforce the City's parking regulations and scofflaw laws as they apply to motorists and their vehicles, the City through the Department of Transportation and the Police Department utilizes a group of Medallion Towers to augment City resources in these efforts. This includes the towing of vehicles that are in violation of parking laws in identified tow zones, vehicles towed in response to police action, and vehicles owned by persons.

The vehicles are towed to the Fallsway Impound Lot or to the Pulaski Highway Storage Facility where they are held until all fines and fees have been satisfied.

The change in rates is necessary to keep up with the rising fuel utility and operational costs.

**MINUTES**

Dept. of Transportation - cont'd

RATES AND CHARGES

	<u>ACTUAL FEE/RATE</u>
1. <u>LICENSING</u>	
Application Fee	\$250.00
License Fee	\$100.00
Renewal License Fee	\$250.00
Certified Copies	\$ 10.00
2. <u>TOWING SERVICES AND STORAGE</u>	
A) Towing vehicles and/or motorcycles from scene of accident location of owner's choice within a three mile radius of accident scene	\$160.00
A-1) Towing charge per mile beyond the three mile radius of accident scene and/or garage of tower	\$ 5.00
A-2) Furnish a dolly (this price includes placing on dolly), go jacks or rollback truck when dolly will not suffice	\$ 90.00
B) Towing dual wheel vehicles from accident scene to location of owners choice or impound lot	\$315.00
	West of Charles
	\$305.00
	East of Charles

## MINUTES

Dept. of Transportation - cont'd

- B-1) Towing charge to location of owners choice  
per mile beyond three mile radius of accident \$ 6.00  
scene (Does not apply to vehicles towed to impound lot)
- C) Towing tractor trailer or combo vehicles with 10 or \$440.00  
more wheels
- D) Charge for hooking up air in order to release  
West Coast Air Brakes (flat rate) \$ 85.00
- E) Charge for manual release of West Coast Air Brakes \$ 90.00  
(flat rate)
- F) Dropping drive shaft and/or pulling axles-replacing \$ 95.00  
same at City Impound Facility, each axle (compulsory)
- G) Loading charges for towing of auto parts, clips, engines,  
Miscellaneous pieces with or without VIN numbers \$ 75.00
- G-1) Second truck; pro-rated after first hour (subject to  
need determination at tower's discretion) \$ 95.00
- G-2) Pro-rated charge in 15 minute increments \$ 25.00
- H) Towing from street to area designated by City during  
unusual conditions (automobiles, motorcycles, and \$ 85.00  
Trucks up to 1 ton included), hourly rate

## MINUTES

Dept. of Transportation - cont'd

I) Storage charge per day (charge must be written on signed agreement) \$ 38.00

J) Admin Fee \$ 44.00

3. WINCHING SERVICES

A) Does not apply to normal winching associated with loading a vehicle a "rollback" tow truck

Passenger vehicles and trucks up to and including two tons \$250.00

Winching service at the scene of an accident, such as HD upsets, wooded areas, down embankments, inside \$125.00

building, stolen vehicles, etc (hourly rate) Standard & Rollback

A-1) Second truck; pro-rated after first hour in 15 minute increments \$ 95.00

B) Trucks 2 tons and over (Hourly Rate) \$250.00

C) Vehicles in Harbor (only towers with Heavy Duty, Twin Winch or Rotator Truck shall remove said vehicles) \$300.00  
(Hourly Rate)

C-1) Second Heavy Duty truck; prorated after first hour (subject to need B determination at tower's discretion)  
(Hourly Rate) \$300.00

D) To right/rectify overturned vehicles (flat rate) \$ 75.00

**MINUTES**

Dept. of Transportation - cont'd

4. TOWING FOR BALTIMORE POLICE DEPARTMENT

A) Towing from accidents, crime scenes, etc. for police \$ 71.00

Security to various police districts or units (at police discretion)

- Zone rate shall be charged if vehicles is later towed to the City Storage Facility at Pulaski Highway.
- Towing for other law enforcement agencies shall be priced pursuant to private contracts.

5. Zone Charges

Baltimore City

A) Zone 1	\$130.00
B) Zone 2	\$140.00

Counties

A) County tows (chases, stolen, etc.) per county mile \$ 5.00

- Plus appropriate zone charges from point of entry into city

6. MISCELLANEOUS

A) Transmission pins, City's compensation to tower for pulling and replacing \$ 6.00

1) City's charge to tower for failure to replace \$ 10.00

- Transmission Pins shall only be pulled for towing. Towers shall carry tools necessary to pull and replace pins. Pins are to be replaced at the City Impound Facility.

MINUTES

Dept. of Transportation - cont'd

- B) City's charge for investigating tow bill upon a determination \$ 75.00  
that bill has previously been paid.
- C) Supply Tractor-2 hr. minimum \$250.00 Per hr.
- D) Supply Trailer-2 hr. minimum \$250.00 Per hr.
- E) Supply Lowboy- 2 hr. minimum \$250.00 Per hr.
- F) Supply Bull Dozer- 2 hr. minimum \$250.00 Per hr.
- G) Supply Fork Lift- 2 hr. minimum \$250.00 Per hr.

**(FILE NO. 57020)**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the 2009 Towing Rates agreement with the Baltimore Towers' Association.

**MINUTES**

Department of Transportation - Partial Release of Retainage Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a partial release of retainage agreement with P. Flanigan & Sons, Inc. for Contract No. TR 06037.

**AMOUNT OF MONEY AND SOURCE:**

\$69,024.26 - 9950-514-821

**BACKGROUND/EXPLANATION:**

All work on Contract No. TR 06037 is substantially completed, except items on the punch list. The contractor has requested a partial release of retainage in the amount of \$69,024.26. The City holds \$71,024.26 in retainage. The remaining \$2,000.00 is sufficient to protect the interests of the City.

**MBE/WBE PARTICIPATION:**

P. Flanigan & Sons, Inc. has demonstrated a good faith effort towards achieving both the MBE and WBE goals. P. Flanigan & Sons, Inc. achieved 22.10% MBE and 6.28% WBE.

**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 partial release of retainage agreement with P. Flanigan & Sons, Inc. for Contract No. TR 06037.

**MINUTES**

Department of Transportation - Funding Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of a funding agreement with the U.S.S. Constellation Museum, Inc., an affiliate of the Living Classrooms Foundation, Inc., developer. The period of the agreement is effective upon Board approval.

**AMOUNT OF MONEY AND SOURCE:**

There are no funds involved at this time.

**BACKGROUND/EXPLANATION:**

The submitted agreement establishes the coordination of funding and project responsibilities as outlined in the Water Taxi Terminal Memorandum of Understanding (MOU) approved by the Board on December 19, 2007. In order to fulfill the terms of the MOU, the City will coordinate and supervise the design, engineering and construction activities including the advertisement, bid, and contract award process associated with the rehabilitation or construction of the Inner Harbor Terminal for the Water Taxi, pursuant to the terms of the submitted agreement.

The funding agreement provides that the City will pay a total sum not to exceed the lesser of \$2,340,000.00 which will be funded pursuant to the following allocations \$1,840,000.00 or 80% of the actual project cost plus \$500,000.00 in the City General Obligation Bonds in the FY 2009 Capital Improvement Program funds, to be used solely for the work. The developer will pay any costs and expenses in excess of the City funding.

**MINUTES**

Department of Transportation - cont'd

**DBE PARTICIPATION:**

The procurement of any subsequent contracts in connection to this development is subject to the appropriate minority program.

**(FILE NO. 54660)**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the funding agreement with the U.S.S. Constellation Museum, Inc., an affiliate of the Living Classrooms Foundation, Inc., developer. The President **ABSTAINED.**

**MINUTES**

Department of Public Works - Third Amendment to the Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the third amendment to the agreement with the Center for Watershed Protection (CWP). The period of the agreement is extended through March 31, 2010.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

The Department has partnered with the CWP to design five Best Management Practices in Watershed 263 and document the design and construction process by creating a web-based "virtual Chesapeake Bay Restoration theme park" for water quality professionals. This work is funded by a grant received by the Chesapeake Bay Trust which was approved by the Board of Estimates on February 15, 2006. The Department collaborated with the CWP in preparing the grant application and will use conceptual designs prepared by the CWP under a prior grant. Under this third amendment to the agreement the CWP will complete tasks not previously completed during a contract approved by the Board that expired on March 31, 2009.

UPON MOTION duly made and seconded, the Board approved and authorized execution of the third amendment to the agreement with the Center for Watershed Protection.

## MINUTES

Health Department - Agreements, Amendments to Agreements

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

AGREEMENTS

	<u>Rate of Pay</u>	<u>Amount</u>
1. <b>JANICE NICKENS, R.N.</b>	\$115.00 per evaluation	<b>\$ 5,060.00</b>

Account: 4000-425510-3110-306700-603018

Ms. Nickens will perform pre-admission screening and annual resident reviews, as needed, on behalf of clients referred for nursing home placements and clients in nursing homes. The period of the agreement is July 1, 2009 through June 30, 2010.

2. <b>THE PEOPLE'S COMMUNITY HEALTH CENTER, INC.</b>	<b>\$ 35,000.00</b>
--	---------------------

Account: 5000-530309-3040-278905-603051

The People's Community Health Center, Inc. will provide services through the Tobacco Use Prevention and Cessation Program. These services will help to reduce morbidity and mortality related to tobacco use and will help to reduce secondhand smoke exposure in the home. The period of the agreement is July 1, 2008 through June 30, 2009.

The agreement is late because the FY09 grant award from the Department of Health and Mental Hygiene was received late in the funding period. In addition, there were delays in the administrative process.

**MWBOO GRANTED A WAIVER.**

## MINUTES

Health Department - cont'd

3. **MARYLAND STATE DEPARTMENT OF HUMAN RESOURCES - BALTIMORE CITY DEPARTMENT OF SOCIAL SERVICES (BCDSS)** **\$3,647,640.00**

Account: 5000-529009-3070-287900-405001

Under the terms of this intergovernmental agreement, the Department will use the funds to contract with Baltimore Substance Abuse Systems, Inc. for care coordination services. These services will assist the BCDSS Temporary Cash Assistance recipients who have substance abuse problems to achieve independence by becoming employed in full-time, unsubsidized jobs. The period of the agreement is July 1, 2008 through June 30, 2010.

The agreement is late because it was just finalized and received from the BCDSS.

4. **THE JOHNS HOPKINS UNIVERSITY (JHU)** **\$ 82,773.00**

Account: 4000-424509-Z040-278130-603051

The JHU - Moore Clinic will provide interventions for the Ryan White Part B Program. The interventions will consist of four components; establishing rapport, assessing motivation for change, motivational enhancement, and establishing goals for change. These four components will be delivered across the initial two treatment sessions with the patient. The first session will focus on the first two components of the intervention, while the second session will focus on components three and four. The period of the agreement is July 1, 2008 through June 30, 2009.

The agreement is late because the State AIDS Administration programmatically manages all Ryan White Part B services.

## MINUTES

Health Department - cont'd

Providers are selected through the Request for Proposal process. The Department prepares the agreements after receipt of an approved budget and scope of services and processes payments following approval.

**MWBOO GRANTED A WAIVER.**

5. **UNIVERSITY OF MARYLAND MEDICAL CENTER - HARAMBEE TREATMENT CENTER (HTC)** **\$ 84,854.00**

Account: 4000-432509-3100-546015-60351

The HTC will provide one full-time Substance Abuse Counselor and one part-time Substance Abuse Counselor Supervisor for the Northwestern High School-Based Health Center. The period of the agreement is March 1, 2008 through February 28, 2010.

The agreement is late because the provider misplaced the original agreement and recently returned the new agreement.

6. **NEW CREATION CHRISTIAN CHURCH, INC.** **\$ 16,779.00**

Account: 4000-426609-3080-294000-603051

The New Creation Christian Church, Inc. will conduct the Youth Winning When Abstinence is Taught (Y-WAIT) Mentoring Program, under the direction of the Director of Health Education and Outreach services for the Bureau of Adolescent and Reproduction Health. Program activities will include, but will not be limited to: providing weekly two-three-hour sessions that focus on promoting sexual abstinence for youth 13 - 18 years of age; providing monthly reports; conducting special recreational and social events; and attending a retreat with the Abstinence Plus "Friends" Program. The period of the agreement is October 1, 2008 through June 30, 2009.

**MINUTES**Health Department - cont'd

The agreement is late because funding was awarded late in the grant period.

AMENDMENTS TO AGREEMENTS**7. TOTAL HEALTH CARE, INC. (THC) \$ 7,611.00**

Account: 4000-000000-3040-Z13633-600000

On December 24, 2008, the Board approved the original agreement, in the amount of \$38,526.00, with the THC to provide psychological services for the Ryan White Part D Program. Due to the closing of Health Education Resource Organization (HERO), the State redirected HERO funds to other AIDS services organizations. This amendment to agreement, in the amount of \$7,611.00, will allow the THC to provide additional HIV psychological services. This makes the total contract award \$46,137.00. All other terms and conditions of the agreement remain unchanged.

**8. UNIVERSITY OF MARYLAND, BALTIMORE \$ 19,281.00  
(UMB)**

Account: 4000-423109-3150-307900-603051

On December 17, 2008, the Board approved the original agreement, in the amount of \$59,180.00, with the UMB to provide services in the area of Continuity of Operations Plans (COOP). Under the terms of this amendment, in the amount of \$19,281.00, the UMB will provide additional services to ensure the continuity of essential organizational functions after events ranging from a small-

**MINUTES**Health Department - cont'd

scale emergency to a larger disaster. In addition, the UMB will ensure that the Department's COOP can be properly activated. This makes the total contract award \$78,461.00. All other terms and conditions of the agreement remain unchanged.

**APPROVED FOR FUNDS BY FINANCE****AUDITS REVIEWED (EXCEPT ITEM NO. 3) AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the agreements and the amendments to agreements. The President **ABSTAINED** on Item No. 3.

**MINUTES**

Health Department - Ratification of Amendment No. 1 to Agreement and Approval of Amendment No. 2 to Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to ratify amendment no. 1 to a Research Sub-award agreement and approve and authorize execution of amendment no. 2 to a Research Sub-award agreement with the Johns Hopkins Bloomberg School of Public Health.

**AMOUNT OF MONEY AND SOURCE:**

\$ 93,474.00  
35,779.00 - Amendment No. 1 - (Increase)  
 \$129,253.00 - Revised award

\$129,253.00  
- 18,904.00 - Amendment No. 2 - (Decrease)  
**\$110,349.00** - Revised award

Account: - 4000-425007-3080-291800-404001

**BACKGROUND/EXPLANATION:**

On April 11, 2007, the Board approved the research sub-award agreement, in the amount of \$93,474.00, for the Connecting with Teens about Contraceptive Use Project. The period of the agreement was September 1, 2006 through August 31, 2007.

On November 27, 2007, the Department received amendment no. 1 to change the period of the sub-award agreement to September 1, 2006 through August 31, 2008, and increase the amount of the original research sub-award, in the amount of \$93,474.00, by \$35,779.00 for a revised contract award in the amount of \$129,253.00. However, due to oversight, this amendment no. 1 was not presented to the Board for approval.

**MINUTES**Health Department - cont'd

Therefore, the Department is requesting ratification of amendment no. 1, which changed the period of the agreement to September 1, 2006 through August 31, 2008, and increased the award to \$129,253.00.

The amendment no. 2 will decrease the revised amount awarded in amendment no. 1, in the amount of \$129,253.00, by \$18,904.00, making the new revised total award \$110,349.00.

The request is late because it was just received from the prime recipient on January 15, 2009.

**MBE/WBE**

N/A

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED THE SUBMITTED DOCUMENTATION AND FOUND THAT IT CONFIRMED THE GRANT AWARDS.**

UPON MOTION duly made and seconded, the Board ratified amendment no. 1 to the research sub-award agreement and approved and authorized execution of amendment no. 2 to the research sub-award agreement with the Johns Hopkins Bloomberg School of Public Health.

**MINUTES**

Health Department - Expenditure of Funds

**ACTION REQUESTED OF B/E:**

The Board is requested to approve an expenditure of funds to pay the Baltimore American Indian Center to conduct a Family Day on June 6, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$ 300.00	- Three entertainment groups (two Native American and one church choir @ \$100.00 each)
1,720.00	- Native American food for 250 participants @ \$6.88 per person
480.00	- Office supplies, janitorial services, and advertising
<u>\$2,500.00</u>	

Account: 5000-530309-3040-278902-603051

**BACKGROUND/EXPLANATION:**

The Department's Office of Cigarette Restitution and Chronic Disease Prevention will sponsor the Family Day at the Baltimore American Indian Center, located at 113 S. Broadway.

This initiative is intended to reach target minority groups through an alternative venue with information and education messages on tobacco use prevention, cessation, and the harm caused by secondhand smoke. The event is intended to make a statement to the local community about the City's commitment to promoting good health and choices and improving the quality of life for its minority residents.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved the expenditure of funds to pay the Baltimore American Indian Center to conduct a Family Day on June 6, 2009.

**MINUTES**

Health Department - Grant Award and Memorandum of Understanding

**ACTION REQUESTED OF B/E:**

The Board is requested to approve acceptance of a grant award from Youth Service America (YSA) and approve and authorize execution of the memorandum of understanding (MOU) with the YSA. The period of the MOU is April 24 - 26, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$1,000.00 - 6000-623809-3100-297100-406001

**BACKGROUND/EXPLANATION:**

Under the terms of this grant award and MOU, the funds will be used to implement an in-school garden (The Baltimore Gardening Project: Growing Healthy Habits in Baltimore's Children) at Harford Heights Elementary School, to promote healthy eating and exercise.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED THE SUBMITTED DOCUMENTATION AND FOUND THAT IT CONFIRMED THE GRANT AWARD.**

UPON MOTION duly made and seconded, the Board approved acceptance of a grant award from Youth Service America (YSA) and approved and authorized execution of the memorandum of understanding with the YSA.

**MINUTES**

Department of Housing and  
Community Development (DHCD)

- First Amendment to UDAG  
 and Promissory Note and  
 First Amendment to the  
 Purchase Money Promissory  
Note

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the first amendment to the Church Square Urban Development Action Grant (UDAG) promissory note and the first amendment to the purchase money promissory note.

The Board is also requested to approve and authorize the Commissioner of DHCD to execute any and all legal documents to effectuate this transaction subject to approval by the Department of Law.

**AMOUNT OF MONEY AND SOURCE:**

No additional funds are requested.

**BACKGROUND/EXPLANATION:**

On December 18, 1985, the Trustees for The City Loan and Guarantee Program acting by and through the Mayor and City Council of Baltimore and the Board of Estimates approved an \$800,000.00 UDAG mortgage and a \$218,000.00 CDBG purchase money mortgage to the Church Square Limited Partnership. The general partners of the limited partnership consist of Eager Bond Properties, Inc. (Carl W. Struever, President) and BDFP, Inc. (Reynolds Smith, Executive Director).

The original project involved the acquisition and redevelopment of a vacant site bounded by Bond Street, Ashland Avenue, Caroline Street and Gay Street into a 45,425 square foot shopping center and parking area with 100 spaces. The original project financing consisted of a construction loan in the amount

## MINUTES

DHCD - cont'd

of \$1,950,000.00 from Equitable Bank, N.A. secured by a first lien; the \$800,000.00 UDAG loan secured by a second lien; the \$218,000.00 CDBG Purchase Money Mortgage secured by a third lien; and equity in the amount of \$457,975.00. The construction loan was reduced to \$1,700,000.00 when it was converted to permanent financing.

The term of the UDAG was 25 years commencing upon project completion. The interest rate to this debt was 3% in years 1-6 of the loan term with interest deferred in years 1 and 2, and becoming payable in year 3. Interest was charged at 6% in years 7-25. Fixed principal and interest payments began in year 7 on a 25 year amortization schedule, with a balloon payment due in year 25.

The term of the CDBG Purchase Money Mortgage was 20 years. No interest or principal payments were due in years 1-5. Commencing in the sixth year, interest accrued at the rate of 2.75% per annum and the loan began amortizing on a 20 year term. A balloon payment was due in year 20. The partnership currently owes approximately \$700,000.00 on the UDAG loan plus accrued interest on an original balance of \$800,000.00 and approximately \$220,000.00 on the CDBG Purchase Money Mortgage.

The superior mortgage (currently held by Sun Trust Bank) has an interest rate of 8%. The loan is amortized on a ten-year amortization schedule with a 7-year call provision and a maturity date of September 1, 2009. The outstanding balance is approximately \$444,876.00.

The developer was not allowed a construction or development fee. However, the budget did contain a deferred development fee, accruing interest at 12% and payable from cash flow. Currently, the deferred development fee is approximately \$254,000.00.

## MINUTES

DHCD - cont'd

The Church Square Shopping Center has consistently lost money for the owner. Over the years, the owner has made operating loans totaling \$286,895.00 to the project (the "Operating Loans"). Additionally, \$358,299.00 in equity (the "Additional Equity") has been injected into maintenance, as the project itself could not provide the necessary capital. At the same time, the project has had a positive impact on the neighborhood, providing much needed employment and grocery and retail amenities in a greatly underserved neighborhood. Church Square has been an important center of activity and stability in a community beset with challenges. The number of employees at Church Square numbered close to 100, including the grocery store which was nearly half of the total) when it was operational).

Unfortunately, over the last several years the financial position of the project has worsened. The anchor tenant recently vacated its space and a replacement has been difficult to secure. Staff believes that the project will not be able to sustain on-going payments on the City loans.

Because a foreclosure event would not benefit the City or the neighborhood, the Department believes it would be in the City's best interest to assist the developer in a debt-restructuring plan. Furthermore, the resulting lack of oversight would have potentially destabilizing impacts on the surrounding community.

A default or foreclosure would likely cause the project to change hands with the City's second and third position debt at risk. While a sales contract for the project is being negotiated at \$1,750,000.00, a foreclosure price is generally lower than a market price. There is no guaranty that the City's debt would be covered. Furthermore, there is no certainty that the sale will close. Without a sale, the development is likely to reach a crisis point at the beginning of September when the first loan is due.

## MINUTES

DHCD - cont'd

During a foreclosure period, the management of the project would also suffer. Without an invested owner to assume maintenance and leasing duties, there could be additional tenant losses and infrastructure decline.

The future of the development would be undetermined, with the City losing control of, or influence over, the new owner and use. Further, Mack's Gym, a neighborhood fixture serving the area's youth, has been subsidized by the developer since the project's inception. The developer has invested capital into the gym and charged only a nominal \$1.00 per year in rent. They are currently negotiating with the potential buyer to extend the lease for 5 years beyond its 2012 expiration date. A foreclosure would put the gym's future in doubt.

A modification to the City debt can only help with a sale and assist with maintaining this valuable community amenity.

The proposed City debt restructuring is as follows:

- The City will convert the existing UDAG and CDBG loans to repayment from available cash flow. The balances of these debts will be set at the current outstanding balances of the respective loans. Interest will continue to accrue at the original rates.
- Half the net annual cash flow will be due on the UDAG and CDBG Purchase Money Mortgage loans for a term of 30 years from date of the amendment.
- Any unpaid amounts will be due at the end of the 30-year term. Upon the sale, refinance, transfer, or change in use the City and the owner will share on a 50-50 basis any proceeds remaining after repayment of the existing first loan and reasonable settlement expenses.

## MINUTES

DHCD - cont'd

- On the earlier of (1) sale, transfer or refinance of the project; or (2) 45 days from the date of approval of this action, the owner/developer will make a one-time payment to the City of \$100,000.00 towards the outstanding balance of the UDAG.
- Net annual cash flow will be defined as all operating income and receipts of the project less debt service on the senior debt (the Sun Trust loan, the "senior debt"), real estate taxes and reasonable operating expenses (including a management fee not to exceed five percent (5%) of operating income) allowable for Federal income tax purposes, excluding reserves for capital improvements, depreciation and other non-cash items.

**THE DIRECTOR OF FINANCE REVIEWED AND RECOMMENDED APPROVAL.**

UPON MOTION duly made and seconded, the Board deferred the aforementioned item for two weeks.

**MINUTES**

Department of Housing and - Land Disposition Agreement  
Community Development

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of the land disposition agreement with Ms. Rose Carter, developer, for the sale of the vacant property located at 31 South Pulaski Street, Block 0223, Lot 027.

**AMOUNT OF MONEY AND SOURCE:**

\$1,000.00 - Sale price

**BACKGROUND/EXPLANATION:**

The property will be maintained as a side yard.

The developer, a City resident, is participating in the Department of Housing and Community Development's Side Yard Program. Through the Side Yard Program, adjacent property owners are given the opportunity to purchase City-owned vacant lots that adjoin their property.

**MBE/WBE PARTICIPATION:**

Article 5, Subtitle 28 of the Baltimore City Code, Minority and Women's Business Enterprise Program is not applicable because the property will be sold at market value.

**(FILE NO. 57021)**

UPON MOTION duly made and seconded, the Board approved and authorized execution of the land disposition agreement with Ms. Rose Carter, developer, for the sale of the vacant property located at 31 South Pulaski Street, Block 0223, Lot 027.

**MINUTES**

Department of Housing and - Expenditure of Funds  
Community Development

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize an expenditure of funds to support the National Healthy Homes Festival.

**AMOUNT OF MONEY AND SOURCE:**

\$2,500.00 - 1001-000000-1770-179399-603023

**BACKGROUND/EXPLANATION:**

The Department is supporting the work of the Coalition to End Childhood Lead Poisoning by sponsoring a three-day festival for Baltimore City Public School students to learn about lead poisoning prevention, health safety, and the environment.

The funds will be used to cover the production and printing expenses for the National Healthy Homes Festival.

**APPROVED FOR FUNDS BY FINANCE**

**AUDITS REVIEWED AND HAD NO OBJECTION.**

UPON MOTION duly made and seconded, the Board approved the expenditure of funds to support the National Healthy Homes Festival.

**MINUTES**

Bureau of Water and Wastewater - Agreement

**ACTION REQUESTED OF B/E:**

The Board is requested to approve and authorize execution of an agreement with the Board of Trustees of the Community College of Baltimore County (CCBC). The period of the agreement is April 20, 2009 through May 13, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$ 8,280.00 - 2071-000000-5460-393201-603020  
4,140.00 - 2070-000000-5440-393001-603020  
4,140.00 - 3001-000000-5180-390502-603020  
**\$16,560.00**

**BACKGROUND/EXPLANATION:**

The Baltimore City Joint Apprenticeship Program requires that apprentices assigned to the Utility Maintenance Division of Baltimore be provided with 144 hours of classroom instruction per year of the two years that they are employed to successfully complete the Utility Installer Apprenticeship Program.

The CCBC created a customized curriculum for the City based on the accredited program that now exists at the college. This program enables apprentices to be exposed to the technical requirements of the classification as it relates to the actual work environment.

**MINUTES**

BW&WW - cont'd

This request is for the second year of instruction for the class of trainees hired as Utility Installer Apprentices. The training will take place on-site using existing equipment and materials.

**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 agreement with the Board of Trustees of the Community College of Baltimore County.

## 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

- |  |                    |                 |
|--|--------------------|-----------------|
| 1. <u>HEMOCUE</u>  | <u>\$ 6,760.00</u> | <u>Low Bid</u>  |
| Solicitation No. 07000 - Hematology Reagents and Supplies -<br>Health Department - Req. No. R519909    |                    |                 |
| 2. <u>QUANTUM ENGINEERING</u>  | <u>\$ 9,350.00</u> | <u>Increase</u> |
| Solicitation No. B50000907 - Sur-Lock Door Covers - Department<br>of Transportation - Req. No. R520428 |                    |                 |

On February 14, 2009, the Board approved the initial award in the amount of \$9,350.00. Due to an increased demand for this product an increase in the amount of \$9,350.00 is necessary, making the total award amount \$18,700.00.

- |  |                    |                        |
|--|--------------------|------------------------|
| 3. <u>NATIONAL CAPITAL INDUSTRIES</u>  | <u>\$ 5,470.60</u> | <u>Selected Source</u> |
| Solicitation No. 06000 - Jersey Wall Sign - Department of<br>Transportation - Req. No. R521223 |                    |                        |

This item must be compatible with installed Jersey walls.

- |  |                    |                    |
|--|--------------------|--------------------|
| 4. <u>KAUFFMAN INDUSTRIAL, INC.</u>  | <u>\$10,431.00</u> | <u>Sole Source</u> |
| Solicitation No. 06000 - Light Pole Bases - Department of<br>Recreation and Parks - Req. No. R517455 |                    |                    |

The vendor is the sole source provider of these items.

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|--|--------------------|--------------------|
| 5. <u>ESRI, INC.</u>   | <u>\$19,825.75</u> | <u>Sole Source</u> |
| Solicitation No. 08000 - Software Maintenance - Mayor's Office<br>of Information Technology - Req. No. R519629 |                    |                    |

The vendor is the sole source provider of this proprietary software.

## 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

6. SERVEPATH, LLC	\$13,899.00	Low Bid
Solicitation No. 07000 - Web Hosting - Mayor's Office of Information Technology - Req. No. R517729		
7. CDW GOVERNMENT, INC.	\$24,225.00	Low Bid
Solicitation No. 07000 - Overland Arcvault - Mayor's Office of Information Technology - Req. No. R518872		
8. B&L ENTERPRISES	\$ 622.50	Ratification
	<u>6,847.50</u>	Term Order
	<b>\$ 7,470.00</b>	

Solicitation No. 06000 - Janitorial Services - Department of Housing and Community Development - Req. No. Various

On February 27, 2008, the Board approved the initial award in the amount of \$7,470.00. Under contract no. B50000371 which expired on March 31, 2009 with two one-year renewals remaining. However, the vendor continued to meet the City's needs. It is requested that services from April 1, 2009 to April 15, 2009 be ratified and that a term purchase order be approved for the period April 16, 2009 through March 31, 2010 under the same terms and conditions as B50000371, including the remaining one-year renewal, making the total award amount \$14,940,00.

9. VINCE'S SALES AND SERVICE, INC.	\$14,000.00	Low Bid
Solicitation No. B50001022 - Forklift and Lift Truck Maintenance - Department of Public Works - Req. No. R518925		
10. JIM NOLAN	\$24,000.00	Only Bid
Solicitation No. B50001024 - OEM Parts for Small John Deere Tractors - Department of Public Works - Req. No. R515347		

## 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

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|---|-------------|--------------|
| 11. PAGE ENVIRONMENTAL CORPORATION, INC.  | \$ 8,592.00 | Ratification |
| Solicitation No. 06000 - Hazardous Waste Oil Removal -<br>Department of Public Works - Req. No. R521646 |             |              |

Three invoices for waste oil removal were delivered to the wrong address and were only recently discovered.

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|---|-------------|-------------|
| 12. FINITE MATTERS, LTD   | \$ 6,200.00 | Sole Source |
| Solicitation No. 08000 - Setup and Publishing Budget Book -<br>Department of Finance - Req. No. R521979 |             |             |

The vendor is the sole provider of the proprietary software used to publish the City's detailed budget book.

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|--|--------------|-------------|
| 13. GEIGER PUMP AND EQUIPMENT  | \$700,000.00 | Sole Source |
| Solicitation No. 08000 - Moyno Pump Parts and Complete Units -<br>Department of Public Works, Bureau of Water and Wastewater -<br>Req. No. R517199 |              |             |

This requirement is specific for the patented items, which must be compatible with the existing installed equipment. The vendor is the sole authorized distributor of these items for this area.

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 (d)(i) of the City Charter, the procurement of the equipment and/or services is recommended.

## 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

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| 14. BEACON STAFFING  | \$ 39,820.00 | Selected Source |
| Solicitation No. 06000 - Temporary Services - Health Department - Req. No. R513377 |              |                 |

A requisition has been received for the temporary services for two Social Work Supervisors for the Health Department, Operation Safe Kids Program. The contracted vendor is unable to provide the personnel at this time. Authority is requested to issue a purchase order to Beacon Staffing, which provided the lowest three quotes.

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

**MWBOO GRANTED A WAIVER.**

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|---|----------------|----------|
| 15. MOTOROLA, INCORPORATED  | \$1,000,000.00 | Increase |
| Solicitation No. 08000 - Furnish and Deliver Add-On Subscriber Radios, Mobile Data Subscribers, Parts, Accessories, and Services - Agency Various - Req. Nos. Various |                |          |

On January 23, 2008, the Board approved the initial award in the amount of \$500,000.00. The Board approved an increase in the amount of \$1,000,000.00 on May 7, 2008. Due to an increase in demand for services, authority is requested for an increase in the amount of \$1,000,000.00 making the total award amount \$2,500,000.00.

## 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

16. C.N. ROBINSON LIGHTING  
COMPANY, INC. \$ 300,000.00 Cooperative Contract  
Solicitation No.09-005 Baltimore Regional Cooperative  
Purchasing Committee (BRCPC) - Lamps and Ballasts, Large and  
Specialty - Agencies Various - Req. Nos. Various

Vendors were solicited by posting through the BRCPC with Anne Arundel County as the lead agency. Authority is requested to issue a purchase order in the amount of \$300,000.00 to C.N. Robinson Lighting Supply Company, Inc. The period of the contract is April 22, 2009 through April 21, 2011 with four 1-year renewal options.

**MWBOO GRANTED A WAIVER.**

17. DAVIS ENGINE REPAIR \$ 0.00 Extension  
Solicitation No. 06000 - Detroit Aftermarket Heavy Truck Parts  
and Services - Department of Public Works, Fleet Management  
Division - Req. No. P145322

On June 7, 2006, the Board approved the initial award in the amount of \$150,000.00. Subsequent actions have been approved which resulted in the current contract end date of May 29, 2009. This contract was awarded as a selected source. However, the current market conditions have changed and there are now additional vendors eligible to bid. An extension of the contract is requested for the period May 30, 2009 through July 31, 2009 to ensure availability of these parts while this requirement is bid.

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 (d)(i) of the City Charter, the procurement of the equipment and/or service is recommended.

## 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

## 18. TRIDENT BUILDING

SERVICES	\$100,000.00	
VIP SPECIAL SERVICES LLC	100,000.00	
	<u>\$200,000.00</u>	Renewal

Solicitation No. BP 07137 - Requirements for Windows and Trusses Cleaning, Washing and Related Work - Departments Various - Req. Nos. Various

On April 18, 2007 the Board approved the initial award in the amount of \$350,000.00. The award contained two 1-year renewal options at the sole discretion of the City. This is the first renewal option in the amount of \$200,000.00.

**ON FEBRUARY 23, 2007, MWBOO DETERMINED THAT NO GOALS WOULD BE SET BECAUSE OF INSUFFICIENT CERTIFIED MBE AND WBE CONTRACTORS.**

## 19. WILLIAM CARUSO AND

ASSOCIATES, INC.	\$ 0.00	Agreement
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Solicitation No. B50000866 - Food Service Consultant Services at the Baltimore Convention Center - Baltimore Convention Center - Req. No. R513508

The Board is requested to approve and authorize execution of an agreement with William Caruso and Associates, Inc. The period of the agreement is effective upon Board approval through January 31, 2010.

On January 14, 2009, the Board approved an informal low bid in the amount of \$18,550.00 to William Caruso and Associates, Inc. to provide Food Service Consulting at the Convention Center.

## 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

20. INGERSOLL RAND EQUIPMENT	\$ 10,000.00	
POTTS & CALLAHAN, INC.	\$100,000.00	Line items 4, 5A, 5B, 6, 9, 12, 22 (tandem axle and tri- axle)
HERTZ EQUIPMENT RENTAL CORP.	\$ 80,000.00	Line items 5A, 5B, 5C, 8, 9, 12, 14, 15, 17, 18, 19, 20 (small CAT & medium CAT) 22, 24, 25
ALLIED CONTRACTORS, INC.	\$ 80,000.00	Line items 1, 2, 8, 11, 14, 15, 18, 19, 20, 21, 22 (single axle) 24, 25
	<b>\$270,000.00</b>	Renewal

Solicitation No. BP 07005 - Construction Equipment Rental  
Services - Agencies Various - Req. Nos. Various

On May 23, 2007, the Board approved the initial award in the amount of \$270,000.00. The contract contained an option to renew for two additional 2-year periods at the sole discretion of the City. Authority is requested to exercise the first one-year renewal in the amount of \$270,000.00.

**MWBOO GRANTED A WAIVER.**

## 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

21. JOHNSON & TOWERS, INC.	\$ 50,000.00	Extension
Solicitation No. 06000 - Detroit Engine OEM Heavy Truck Parts and Services - Department of Public Works, Fleet Management Division - Req. Nos. P502468, P502469 and P502470		

On July 12, 2006 the Board approved the initial award to Baltimore Freightliner in the amount of \$200,000.00, Chesapeake Ford Truck Sales in the amount of \$150,000.00 and Johnson & Towers, Inc. in the amount of \$200,000.00. On May 23, 2007, the Board approved the first one-year renewal option for Johnson & Towers, Inc. with no additional funds. On May 7, 2008 the Board approved the second one-year renewal option for Johnson & Towers, Inc. in the amount of \$100,000.00. The contract will expire on May 29, 2009. The contract was awarded as a selected source. However, due to the change in market conditions, there are now additional vendors eligible to bid. An increase in the amount of \$50,000.00 is requested for Johnson & Towers, Inc. making the total award amount \$350,000.00. An extension of the current contract is requested to ensure the availability of these parts while this requirement is bid. The period of the extension is May 30, 2009 through July 31, 2009.

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 (d)(i) of the City Charter, the procurement of the equipment and/or service is recommended.

## MINUTES

INFORMAL AWARDS, RENEWALS, INCREASES TO CONTRACTS AND EXTENSIONS

<u>VENDOR</u>	<u>AMOUNT OF AWARD</u>	<u>AWARD BASIS</u>
<u>Bureau of Purchases</u>		
22. MULTICORP	\$ 27,946.50	Ratification
INC.	<u>307,411.50</u>	Term Order
	<u>\$ 335,358.00</u>	

Solicitation No. 06000 - Janitorial Services Area "A" -  
Department of Public Works, Bureau of General Services - Req.  
No. R508211

On March 28, 2007, the Board approved the initial award in the amount of \$426,450.00. Subsequent actions have been approved. Due to a delay by the contractor submitting the MBE/WBE compliance data, contract BP 06145 Janitorial Services Area "A" expired on March 31, 2009, with one 1-year renewal option remaining. The Board is requested to ratify the expenditures from April 1, 2009 through April 14, 2009 and authorize a term purchase order under the same terms and conditions as BP 06145 for April 15, 2009, through March 31, 2010.

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

## MINUTES

INFORMAL AWARDS, RENEWALS, INCREASES TO CONTRACTS AND EXTENSIONSVENDOR      AMOUNT OF AWARD      AWARD BASISBureau of Purchases - cont'd**MWBOO SET GOALS OF 17% MBE AND 9% WBE.****MBE:** Building One Services      17%**WBE:** My Cleaning Service      9%**MWBOO FOUND VENDOR IN COMPLIANCE.**

UPON MOTION duly made and seconded, the Board approved the informal awards, renewals, increases to contracts, and extensions, and approved and authorized execution of the agreement with William Caruso and Associates, Inc. The President **ABSTAINED** on Item No. 19. The Comptroller **ABSTAINED** on Item No. 22.

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:

1285 - 1288

to the low bidders meeting the specifications,  
deferred action, or rejected bids on those as indicated  
for the reasons stated.

The Transfers of Funds were approved  
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.

The Comptroller **ABSTAINED** on Item Nos. 1 and 2.

MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS

Department of Transportation

1. TR 05301 Resurfacing P. Flanigan & \$1,462,632.25  
 North Point Blvd. Sons, Inc.  
 from Kane Street to  
 Pulaski Highway

<b>DBE:</b> AJO Concrete Construction.	\$202,281.18	13.82%
Inc.		
Priority Construction	46,810.00	3.20%
Corp.		
L & J Construction	180,054.00	12.31%
Service, Inc.		
Morgan Construction	6,552.00	0.45%
Services, Inc.		
Guardrails Etc, Inc.	3,450.00	0.24%
<b>Total</b>	<u>\$439,147.18</u>	<u>30.02%</u>

2. TRANSFER OF FUNDS

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
\$1,345,621.67	9950-903426-9507	
Federal	Constr. Res.	
	Eastern Ave.	
43,878.97	9950-902530-9507	
MVR	Constr. Res.	
	Fed. Resurf. SW	
292,526.45	9950-906800-9514	
State Constr.	Constr. Res.	
Loan	Bond Funds	
<u>\$1,682,027.09</u>		

MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS

Department of Transportation - cont'd

TRANSFER OF FUNDS

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
\$1,462,632.25	-----	9950-901530-9506 Struc. & Imprv.
146,263.23	-----	9950-901530-9506 Inspection
73,131.61	-----	9950-901530-9506 Contingencies
<u>\$1,682,027.09</u>		Resurf. North Point Blvd. from Kane Street to Pulaski Highway

This transfer will provide funds to cover the costs associated with the award of Project No. TR 05301 to P. Flanigan & Sons, Inc.

3. TR 09019, Citywide Slab Repairs M. Luis Construc- \$ 563,265.17  
tion Co. Inc.

<b>MBE:</b> Fallsway Construction Co., Inc.	\$55,000.00	9.76%
Carter Paving & Excavating, Inc.	<u>30,000.00</u>	<u>5.33%</u>
<b>Total</b>	<b>\$85,000.00</b>	<b>15.09%</b>

**WBE:** Rowen Concrete, Inc. \$15,000.00 2.66%

**MWBOO FOUND VENDOR IN COMPLIANCE.**

MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONS

Department of Transportation - cont'd

4. TRANSFER OF FUNDS

<u>AMOUNT</u>	<u>FROM ACCOUNT/S</u>	<u>TO ACCOUNT/S</u>
\$647,754.95	9950-902496-9509	
MVR	Constr. Res.	
	Slab Repairs	
\$563,265.17	-----	9950-901597-9508
		Struc. & Improv.
56,326.52	-----	9950-901597-9508
		Inspections
28,163.26	-----	9950-901597-9508
<u>\$647,754.95</u>		Contingencies
		Citywide Slab
		Repairing

This transfer will provide funds to cover the costs associated with the award of TR 09019 to M. Luis Construction Co., Inc.

Bureau of Purchases

5. B50000992, Furnish and Deliver Black Fill Mix Perma Patch \$ 57,750.00

**MWBOO GRANTED A WAIVER.**

## MINUTES

RECOMMENDATIONS FOR CONTRACT AWARDS/REJECTIONSBureau of Purchases - cont'd

6. B50000948, Top Soils, Common Borrow, Diamond Mix, and Recycled Stones **REJECTION** - Four bids were received and opened on 03/18/09. Two of the bids were not evaluated because they lacked the required bid bond. After investigating the reasons why the bid bonds were omitted, it was determined that there may have been confusion as to the requirement for them. At the pre-bid conference, comments made by the buyer that were intended to indicate that a performance bond was not required were construed by some present to apply to the bid bond requirement as well. Since the requirement was in doubt, it is recommended that all the bids be rejected, and all these items be re-bid at a later date.
7. B50000978, Baltimore City Weatherization Assistance Program-Energy Conservation 2009 **REJECTION** - Two bids were received and opened on 03/11/09. Rejection is recommended because neither bidder met the MBE/WBE requirements of the solicitation, nor did they demonstrate a good faith effort to do so.

**MWBOO SET MBE GOALS AT 23% AND WBE GOALS AT 6%.**

**MWBOO FOUND BOTH VENDORS NON-COMPLIANT ON 03/23/09. THE BIDDERS DID NOT EXHAUST ALL AVENUES FOR ACHIEVING THE GOALS AND HENCE DID NOT DEMONSTRATE A GOOD FAITH EFFORT.**

**MINUTES**

Bureau of Purchases - Termination of B50000675

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the termination of the award of B50000675, Liquid Chloride for City of Baltimore to JCI Jones Chemicals, Inc. The termination is effective upon Board approval.

**AMOUNT OF MONEY AND SOURCE:**

N/A

**BACKGROUND/EXPLANATION:**

The contractor was found in default of paragraph GC32 of the contract and the performance of the contractor is unacceptable.

On April 1, 2009, the Board deferred action on the recommendation to terminate the award of Solicitation No. B50000675, Liquid Chlorine for City Baltimore to JCI Jones Chemicals, Inc. until April 15, 2009.

**APPROVED FOR FUNDS BY FINANCE****A LETTER OF PROTEST WAS RECEIVED FROM JCI JONES CHEMICALS, INC.**

President: "We have one protest on the agenda for today that is on Page 59. I believe this is JCI for the Bureau of Purchases Termination of B500000675."

Mr. Mike Croke, JCI Jones Chemicals: "Madam President, members of the Board. This is Mike Washington, Branch Manager at our Milford Virginia facility, which actually supplies the

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

chlorine to the City of Baltimore, Mr. Dan Casmey, who is our Vice President of Safety Security and regulatory compliance. JCI Jones Chemicals is a company that provides chlorine. We have been in business for 80 years. We supply chlorine all over the East Coast, Midwest, and West Coast. Our contention here today is to protest the recommendation of termination for our chlorine contract. We don't feel that it is justified. We feel that we have lived up to all the points. We have supplied quality products, a safe product. We have provided it in a timely basis and at the agreed upon bid price. We have received notice to come and get our containers, that we were no longer were going to be supplier. We have not been provided any kind of documentation as to why per the contract. It is our contention that we have been a good supplier. We have had the contract for two years. The contract was extended or rebid in November and here we stand before you with the recommendation that the contract be terminated for our failure to live up to part of the contract. We don't feel that is correct. We feel

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

it is issues at one of the two facilities that we deliver to. While we are not going to point fingers at specific people or the plants themselves or management of the plants, cause we don't feel that is the problem. We do feel that it is a problem with one or possibly two operators that just seem to have problems or issues with our containers. We have repeatedly attempted to conduct training to help and assist these people. We have offered the training nine times. We haven't been taken up on any of them. We also supply another plant that we have been delivering to for almost four years. They have no issues and we have done training in there twice. We think one has something to do with the other. We think it is unfair. Our company stands to lose quite a bit of financial money as well as a contract with our contractors, not to mention the five or six people we will end up laying off if this -- if we loose this contract. We don't feel that it is fair to our company, to our reputation and certainly not to the poor individuals that come to work, do their job everyday. They are professionals in what

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

they do and they know exactly what they are doing. On top of that there is not a whole lot of people that do what we do. With us being removed from the contract, it is kind of limited to one supplier within the closest 100, 150 miles, and we kind of feel that it may not be in the best interest of the City of Baltimore to have one supplier for one specific product at the volumes that you need. That is for Baltimore to decide, we feel that it is unjust. We wrote letters which I am sure that you have, but we felt that it was best for us to appear and tell you how we feel specifically."

President: "Thank you."

Mr. Cecil Moore, City Purchasing Agent: "Madam President, members of the Board. The Bureau of Purchases solicited for this service in October 2007 and awarded the contract to JCI in November. They started delivering services to us in November of that year. Almost immediately, in January there were problems with the containers that the chlorine was being delivered in.

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

You have seen the documentation, a substantial amount of documentation to show that there were problems. Those problems have been documented and much effort has been taken to work with this vendor to identify those problems to seek solutions. We got a recommendation from the agency, DPW to terminate this contract because of safety concerns. Concerns for the employees and concerns for the citizens at large. With that recommendation, we recommended to the Board to terminate this contract and award to another vendor, which we did. We believe that was the responsible thing to do, given the potential dangers associated with this product. We preemptively awarded to another vendor based on the critical need that the City has for the product and we believe that the action that we took were responsible and in the best interest of City."

President: "Is there anything else from your agency? Remember to state your name."

Ms. Keisha Powell, Bureau Head of Water and Wastewater, DPW: "I just wanted to review a few points that we made. This is a safety issue, not only for our operators, but also for the

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

community in which these facilities are located. Chlorine leaks are a very serious issue, which is why many plants across the country are converting from chlorine. But, just to address a few of the points made by JCI. Patapsco, which is our Wastewater Treatment Plant did have an issue which is why they were given the training by this company twice. We don't feel that it is a problem with one or two of our operators. The staff has been extensively trained. They are also aware of Hazmat procedures. They have been using chlorine chemicals since the plants have been there, since this process has been in existence at that plant. This contract has been one year and in that year we have had more than five chlorine leaks, some of them major. At the time that we made the recommendation to Purchasing that this contract should be terminated, shortly after that, we had a major leak on February 22<sup>nd</sup>, which was -- which did make the news. The Fire Department Hazmat responded. I called them myself. Our Office of Emergency Management was there. We wrote Jones Chemicals several letters expressing to them the

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

seriousness of the issue. What we felt the issues were. We requested their inspection and repacking procedures and did not receive them. We actually met with them twice and in that meeting they gave us information on how we should handle these tanks. They also made those comments when they visited our plants. They suggested to us that we use a torque wrench to torque the valves. We actually called and pulled down information from the website about the valves that are used for these tanks and it specifically states that you should not use a torque wrench. That using a torque wrench to over tighten the valves would actually cause more damage. When this issue was raised again, the advice that we received from Jones Chemicals was contrary to their initial advice which was that we were over-tightening the valves. So, we don't believe that training from this group is warranted because they gave contrary advice to what they gave us before. We feel that our operational experience outweighed the advice that they were giving us."

President: "Anything else? Any questions from the Board members?"

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

Mr. Croke: "We have more to offer."

President: "You can talk, that is just your microphone over on this side."

Mr. Croke: "We have offered the training several times, because we have identified the problem, as well. The problem as we see it, we get our containers back and these alleged leaks that have occurred which they have claimed and they have notified us of, when we get the container back they are not closed off. It is nothing more than the valves not closed off. You can't very well call it a leak if the valve is not turned off. It is a poisonous gas. It is hazardous. We will readily admit that. We are in this business that is exactly why we wanted to offer the training. It is exactly what the problem is."

Mayor: "So, when you get the containers back and they were not capped, did you notify?"

Mr. Croke: "Absolutely. And that was the entire process of us trying to get up here to do the training, because the containers come back, my people take the outlet caps off and the container

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

is still on and it is a hazard for my people. It is a hazard for the people traveling down the road. It is not a valve failure. It is not a mechanical failure. It is an operator error."

City Solicitor: "Do you disagree with the factual information that we just heard about the initial recommendation to use a torque wrench, the reversal of that, and offering contrary advice, the second conversation on that subject?"

Mr. Croke: "Yes Sir."

City Solicitor: "So, that never occurred?"

Mr. Dan Casmeay: "There appears to be somewhat of a misunderstanding with respect to use of the torque wrenches. We use torque wrenches in our facilities when we process our tank containers. We close the valves on tank containers and cylinders to 25 and 30 foot pounds in accordance with --."

President: "I am sorry, you have not given your name."

Mr. Casmeay: "I am the Executive Vice President on Safety, Security and Regulatory Compliance for JCI Jones Chemicals. We use torque wrenches at our facilities, all 11 facilities, while

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

we are processing tank and cylinder containers. We do not recommend that our customers use torque wrenches in closing them when they have finished using them. But again, we use them when we close the valves while processing the product at our facilities. I will say also that in a written letter to the Water Assistance Manager we did in fact provide a clear description, explanation of our inspection process, our inspection procedures at the facility. He does have that in writing. I would also like to add that in one of the two visits to the two facilities as just discussed, it was acknowledged by the Management personnel at the facility that the employees there in fact had not been properly trained in the proper procedures for closing the valves and or in the technique or equipment to be used. That was done in the presence of Mr. Jacobs, the Safety Manager for the City of Baltimore. So, again, we have been in business for 80 years. We have not been in business for repackaging poisonous gases for 80 years by being irresponsible and careless. We are fully aware of the

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

hazards associated with the products that we handle, and again, we can not send product out the door in the condition alleged to have been received at the City of Baltimore."

Director of Public Works: "Are you aware of -- I have before me several pieces of documentation here in which the City issued to you on several occasions. Most of the documentation continues to state that they encountered loose valve stems, which do not close properly. Loose packing nuts and strip valve caps?"

Mr. Casmey: "Sir, I cannot stress enough that we cannot send product out the door in that condition, without the product leaking all the way down the highway. It is a poisonous gas. We have been doing this for 80 years. We have incredibly stringent inspection procedures and processing procedures at the branch. We cannot send the product out the door. Our own people would end up in the hospital every single day. This is what we do for a living. We do not have 50 different products we handle. We have five. This is the heart of our business."

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

This is what we do. We have provided hundreds of thousands of chlorine safety training seminars throughout the country in our 80 year history. I can assure you that if given the opportunity to sit down and provide the training to the employees, and again, I am not saying or making any discouraging comments about the experience at one of the two facilities between either the operators and/or Management personnel. But, I can assure you that there is a misunderstanding, and when a Supervisor at the facility in the presence of the Safety Manager acknowledges that the people need to be trained with respect to the procedures and the equipment to be used, that is rather telling, whereas, at the other facility they have been provided with the training. They have not experienced or come to us with those problems. We are here and would like to work with the City of Baltimore. We take what we do extremely seriously. We don't take it lightly, it is what we do for a living."

President: "I think it is clear all around, that we -- I think we should start at a point, where we acknowledge that the City

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

employees that do this and have done this for decades take what they do very seriously. I also think that we should acknowledge that you have a very strong track record. That being said, I don't think it benefits any of us, to kind to go tit for tat and who is responsible. What we are talking about, as you have stated, and the City has stated, we are talking about poisonous gas. So, when we are talking about poisonous gas then we are talking about the safety of our communities. When the safety of our communities is at risk, pointing fingers, and whose fault it is that it is not working, is irrelevant. We had an issue where there were several chlorine leaks. Several instances where the City and its residents were put at risk. I don't think that we are going to solve here why the breakdown in communication exists. I don't think we are going to solve the issue of why the valves in this particular contract did not function the way that both parties thought that they should or would. We are not going to solve that here. At the end of the day, we have a serious safety concern that had to be addressed."

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

Mr. Casmey: "Madam, we understand that, and for that reason, we would prefer not to send product into that facility. We are asking at this time that -- and I do not know what the terminology is, but whether its termination or what it might be, but I know our CEO, Mr. Jones, has submitted a letter to Mr. Vasavada. We are recommending and requesting that we go our separate ways for the duration of this contract. That it not be terminated. But again, that we go our separate ways and that we be permitted to rebid again when the contract comes up in September, excuse me in November."

President: "Is there any --."

Mr. Casmey: "We understand what you are saying."

President: "Is there any provision in the termination that would prevent a rebid? It is just a very specific question."

Mr. Moore: "There is no information that would prevent a rebid at this time. However, I think the responsible thing for us to do as an organization is to look at this vendor's past performance and consider that in any subsequent rebid."

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

Mr. Casmey: "We understand that and appreciate that, and that will leave the City of Baltimore with one chlorine vendor and of course the issues that go along with that. So, we certainly understand and respect that. Again, we are requesting and suggesting that we go our separate ways for the duration of this contract. That it not be considered a termination. We have serious concerns as you do, Madam President, for the safety of not only the residents of the City of Baltimore and the employees, but certainly employees of JCI Jones Chemicals. So, again we do not wish to go tit for tat as well, but we wish strongly suggest that we go our separate ways for the duration of the contract."

City Solicitor: "If the contract is terminated for convenience, isn't that the same thing as going our separate ways?"

Mr. Casmey: "If that is the terminology, Sir, then yes I agree. But again, I --."

President: "Is that a Motion?"

Mr. Casmey: "I do not want it to be considered a termination."

City Solicitor: "As opposed to a Termination for Cause."

## MINUTES

Bureau of Purchases - Termination of B50000675 - cont'd

Mr. Casmey: "Yes Sir, absolutely."

President: "You only have one way to call it. You can call it when you leave here whatever you want. It is called a Termination for Convenience. There is no other language. There is no other thing to call it. That is the option for an action of the Board in order to end the contract."

Mr. Casmey: "Yes Madam, as long as it is understood. I understand what is on paper. I understand what is in writing. But as long as it is understood that we have the same concerns, the same interests as the City of Baltimore. This is for the good of -- "

President: "I think you have made your point."

City Solicitor: "I MOVE that the Board approve the Termination for Convenience of the contract under discussion."

Director of Public Works: "Second."

President: "All those in favor, say AYE. All opposed NAY. Motion carries. Thank you."

UPON MOTION duly made and seconded, the Board approved the termination for convenience for Contract No. B50000675 to JCI Jones Chemicals, Inc.



P. 60

March 30, 2009

Board of Estimates c/o  
Clerk to the Board of Estimates  
Room 204, City Hall  
100 N. Holliday Street  
Baltimore, MD 21202

Re: Letter of Protest - Solicitation Number B50000675 – Liquid Chlorine for City of Baltimore

To Whom It May Concern:

It has been brought to our attention that the Baltimore City Bureau of Purchases will be recommending at the Board of Estimates meeting on Wednesday, April 1<sup>st</sup>, 2009 that the current contract for liquid chlorine between JCI Jones Chemicals, Inc. and the City of Baltimore be terminated. To date, we have neither been notified in writing of the City's intent to terminate the contract nor of any alleged reasons justifying the City's decision to terminate the contract and the purpose of this letter is to present a formal 'Letter of Protest' with the City of Baltimore regarding the recommendation referenced above.

JCI Jones Chemicals, Inc. has appreciated and respected the opportunity to supply the City of Baltimore's two facilities; i.e., the Montebello Filtration Plant and the Patapsco Wastewater Treatment Plant with liquid chlorine, not only during the current contract period but throughout the past several years. As the leading repackager of chlorine in the United States, we take our responsibilities for providing our customers with the highest quality and safest product possible extremely seriously.

We pride ourselves on our ability to provide the quality product our customers have the right to expect and our commitment to working with customers should issues of concern be raised pertaining either to the package and or service provided. Throughout the past several months, several attempts have been made not only to meet personally with key members of the Water System Department to discuss alleged issues of concern but also to provide Chlorine Safety Training Seminars to both facilities. It is no small coincidence that the Patapsco Wastewater Treatment Plant was provided with a Chlorine Safety Training Seminar on June 13<sup>th</sup>, 2008 and has reported no problems with either the product and or service. At the same time, our numerous attempts to offer the same training for the employees at the Montebello Filtration Plant have met with resistance and the issues raised during the past three months have originated at this facility alone.

We are respectfully requesting that the City of Baltimore rescind the intent to terminate the contract at least until JCI Jones Chemicals, Inc. has been afforded the opportunity to



present all of the facts surrounding the City's stated concerns. The impact of the termination of this contract with the City of Baltimore would have a near devastating impact on not only our facility in Milford, Virginia in terms of the jobs lost but with respect to the contracts we maintain with our suppliers. It is possible that we may be found in breach of the contracts we've entered into with our suppliers as we have made a commitment to purchase a fixed volume of product from them. Lastly, the termination of this contract will clearly have a negative impact on the goodwill and reputation that JCI Jones Chemicals, Inc. has worked hard to develop and maintain during our nearly 80 year history. At a minimum, we would request that any action taken be postponed until a meeting has taken place between both the City of Baltimore's Water System Department and representatives of JCI Jones Chemicals, Inc..

We look forward to the opportunity to work with the City of Baltimore on this extremely important issue and trust that you understand our reasons for requesting that any effort to terminate the current contract for liquid chlorine be suspended until all of the facts are presented and reviewed. It is our intent to be present at the upcoming Board of Estimates meeting on April 1<sup>st</sup> to discuss this serious issue. Should you have any questions regarding this, please contact me at 1-330-825-4521.

Thank you,  
JCI JONES CHEMICALS INC.

DAN CASMEY  
Executive VP of Safety, Security & Regulatory Compliance



April 2, 2009

-Via Federal Express-

Mr. Mukesh Vasavada, Purchasing Agent  
Office of the City Controller  
Room 204, City Hall  
100 North Holliday Street  
Baltimore, Maryland 21202

RE: Contract for Liquid Chlorine 11/1/08- 10/31/09  
Solicitation #B50000675

Dear Mr. Vasavada:

In reference to the above mentioned contract for Liquid Chlorine, it is with regret that JCI must notify the City of Baltimore by this writing, that a material breach and resulting default has occurred on the part of the City of Baltimore.

JCI Jones Chemicals, Inc. has successfully provided service to the City of Baltimore for the supply of Liquid Chlorine since November 2007. In regards to the current contract term of November 1, 2008 through October 31, 2009, the City has not responded in kind to JCI's repeated attempts to fulfill its own covenants of the contract; specifically in regards to **SW19. SAFETY AND SECURITY, Section G TRAINING.**

On February 27, 2009, JCI's Milford office was contacted to pick up all empty containers from the Patapsco and Montebello plants. JCI's General Counsel, James Hartman, wrote to you on March 16, 2009 regarding the contract requesting acknowledgement of same. To date, JCI has received no response to that letter. Without further communication, JCI was notified on March 27, 2009 via email that the Bureau of Purchases would be recommending to the Board of Estimates the termination of the current contract with JCI at its meeting on April 1, 2009.

To this date, JCI has not been notified in writing of *any* deficiencies as per **SW24. COOPERATION, Section C 1 and 2.** Further, nearly five weeks after JCI was notified to pick up our empty containers at the Montebello and Patapsco facilities, the City of Baltimore continues to use JCI Jones Chemicals' product to this date.

Mr. Vasavada, it is JCI Jones Chemicals' position that after numerous documented requests to provide safety training to the City of Baltimore's Montebello plant, as pursuant to SW19 G, we were denied the right to provide same. We were previously given access to the Patapsco facility for training and received no complaints from that facility.

After repeated attempts by all levels of management at JCI for communication with the City of Baltimore, we never received any significant response. Most importantly, no written notice was provided to JCI regarding any alleged complaints; therefore, no cure period was afforded to JCI.

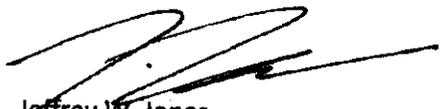
JCI has a significant investment in assets in terms of equipment, people and commitments with suppliers for product to supply the City of Baltimore. Due to the default by the City of Baltimore, JCI will incur substantial financial damages.

Corporate Offices • 1819 Main St., Suite 1100 • Sarasota, Florida 34236 • telephone: 941.330.1537 • facsimile: 941.330.9657 • 800.477.1078  
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Jacksonville, FL • Beech Grove, IN • Milford, VA • Tacoma, WA • Torrance, CA  
[www.jcichemicals.com](http://www.jcichemicals.com)

It is our desire not to have to seek legal resolve to this matter for damages. With the City's breach of contract, JCI will no longer supply City of Baltimore with Liquid Chlorine at this writing. It is our hope that, through the fair process made available by the Board of Estimates, JCI's position will be able to be heard, and the City will consider the reinstatement of the contract awarded to JCI for the remainder of the term, October 31, 2009.

Again Mr. Vasavada, I regret that this action must occur. JCI is firm in our resolve to continue to maintain our 80 years of being the preeminent, safe and reliable supplier of water treatment chemicals for America's water supply.

Sincerely,



Jeffrey W. Jones  
Chief Executive Officer & President

CC: James M. Hartman, Esq.- General Counsel, JCI Jones Chemicals, Inc.  
Dan Casmey- Executive VP of Safety, Security & Regulatory Compliance, JCI Jones Chemicals, Inc.  
Michael Washington- Branch Manager, JCI Milford  
Michael Croke- Regional Manager, JCI Charlotte  
✓ Harriet Taylor- Clerk of the Board of Estimates, City of Baltimore

Attached:

- (1) March 16, 2009 letter from Hartman/JCI to Vasavada/Baltimore
- (2) March 30, 2009 letter from Casmey/JCI to Board of Estimates/Baltimore



March 16, 2009

Mr. Mukesh Vasavada  
Purchasing Agent  
Office of the City Controller  
Room 204, City Hall  
100 North Holiday Street  
Baltimore, MD 21202

Re: Contract for liquid chlorine effective November 1, 2008 through October 31, 2009  
Solicitation # B50000675

Dear Mr. Vasavada:

It has come to our attention that the City of Baltimore (City) has defaulted in the performance of the requirement contract entered into by and between the City and JCI Jones Chemicals, Inc. (JCI) for the supply of liquid chlorine. We call your attention to the language of paragraph SW9, subparagraph A, which provides that the City is obligated to purchase all of its normal requirements of the product which is the subject of the contract from JCI. It is apparent that the City has failed to comply with that provision. The only exception to this is paragraph SW21 which is not relevant in the circumstances.

If there is a claim that JCI has failed in some respect to comply with the provisions of the contract, then it is necessary that the provisions of paragraph SW24, subparagraph C, 1. be invoked as follows:

1. The plant Manager will notify in writing, the contractor and the City Purchasing Agent, that an unsatisfactory conditions exists and the contractor shall have 10 calendar days to resolve such problem to the satisfaction of the City.

JCI has received no notification of any unsatisfactory performance of those conditions and provision of the contract on its part to be performed. On the contrary, JCI has performed promptly and faithfully all of the terms and conditions to be performed by it.

As a consequence of the foregoing, JCI has, and will, continue to suffer damages as a result of the default by the City, and will be constrained to take what action is necessary to protect its interests in the event that the City persists in its failure to comply with its obligations pursuant to the contract.

100 Sunny Sol Boulevard • Caledonia, New York 14423 • telephone: 585.538.2314 • facsimile: 585.538.2316  
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Mr. Mukesh Vasavada  
March 16, 2009  
Page 2

We would appreciate a prompt acknowledgment of the continued performance by the City of the provisions of the contract or an explanation of its failure to do so. If this matter is not amicably resolved, JCI will proceed to utilize what remedies are available to it to compensate it for any and all losses suffered as a result of the City's breach of contract.

Sincerely,

  
James M. Hartman  
General Counsel

Cc: Jeffrey W. Jones, President and CEO

March 30, 2009

Board of Estimates c/o  
Clerk to the Board of Estimates  
Room 204, City Hall  
100 N. Holliday Street  
Baltimore, MD 21202

Re: Letter of Protest - Solicitation Number B50000675 – Liquid Chlorine for City of Baltimore

To Whom It May Concern:

It has been brought to our attention that the Baltimore City Bureau of Purchases will be recommending at the Board of Estimates meeting on Wednesday, April 1<sup>st</sup>, 2009 that the current contract for liquid chlorine between JCI Jones Chemicals, Inc. and the City of Baltimore be terminated. To date, we have neither been notified in writing of the City's intent to terminate the contract nor of any alleged reasons justifying the City's decision to terminate the contract and the purpose of this letter is to present a formal 'Letter of Protest' with the City of Baltimore regarding the recommendation referenced above.

JCI Jones Chemicals, Inc. has appreciated and respected the opportunity to supply the City of Baltimore's two facilities; i.e., the Montebello Filtration Plant and the Patapsco Wastewater Treatment Plant with liquid chlorine, not only during the current contract period but throughout the past several years. As the leading repackager of chlorine in the United States, we take our responsibilities for providing our customers with the highest quality and safest product possible extremely seriously.

We pride ourselves on our ability to provide the quality product our customers have the right to expect and our commitment to working with customers should issues of concern be raised pertaining either to the package and or service provided. Throughout the past several months, several attempts have been made not only to meet personally with key members of the Water System Department to discuss alleged issues of concern but also to provide Chlorine Safety Training Seminars to both facilities. It is no small coincidence that the Patapsco Wastewater Treatment Plant was provided with a Chlorine Safety Training Seminar on June 13<sup>th</sup>, 2008 and has reported no problems with either the product and or service. At the same time, our numerous attempts to offer the same training for the employees at the Montebello Filtration Plant have met with resistance and the issues raised during the past three months have originated at this facility alone.

We are respectfully requesting that the City of Baltimore rescind the intent to terminate the contract at least until JCI Jones Chemicals, Inc. has been afforded the opportunity to

present all of the facts surrounding the City's stated concerns. The impact of the termination of this contract with the City of Baltimore would have a near devastating impact on not only our facility in Milford, Virginia in terms of the jobs lost but with respect to the contracts we maintain with our suppliers. It is possible that we may be found in breach of the contracts we've entered into with our suppliers as we have made a commitment to purchase a fixed volume of product from them. Lastly, the termination of this contract will clearly have a negative impact on the goodwill and reputation that JCI Jones Chemicals, Inc. has worked hard to develop and maintain during our nearly 80 year history. At a minimum, we would request that any action taken be postponed until a meeting has taken place between both the City of Baltimore's Water System Department and representatives of JCI Jones Chemicals, Inc..

We look forward to the opportunity to work with the City of Baltimore on this extremely important issue and trust that you understand our reasons for requesting that any effort to terminate the current contract for liquid chlorine be suspended until all of the facts are presented and reviewed. It is our intent to be present at the upcoming Board of Estimates meeting on April 1<sup>st</sup> to discuss this serious issue. Should you have any questions regarding this, please contact me at 1-330-825-4521.

Thank you,  
JCI JONES CHEMICALS INC.

DAN CASMEY  
Executive VP of Safety, Security & Regulatory Compliance



-Via Federal Express-

APRIL 9, 2009

Ms. Harriett Taylor  
Clerk to the Board of Estimates  
City of Baltimore, City Hall Room 204  
100 N. Holliday Street  
Baltimore, MD 21202

RE: Contract No. B50000675

Dear Ms. Taylor:

I regret that we have not been able to make contact on the telephone this past week; I do however, appreciate the effort that you made. Please be certain that JCI is not seeking any conflict or controversy with the City of Baltimore or the Board of Estimates. From the beginning and to the date of this writing, JCI simply wants to have a fair and equal due process enabling us to abide by the terms and conditions of the aforementioned contract with the City of Baltimore. JCI respects the fact that the Board of Estimates gave us additional time from the original meeting date of April 1<sup>st</sup>, to provide more factual information to the City and Board.

JCI had planned on sending additional information regarding our protest to the Board of Estimates by Tuesday at 12:00 PM as previously requested. We also remain appreciative that our representatives will be given the opportunity to attend the meeting and answer any questions or concerns the City of Board may have at the meeting on Wednesday, April 15, 2009.

Late this afternoon however, we received the enclosed letter from Mr. Cecil Moore of the City's Purchasing Department. The letter is dated April 3, 2009, yet it was not postmarked until April 7, 2009 and not received by JCI until today, April 9, 2009 via the US Postal Service. Mr. Moore states that we must provide a response to the Bureau of Purchases no later than Monday, April 13, 2009 at 10:00 AM. We immediately tried to contact Mr. Moore via phone and electronic mail without success. JCI has requested that, due to the national holiday tomorrow, we be afforded an additional day to provide a response to the City; by no later than noon on Tuesday, April 14, 2009.

By the time you receive this letter Ms. Taylor, it is likely that it will be past Mr. Moore's stated deadline. However, if we do not hear from you, we are going to give our very best effort; including working throughout this very important holiday weekend, have the Monday deadline



met. It is my hope that we are afforded an opportunity to provide the relevant facts to the Board of Estimates in order to put this matter to rest and avoid further unwarranted actions.

Sincerely,



Jeffrey W. Jones  
Chief Executive Officer & President

JJ:lac

CC: James M. Hartman, Esq.- General Counsel  
Dan L. Casmey- Executive VP JCI Jones Chemicals, Inc.

CITY OF BALTIMORE

SHEILA DIXON, Mayor



DEPARTMENT OF FINANCE

BUREAU OF PURCHASES  
231 E. Baltimore Street, Suite 300  
Baltimore, Maryland 21202

April 3, 2009

VIA CERTIFIED MAIL

Mr. Jeffrey W. Jones  
President and Chief Executive Officer  
JCI Jones Chemicals, Inc.  
1819 Main Street #1100  
Sarasota, FL 34236

Re: Contract B50000675 for Liquid Chlorine for the  
Mayor and City Council of Baltimore.

Dear Mr. Jones:

This letter is to inform you that, in accordance with Section GC32, Paragraphs A., B. and C., the Bureau of Purchases is recommending to the Board of Estimates that the above-referenced contract between JCI Jones Chemicals, Inc. ("JCI") and the Mayor and City Council of Baltimore (the "City") be terminated, effective immediately upon the Board of Estimates' approval of such action. The basis for this action is the repeated failure of JCI to provide the required product in a safe and acceptable manner.

This matter will be considered by the Board of Estimates on Wednesday, April 15, 2009. Any protest regarding this matter must be in writing and filed with the Office of the Comptroller, City Hall, 100 N. Holliday Street, Baltimore, Maryland 21202, not later than 10:00 AM on the Monday preceding the Wednesday meeting of the Board. A copy of the protest letter must also be sent to my attention.

Any protest should include the following information.

1. Name, address, and telephone number of the business entity protesting
2. Identification of the contract number
3. A detailed statement of the factual grounds of the protest
4. The form of relief requested

Sincerely,

Cecil S. Moore, CPPO, CPPB, C.P.M.  
City Purchasing Agent

cc: James Hartman, Esq.  
George Nilson, City Solicitor  
Leslie S. Winner, Chief Solicitor  
Erin Sher, Assistant Solicitor  
Mukesh Vasavada, Engineer III



April 13, 2009

*-Via Federal Express-*

Ms. Stephanie Rawlings-Blake  
City Council President & Chair of the Board of Estimates  
City of Baltimore, City Hall  
Room 204  
100 N. Holliday Street  
Baltimore, Maryland 21202

RE: Solicitation Number B50000675; Liquid Chlorine

Dear Ms. Rawlings-Blake and Members of The Board of Estimates:

My name is Jeffrey Jones, Grandson of the founder of JCI Jones Chemicals; now a fourth generation Company. In 1930 after losing his job to the Depression, my Granddad experimented in formulating a high strength bleach to be sold in quart bottles door to door. Today, JCI is one of the largest producers of this same product and one of the largest repackagers of chlorine throughout America and many parts of the World. Annually, JCI repackages and ships over 150,000 tons of chlorine from its eleven facilities.

Our Company has been supplying the City of Baltimore's Montebello Filtration and Patapsco Wastewater Treatment Plants for the past two years from our Milford, Virginia facility. Our plant in Milford is not large in comparison to many of our facilities; however it employs approximately 20 very fine men and women, highly trained, competent and experienced in handling a product that is a measurable risk - chlorine. Two months ago, we received a phone call from the City of Baltimore's Montebello Treatment Plant requesting that we "come out and pick up your containers because we are switching to another supplier". We never received any answers, serious complaints, or anything in writing that certainly would have caused us to take immediate action. We make our very best efforts to maintain constant communication with all our valued customers including providing Safety Training. Yet, for reasons I cannot explain, the Montebello Plant rejected all attempts our folks made to provide this necessary Safety Training.

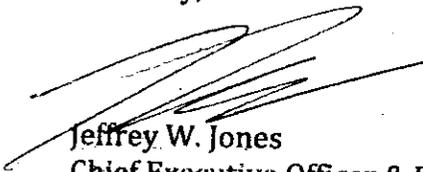
With the many safety and back-up checks, we have found nothing to support any claim that an error was made at the Milford facility. We have not been given any opportunity until now, to hear what specifically was wrong with our service nor have we been given any cure period.



We now find ourselves before you on Wednesday April 15<sup>th</sup>, with a serious challenge to our 80 year history of hard work and doing things right. We are not a perfect company; yet we do remain in business because we know how to make the proper decisions about product stewardship. It is simply a "pass -fail" grade and we certainly have proven that we "pass." I have always been taught to be fair and honest, and, with all the letters written and verbal discussions before you, I Pray that you will find the allegations being brought forward against JCI lacking in merit and due process.

Thank you in advance for the consideration shows to JCI's representatives at the meeting on April 15, 2009.

Sincerely,



Jeffrey W. Jones  
Chief Executive Officer & President



April 13, 2009

Board of Estimates c/o  
Clerk to the Board of Estimates  
Room 204, City Hall  
100 N. Holliday Street  
Baltimore, MD 21202

Re: Letter of Protest - Solicitation Number B50000675 – Liquid Chlorine for City of Baltimore

To Whom It May Concern:

In response to the letter written by Mr. Cecil S. Moore, City Purchasing Agent for the City of Baltimore dated April 3<sup>rd</sup>, 2009 and received on April 9<sup>th</sup>, 2009, the purpose of this letter is to further respond to the recommendation being made by the Baltimore City Bureau of Purchases to the Board of Estimates that the current contract for liquid chlorine between JCI Jones Chemicals, Inc. and the City of Baltimore be terminated. This letter is a follow-up to the letter written by Mr. James M. Hartman, General Counsel for JCI Jones Chemicals, Inc. on March 16, 2009 to Mr. Mukesh Vasavada, Bureau of Purchasing for the City of Baltimore, the letter I wrote to the Board of Estimates on March 30, 2009, and the letter written by Mr. Jeffrey W. Jones, Chief Executive Officer & President of JCI Jones Chemicals, Inc on April 2, 2009, also to Mr. Mukesh Vasavada.

JCI Jones Chemicals, Inc. entered into the current contract to supply chlorine tons and cylinders to the City of Baltimore's Montebello Filtration and Patapsco Wastewater Treatment Plants on November 11, 2008 after having supplied the same product to the same two facilities during the previous contract period; i.e., November 1<sup>st</sup>, 2007 – October 31<sup>st</sup>, 2008.

As stated in Mr. Jones' letter of April 2<sup>nd</sup>, JCI Jones Chemicals, Inc. was first made aware of the City's intent to purchase chlorine from another supplier on Friday, February 27<sup>th</sup>, 2009 when we were contacted by Mr. Larry Fisher, Operations Supervisor at the Patapsco Wastewater Treatment Plant via telephone, who requested that we pick up all of our empty containers at his facility. Your bid specifically states that:

*"should an unworkable situation develop in the opinion of the Plant Manager, where product or service is considered unsatisfactory, the following steps will be taken:*

*Plant Manager will notify, in writing, that an unset condition exists. Contractor shall then have 10 days to resolve such problem to the satisfaction of the city.*

*If no satisfactory solution has been made by the end of the 10 day cure period, the PA will notify the contractor that the contract is considered terminated.*



With the exception of an e-mail sent by Ms. Nancy Gonzalez of the City of Baltimore on March 27<sup>th</sup> to Ms. Lorraine Constantino, our Contract Coordinator, the letter dated April 3<sup>rd</sup> from Mr. Moore is the first written correspondence we have received from the City of Baltimore that comes remotely close to informing us of the City's intent to terminate the contract due to allegedly unsatisfactory product or service. Contrary to the conditions stated in the City's own contract requirements, at no time was JCI Jones Chemicals, Inc. ever provided with a written notice of "unsat conditions" and afforded any opportunity or "cure period" to determine what the specific allegation was and its origin and respond to same.

As stated in my initial letter of protest dated March 30, 2009, the basis of the City's concern with JCI Jones Chemicals, Inc. as a supplier appears to be the condition and safe operation of the ton containers delivered to the Montebello Plant. JCI Jones Chemicals, Inc. management and Corporate Staff personnel have met on two separate occasions, June 12<sup>th</sup>, 2008 and December 15<sup>th</sup>, 2008, with several representatives from the City of Baltimore to discuss concerns raised by the personnel at the Montebello Plant. Not only during these two meetings but on numerous occasions both prior to and following these two meetings, the issue of safety training for the employees at the Montebello Plant was offered.

The bid (Page G-9 Training) specifically states the following: ***"The supplier is required to provide detailed training to all user personnel on the use of chlorine emergency kits following the guidelines set by the CI for Chlorine Containers. "B" which contains devices to stop leak valves, fusible plugs and sidewalls of containers require a minimum of eight (8) hours training. The training shall be given to approximately 25 employees and shall include theoretical classroom instruction as well as actual field use/training on the equipment."***

The bid does not state that detailed training shall be provided if user personnel are willing to receive and or participate in said training. Chlorine safety training was offered and conducted at the Patapsco Wastewater Treatment Plant on June 13<sup>th</sup>, 2009 and no problems whatsoever have been reported at this facility with any containers delivered to them. Despite the fact that offers of chlorine safety training for the Montebello Plant have been made and documented at least nine separate times via personal meetings, phone conversations, e-mails and letters, these offers have been categorically refused each and every time. Following is a summary of the efforts made by JCI Jones Chemicals, Inc. to offer safety training to the Montebello Plant:

- \*May 19<sup>th</sup>, 2008 to Travis Minott via e-mail by Mike Washington
- \*May 20<sup>th</sup>, 2008 to Mike Kohler via telephone by Dan Casmey
- \*June 2<sup>nd</sup>, 2008 to Travis Minott via e-mail by Mike Washington
- \*June 12<sup>th</sup>, 2008 to Mike Kohler, Elizabeth Jacobs, Mukesh Vasavada, and Travis Minott during a meeting at the Montebello Filtration Plant by Mike Croke and Mike Washington.
- \*December 12<sup>th</sup>, 2008 to Travis Minott via letter by Mike Washington
- \*December 15<sup>th</sup>, 2008 to Travis Minott and Elizabeth Jacobs during a meeting at the Montebello Filtration Plant by Mike Washington and James Wright
- \*December 16<sup>th</sup>, 2008 to Travis Minott via phone call by Mike Washington



January 14<sup>th</sup>, 2009 to Travis Minott via phone – message was left by Mike Washington

\*February 6<sup>th</sup>, 2008 to Travis Minott via letter by Mike Washington

As you can see, we have made what can be considered to be an effort above and beyond what should be reasonably expected to provide safety training to the Montebello Plant. Per my letter of March 30<sup>th</sup>, it should not be considered to be mere coincidence that the Patapsco facility has been provided with a chlorine safety training seminar (June 13<sup>th</sup>, 2008) and has reported no problems while the Montebello facility has alleged numerous concerns pertaining to the product provided to them while continually refusing our offers of safety training.

The simple fact is that it is clear that neither the City of Baltimore's Bureau of Purchases nor the Board of Estimates have been provided with all of the relevant information necessary to render a responsible decision regarding JCI's continued service as the City of Baltimore's chlorine ton supplier. JCI Jones Chemicals, Inc. repackages 150,000 tons of chlorine a year. We do not discriminate between customers with respect to the quality of the product provided and we certainly do not discriminate between different facilities of the same customer.

It is highly doubtful that you have been made aware that during a meeting on June 12<sup>th</sup>, 2008 at the Montebello Filtration Plant attended by Mr. Mike Kohler (Water System Assistant Manager), Ms. Elizabeth Jacobs (Safety and Training Manager), Mr. Mukesh Vasavada (Purchasing Agent), Mr. Andre Mosely (Operations Supervisor), and Mr. Travis Minott (Operations Supervisor), all of the City of Baltimore and Mr. Mike Croke (Regional Manager) and Mr. Mike Washington (Branch Manager – Milford), both of JCI, the fact that the operators at the Plant were not using the wrenches approved for use to open and close chlorine ton and cylinder valves was acknowledged by everyone in attendance at the meeting but Mr. Minott. Given that the primary complaint made by employees at the Montebello Plant pertains to the difficulty in opening and closing our container valves, it seems reasonable to suggest that using the proper wrenches may alleviate some if not all of these alleged problems. During this meeting and as referenced above, Mike Croke mentioned that he would be providing a chlorine safety training seminar the next day (June 13<sup>th</sup>, 2008) at the Patapsco Plant and Mike extended an invitation for the Montebello Plant operators to attend as well. The next day, it was noted that not one operator from the Montebello Plant participated in the training.

Also during the meeting at the Montebello Plant on June 12<sup>th</sup>, it was suggested that the next time an operator experienced a problem with a chlorine ton valve, Mike Washington should be called so that he could respond immediately to check the operability of the valve in the presence of the operators as opposed to expecting them to accept our word after inspecting the 'problem' valve back at JCI's facility in Milford, Virginia. It is noted that not once was this recommended course of action followed.

Immediately after the meeting and while reviewing the location where chlorine cylinders were stored, Mr. Mosely informed both Mike Croke and Mike Washington that a couple of operators at the Montebello had been experiencing difficulty in properly closing valves



~~and that it~~ was not unusual to have to check behind these operators to ensure that the valves had in fact been closed properly.

It is also extremely unlikely that you have been made aware that during a meeting on December 15<sup>th</sup>, 2008 at the Montebello Plant attended by Mr. Travis Minott and Ms. Elizabeth Jacobs of the City of Baltimore and one of the Montebello Plant's operators and Mr. Mike Washington and Mr. James Wright of JCI Jones Chemicals, Inc., the fact that not all operators were using the proper wrench required to close the valves properly and the proper technique required to close the valves was not being followed was acknowledged by Mr. Minott. Mr. Minott stated that it was clear that he had been training his operators incorrectly and that he would be having a meeting with his entire staff to discuss the proper procedures to be followed in closing container valves properly. During this same meeting, Mr. Minott informed both Mike Washington and Ms. Jacobs that "I have a lot of female operators that have a hard time closing these containers and have to send someone behind them to double check to see if the container is closed". Ms. Jacobs closed the meeting by requesting training for every operator at the Montebello Plant and said that she would like to participate in the training herself. It was requested that the training be conducted shortly after the holidays were over to ensure that all operators and staff employees would be available to participate in the training. To date, this training has not taken place despite the fact that Mike Washington made an effort three times after the meeting on December 15<sup>th</sup> to schedule the training with Mr. Minott.

It is worth noting that it was at this meeting that Mike Washington explained to both Mr. Minott and Ms. Jacobs that not only was he personally checking the valve on each and every container scheduled for delivery to the City of Baltimore's two plants but that digital pictures were being taken of each valve prior to shrinkwrapping them. It was further explained to both Mr. Minott and Ms. Jacob that chlorine containers cannot be filled and shipped without leaking if they are in the condition they are alleged to be when received at the Montebello Plant.

We are confident that the majority of the issues and concerns raised by the Montebello Plant will be resolved if we are given the opportunity to present chlorine safety training to all operators and operations supervisors at the plant comparable to that provided to the operators at the Patapsco Plant in June of last year. The fact is that the safety training so clearly needed but repeatedly refused by the Montebello Plant is directly contradictory to claims by the City of Baltimore that JCI has repeatedly failed to provide the required product in a safe and acceptable manner, particularly given that the City chose to continue using chlorine tons supplied by JCI Jones Chemicals, Inc. for a period of time after informing us of the decision to switch to another supplier.

In the absence of clear justification for the City's decision to terminate the contract and therefore, the benefit of due process to respond to any allegations, JCI Jones Chemicals, Inc. vehemently protests any action resulting in termination of the contract until we have had the opportunity to both properly investigate and resolve any alleged problems and to provide the much offered chlorine safety training to the operators at the Montebello Filtration Plant. At a minimum, we would request as stated in my letter dated March 30<sup>th</sup>, that any proposed action be postponed until a meeting has taken place between both the City of Baltimore's Water System Department and representatives of JCI Jones Chemicals, Inc. to address this.



As discussed both in my letter of March 30<sup>th</sup>, 2009 and Mr. Jones' letter of April 2<sup>nd</sup>, 2009, the impact of the termination of this contract with the City of Baltimore would have a near devastating impact on not only our facility in Milford, Virginia in terms of the jobs lost but with respect to the contracts we maintain with our suppliers. It is possible that we may be found in breach of the supply agreements that we have entered into with our suppliers as we have made a commitment to purchase a fixed volume of product from them. It should not go unsaid that any termination of this contract between the City of Baltimore and JCI Jones Chemicals, Inc. leaves the City with but one supplier for its chlorine requirements. The potential impact of this should be obvious to all concerned. Lastly, the termination of this contract will clearly have a negative impact on the goodwill and reputation that JCI Jones Chemicals, Inc. has worked hard to develop and maintain during the past 80 years as the leader in this industry.

It is our intent to appear before the Board of Estimates on Wednesday, April 15<sup>th</sup> to further discuss this and we look forward to working toward a mutually acceptable resolution to this. Should you have any questions regarding this, please contact me at 1-330-825-4521.

Thank you,  
JCI JONES CHEMICALS INC.

*Dan Casmey/uu-'For'*

DAN CASMEY  
Executive VP of Safety, Security & Regulatory Compliance

CC: Mr. Cecil S. Moore, CPPO, CPPB, C.P.M  
Mr. James Hartman, Esq.  
Mr. George Nilson, City Solicitor  
Ms. Leslie S. Winner Chief Solicitor  
Ms. Erin Sher, Assistant Solicitor  
Mr. Mukesh Vasavada, Engineer III  
Ms. Harriet Taylor

**MINUTES**

Department of Audits - Training for Auditors

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the expenditure of funds for the registration of staff members to attend 2 one-day seminars, sponsored by the Maryland Association of Certified Public Accountants (MACPA) on April 24, 2009 and the Association of Government Accountants (AGA) on April 29, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$ 6,000.00 - MACPA (25 Auditors and 1 Employee from the  
Department of Finance, 8 CPE's ea.)  
4,300.00 - AGA (26 Auditors, 8 CPE's ea.)  
**\$10,300.00** - 1001-000000-1310-157800-603020

**BACKGROUND/EXPLANATION:**

Government Audit Standards require that each auditor obtain 80 hours of continuing professional education (CPE) every two years. The program is part of the Department's scheduled training for this year. The average cost per staff training hour will be about \$24.38, which is below the industry average in relation to other training of this nature. In order to take advantage of a special group registration rate for the MACPA training, one member of the Department of Finance is included with this request. The Department of Finance will reimburse the Department of Audits for their attendee.

**APPROVED FOR FUNDS BY FINANCE**

UPON MOTION duly made and seconded, the Board approved the expenditure of funds for the registration of staff members to attend 2 one-day seminars, sponsored by the Maryland Association of Certified Public Accountants on April 24, 2009 and the Association of Government Accountants on April 29, 2009.

**MINUTES**

Department of Human Resources (DHR) - Expenditure of Funds

**ACTION REQUESTED OF B/E:**

The Board is requested to approve the expenditure of funds to pay meal allowance, parking and mileage expenses for the Battalion Fire Chief EMS-P Oral Examination Expenses 2009. The examination is scheduled for May 4 and May 5, 2009.

**AMOUNT OF MONEY AND SOURCE:**

\$	432.00	- Per Diem - 1 examiner (Sun. & Mon.) @ \$216.00/night
	50.00	- Parking - 1 examiner x 2 nights @ \$25.00/night
	20.00	- Lunch for Tues. - 1 examiner @ \$20.00
	120.00	- 3 examiners (Mon. & Tues.) @ \$20.00/day
	271.70	- Mileage - estimated @ 494 miles x \$.55/mile
		Fairfax County 57 miles each way x 2 = 114
		Howard County 25 miles each way x 4 = 100
		DC 40 miles each way x 4 = 160
		PG County 30 miles each way x 4 = 120
	90.00	- Parking for examiners not at hotel
		3 x 2 days x \$15.00
	50.00	- Miscellaneous (emergency charges, etc.)
	<u>\$1,033.70</u>	- 1001-0000000-1600-172864-60XXX

**BACKGROUND/EXPLANATION:**

Four examiners from surrounding jurisdictions including Howard County, Washington, DC, Prince George's County and Fairfax, Virginia have agreed to administer the Battalion Fire Chief EMS EMT-P oral examination to those who qualify. The oral examination will be administered within the office of the DHR and therefore room rental expenses will not be incurred for the examination. One examiner will require over night accommodations and three will commute each day. Monday morning will be

**MINUTES**

DHR - cont'd

utilized for training the examiners. Candidates will sit for the examination Monday afternoon and Tuesday morning. The examiners will score the written component of the examination on Tuesday afternoon.

**APPROVED FOR FUNDS BY FINANCE**

UPON MOTION duly made and seconded, the Board approved the expenditure of funds to pay meal allowance, parking and mileage expenses for the Battalion Fire Chief EMS-P Oral Examination Expenses 2009.

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

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

A&A Restoration, Inc.	\$	1,377,000.00
A&M Electric, LLC	\$	1,500,000.00
Advanced Government & Industrial Security, Inc.	\$	225,000.00
Amigos, Inc.	\$	600,000.00
Architectural Materials, Inc.	\$	8,000,000.00
Ark Systems, Inc.	\$	8,000,000.00
BGC-Builder Guru Contracting, Inc.	\$	8,000,000.00
The Berg Corporation	\$	8,000,000.00
Carroll Tree Services, Inc.	\$	1,500,000.00
Emjay Engineering & Construction Co., Inc.	\$	8,000,000.00
P. Flanigan & Sons, Inc.	\$	214,620,000.00
G & W Trucking Corporation	\$	792,000.00
G.M. McCrossin, Inc.	\$	8,000,000.00
Harris Brothers Construction Co., Inc.	\$	684,000.00
Hascon, LLC	\$	1,500,000.00
Iacoboni Site Specialists, Inc.	\$	54,528,000.00
Malstorm Electric, Inc.	\$	1,500,000.00
Pioneer Contracting Co., Inc.	\$	8,000,000.00
Paul Rach, Inc.	\$	1,500,000.00
SG Construction Services, LLC	\$	8,000,000.00
Savage Electric Co., LLC	\$	5,202,000.00
Thyssenkrupp Elevator	\$	100,748,000.00
Tito Contractors, Inc.	\$	47,853,000.00

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

ATCS, P.L.C.	Survey Engineer
Alpha Corporation	Engineer
Brasher Design	Architect Landscape Architect
Bryant Associates	Engineer
CABE Associates, Inc.	Engineer
Compliance EnviroSystems, LLC.	Engineer
Duffield Associates, Inc.	Engineer
Engineering & Software Consultants, Inc.	Engineer
Greenhorne & O'Mara	Architect Landscape Architect Engineer Land Survey Property Line Survey

**MINUTES****BOARDS AND COMMISSIONS** - cont'd

Kumi Construction Management  
Corporation

Engineer

MACTEC Engineering &  
Consulting, Inc.

Architect  
Engineer  
Survey

There being no objection, the Board, UPON MOTION duly made and seconded, approved the prequalification of contractors and architects and engineers.

## MINUTES

1. 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.

City of Baltimore Single Audit for the Fiscal Year  
Ended June 30, 2008.

Mr. Bob McCarty, City Auditor: "Good morning Madam President, members of the Board. The Department of Audits has completed its annual Single Audit of the City of Baltimore for fiscal year ending June 30, 2008. Our report 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 Comprehensive Annual Financial Report or the CAFR and the related report on compliance and internal control over financial reporting, and both of these are issued jointly between Audits and Ernst and Young, LLP. The City had three significant deficiencies in internal control over its reporting in Fiscal Year 2008. A significant deficiency is a control deficiency that adversely affects the City's ability to initiate, authorize, record, process, or report

## MINUTES

Department of Audits - cont'd

financial data reliably in accordance with generally accepted accounting standards, such that there is a possibility that an immaterial misstatement of the financial statements may not be prevented or detected by the City's internal control. The significant deficiencies are as follows: No. 1, during fiscal year 2007 audit, we found that the Department of Finance's Collection Division Overpayment and Refund Sections had serious internal control weaknesses regarding the lack of management oversight and review of overpayment and refund transactions, the lack of adequate segregation of duties, and the lack of periodic reconciliations. We recommended that the Collection Division examine its key controls over the repayment and refund processes, including reviewing staff functions and responsibilities to determine proper segregation of duties, and ensure that periodic reviews and reconciliation of accounts are performed timely. In February of 2008, the Department of Finance transferred the Collection Division's accounting functions to the Bureau of Accounting and Payroll Services or

## MINUTES

Department of Audits - cont'd

BAPS to improve internal controls and to provide day-to-day supervision. Finding No. 2, following the transfer of the Collection Division's accounting functions to BAPS, \$39,715,000.00 of previously deferred real and personal property tax collections, which had accumulated over a ten year period, were found to have not been recognized as revenue. When a property tax owner makes a partial payment on their annual real or personal property tax bill, the City deferred this revenue until the property tax bill was paid in full. However, the manual process to adjust the partial payments was not performed by the City. Even though a property owners tax bill had been partial paid and was properly accounted for in the City's property tax records, the City had not recognized revenues from these partial payments from the deferred revenue account. We recommend that the Department of Finance review the accounting procedures to ensure that partial payments of property taxes are recognized as revenue in the year that they are collected. In its response, the Department of Finance concurred and stated

## MINUTES

Department of Audits - cont'd

that new accounting procedures have been established. A third finding, the Department of Public Works, Bureau of Solid Waste or BSW did not use the applicable 2008 consultant volumetric analysis report as the basis for calculating the total amount of solid waste in the Quarantine Road Landfill at June 30, 2008. Instead, BSW based its calculations on its monthly tonnage reports. Additionally, the applicable 2008 consultant volumetric analysis report only covered the period from February 2007 through April 2008. We recommend that future calculations of the amount of solid waste in the landfill be made from the consultant's volumetric analysis report as prepared for the period coinciding with the City's fiscal year. In its response, the Department of Finance stated that it would ask the Department of Public Works to switch the date of its report to correspond to the City's fiscal year. The first two significant deficiency findings, as described above, are considered to be material weaknesses. A material weakness is a significant deficiency that results in a possibility that a material

## MINUTES

Department of Audits - cont'd

misstatement of the financial statements will not be prevented or detected by the City's internal control. Additionally, in our fiscal year 2007 audit, we found that BAPS' metered water billing receivable general ledger account was not reconciled to the Collection Division's subsidiary accounts. During fiscal year 2008, the Department of Finance resolved this finding by establishing procedures to reconcile the metered water billing receivable account on a quarterly basis. We also found in 2007, that BAPS' compensated bill work account, which represents billings to other City's agencies and governmental entities for services such as telephone, water, and housing repairs was not reviewed and analyzed for collectability. During fiscal year 2008, the Department of Finance resolved this finding by reviewing this account, pursuing outstanding balances, and making adjustments whenever necessary. As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

## MINUTES

Department of Audits - cont'd

contracts and grant agreements, noncompliance with which would have a direct or material effect on the determination of financial statement amounts. The results of our test disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. The balance of the Single Audit Report is issued solely by the Department of Audits and represents mandated audit coverage of federal grants. The report includes the Supplementary Schedule of Expenditures of Federal Awards, which total \$232,000,000.00, which excludes approximately \$144,000,000.00 received by the Baltimore City Public School System and the Enoch Pratt Free Library. The audit report also includes the report of compliance with requirements applicable to each major program and internal control over compliance. We audited 17 major programs for fiscal year 2008, which totaled \$191,000,000.00 in expenditures. The report contains 12 findings and the conditions of greatest concern are that some programs continue to have problems in reconciling grant financial reports to the City's accounting

MINUTES

Department of Audits - cont'd

records, submitting grant financial reports in a timely manner, and maintaining adequate equipment records. As required by the Office of Management and Budget Circular A-133, the City's summary schedule of prior audit findings and corrective action plans for both current and prior findings are included in our report."

President: "Thank you. Are there any questions? Hearing none the Audit is accepted. Thank you."

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**MINUTES**2. Department of Law - Claim Settlement

The Board is requested to approve the settlement of the following claim. The settlement has been reviewed and approved by the Settlement Committee of the Law Department.

Aletha Oliver vs. Officer Jeanette Smith           \$30,000.00

Account: 1001-200-001-00-370

**APPROVED FOR FUNDS BY FINANCE**

UPON MOTION duly made and seconded, the Board approved the settlement as requested by the Law Department.

3. Baltimore Municipal Golf Corporation

The Board is requested to **NOTE** receipt of the financial statements for the Baltimore Municipal Golf Corporation for the nine months ended September 30, 2008 and 2007.

The Board **NOTED** receipt of the financial statements for the Baltimore Municipal Golf Corporation for the nine months ended September 30, 2008 and 2007.

**MINUTES****PROPOSAL AND SPECIFICATIONS**

Department of Transportation - TR 02394, Rehabilitation of  
Park Heights Avenue from  
Northern Parkway to Garrison  
Avenue  
**BIDS TO BE RECV'D: 05/20/2009**  
**BIDS TO BE OPENED: 05/20/2009**

There being no objections, the Board, UPON MOTION duly made and seconded, approved the above Proposal and Specifications to be advertised for receipt and opening of bids on the date indicated.

President: "As there is no more business before the Board, the meeting will recess until the bid opening at twelve o'clock noon."

**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 the following agencies had issued an addendum extending the dates for receipt and opening of bids on the following contract. There were no objections.

**THERE WERE NO ADDENDA RECEIVED.**

## MINUTES

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

Bureau of General Services - PB 08820, Fallsway Housing and Service Center

Roy Kirby & Sons, Inc.  
The Michael Group, Inc.  
John W. Brawner Contracting,  
Co., Inc.  
The Whiting-Turner Contracting Co.  
March-Westin Co., Maryland  
Division  
E. Pikounis Construction Co., Inc.

Bureau of General Services - PB 09011, Druid Hill Park, Liberty Heights Entrance

M. Luis Construction Co., Inc.  
Monumental Paving & Excavating, Inc.  
P. Flanigan & Sons, Inc.  
Mirabile Construction Company, Inc.  
Allied Contractors, Inc.  
Bensky Construction Co., Inc.  
Trionfo Builders, Inc.

Bureau of Purchases - B50000770, Water Bill Envelopes

UniSource World Wide  
Nev's INK, Inc.  
Oles Envelope Corp.  
Star Envelope  
Tampa Envelope Mfg. Paper  
Printing Company  
Cardinal Unijax  
Frank Gumport Printing

## MINUTES

Bureau of Purchases

- B50000999, Supply and Delivery of  
Medical Grade Oxygen

Airgas East, Inc.  
GTS-Welco-Welco  
Roberts Oxygen Co., Inc.

Bureau of Purchases

- B50001006, Repair to Mt. Pleasant  
Arena

ICE Builders, Inc.  
J.F. Fischer, Inc.

Bureau of Purchases

- B50001013, Landscaping, Exterior  
& Interior Plants Maintenance  
Service

Lorenz, Inc.  
Jan Ferguson, Inc.  
LMC Landscaping, Inc.

Bureau of Purchases

- B50001035, Mobile Lifts for  
Baltimore City Convention Center

Corelli, Inc.  
Sun Belt Rentals  
McCall Handling Co.  
Modern Equipment  
Valley Supply & Equipment  
United Rentals

MINUTES

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There being no objections, the Board, UPON MOTION duly made and seconded, adjourned until its next regularly scheduled meeting on Wednesday, April 22, 2009.

JOAN M. PRATT  
Secretary