

Baltimore Metropolitan Council



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Anne Arundel County
Baltimore City
Baltimore County
Carroll County
Harford County
Howard County

BMC BOARD OF DIRECTORS JULY 10, 2007

MINUTES

MEMBERS PRESENT

John Leopold, Anne Arundel County Executive
Sheila Dixon, Mayor, Baltimore City
Dean L. Minnich, Vice President, Carroll County Board of Commissioners
David R. Craig, Harford County Executive
Ken Ulman, Howard County Executive

OTHERS PRESENT

Lorraine Costello, Harford County
Andrew Frank, Baltimore City
Alan Friedman, Anne Arundel County
William Goodman, Chief, Baltimore City Fire Department
Elaine Garven, Baltimore City
Joan Kennedy, Howard County
Ryan Miller, Howard County
Steve Powell, Carroll County
Frank Principe, Baltimore County
Kevin Racine, Citizen

BMC STAFF

Larry Klimovitz, Executive Director
Regina Aris
Harvey S. Bloom
Barbara Herron
Mary Logan
Ryan O'Doherty
Russ Ulrich
Stephanie Walsh

Call to Order

County Executive and Chairman Craig called the meeting to order at 3:15 p.m. He then turned the meeting over to Mr. Klimovitz.

Mr. Klimovitz commented that we were waiting for County Executive Ulman who was expected momentarily. He mentioned that the Urban Area Work Group (UAWG) had met prior to the Board of Directors and Chief William Goodman, Fire Chief for Baltimore City, would give a brief up-date on ongoing activities of the UAWG. Chief Goodman will be presenting an UAWG update before each board meeting.

Chief Goodwin directed everyone's attention to the handout in the left hand-side of the packet. He stated that this was a unique year because the federal government had asked that participating agencies take the amount of funding they had received in past years and apply for a percentage of those funds. In the Baltimore region that amount would be \$15 million for the region collectively. As a group we decided to apply for what we needed, which would exceed the \$15 million average. Areas applied for are:

FY 2007 INVESTMENT JUSTIFICATIONS		
#	Investment Justification	Funding Request
1	Communications Interoperability	\$ 4,270,000
2	CBRNE Detection and Response	\$ 4,540,772
3	Mass Casualty Incident/Health and Medical Preparations	
4	Regional All-Hazards Response and Incident Management	\$ 8,125,000
5	Maritime Security and Response	\$ 2,780,000
6	Investigation and Intelligence Fusion	\$ 1,696,400
7	Critical Infrastructure Protection	\$ 4,780,000
8	Regional Evacuation Planning	\$ 1,460,000
9	Continuity of Operations/Continuity of Government	\$ 4,320,000
10	Citizen Preparedness and Participation	\$ 2,082,500
11	Multi-Urban Area Intelligence and Information Sharing	\$ 1,950,000
12	Multi-Urban-Area Maritime Security and Response	\$ 305,000
	TOTAL	\$38,426,672

Several years ago the executives in the region decided they wanted to reach out and come up with a program that would allocate some dollars from homeland security funds to non-governmental organizations. This process focused on target hardening activities for nonprofit organizations at high risk of potential terrorist attack in the region. Each jurisdiction identified those locations at high risk and then submitted applications to the Jurisdictional Law Enforcement Committee. Once the applications were reviewed and approved monies were allocated. The first year saw monies distributed to 29 organizations. This year, although funding was down, we were able to give 41 organizations money for target hardening.

Chief Goodman commented that emulation is the best form of praise and the Department of Homeland Security (DHS) announced in May a program similar to the Baltimore Community Infrastructure Program. The DHS program offers \$24 million nationwide and the UAWG submitted 24 applications from organizations to the DHS. He stated that in the past the region has worked really hard on its application. We received some feedback from a person who is a peer reviewer from Kansas City who commented that the Baltimore metropolitan region's application was not only one of the best, but probably the best that the DHS saw. We attempt to move forward even as the funding decreases every year.

UASI NSGP TIMELINE

- 5-11-07 – BMC issues press release
- 5-18-07 – Grant writing seminar for potential applicants
- 6-11-07 – Applications due to Community Infrastructure Committee
- 6-14-07 – Committee reviews and scores applications
- 6-19-07 – Results submitted to and approved by UAWG
- 6-22-07 – MEMA submits applications to DHS
- 8-22-07 – DHS will have evaluated and acted on applications

Chief Goodwin commented that to date, we have not received any information pertaining to our current application and hopes to be able to report on the dollar amount at the next meeting.

Earlier this year the DHS did another site monitoring visit to review our process. The visit lasted several days and we were given feedback as to how we are doing. This year we were told that DHS was impressed by our practice of implementing coordinated regional projects, rather than simply dividing USASI funds among the urban area's several jurisdictions.

Chief Goodwin stated that Board members and others will see in front of them an invitation to the launching of the new CBRNE (chemical, biological, radiological, and nuclear response) watercraft. In essence, this is a response boat for the entire region. The City of Baltimore, in cooperation with the state, has a port protection agreement where the City mans the actual fire boat 24-hours a day and is available for regional response. This 87 foot watercraft will provide the region with waterfront firefighting, emergency medical treatment, mobile command post and decontamination capabilities. Thanks to every jurisdiction in our region, this craft has \$6.5 dollars worth of equipment to handle situations that might happen along the Chesapeake Bay waterway.

Chief Goodwin also mentioned that the region has acquired 7 mobile decontamination vehicles and will conduct ongoing regional collaborative exercises and training. These vehicles allow potential exposure victims to enter the back of the vehicle and exit from the front totally clean and secure and ready to be transported to a hospital and assure no one is embarrassed.

Chief Goodwin further stated that the goals for FY 2007 were to improve mass decontamination capabilities, enhance WMD Standard Operating Procedures across jurisdictions, and continue modernizing the current cache of WMD detection equipment. An exercise for the decontamination vehicles is planned for August 2007.

Action Item – Approval of Minutes from April 24, 2007 Board Meeting

County Executive Craig called for a motion to approve the minutes. As there were no questions or requested changes, County Executive Craig called for a vote. The motion to approve the minutes was made by County Executive Leopold and seconded by Mayor Dixon.

Action Item – Consideration of FY 2008 Baltimore Metropolitan Council (BMC) Pension Plan Contribution

Mr. Klimovitz stated that the Internal Revenue Service regulations require that the Board of Directors annually set the contribution rate of BMC's Defined Contribution Pension Plan. For FY 2008, the Board is requested to maintain the employer contribution rate of seven percent (7%) of annual salary for qualified BMC staff. The 7% rate has remained constant since 1993, this amount being included in the approved BMC FY 2008 operating budget. This item was approved by the Management Committee.

County Executive Craig asked if this was something that would have to be redone on yearly basis.

Mr. Klimovitz responded that under IRS regulations it would have to be done every year. Last year the entire pension plan had to be qualified under IRS regulations, which had been done every couple of years to remain current.

Mayor Dixon asked if this is something that could be submitted as part of the budget. Mr. Klimovitz responded that it would be part of the budget in the future. He stated that this necessary action was brought to his attention in a recent update from Smith and Downey, the law firm that BMC uses for just such guidance.

Mr. Klimovitz called the Board's attention to Board Resolution 2007-1. Mr. Minnich called for a motion to approve the resolution and it was seconded by Mayor Dixon.

Action Item – Consideration of Amendments to Baltimore Metropolitan Council Charter and Bylaws

Mr. Klimovitz stated that each year, in working with the Management Committee, he reviewed the BMC policy and procedure manual, insurances and liability coverages, regulations attributable to Workman's Compensation and other items pertinent to BMC's operation. After reviewing the charter and bylaws by which BMC was formed, he made recommendations to the Management Committee, which were ultimately approved, for a few refinements and updates.

The first amendment establishes an emergency reserve fund to be funded through year end net income or retained earnings. Much like a "rainy day" fund, the fund could only be used to weather financial uncertainty or grant interruption, with approval of the Board of Directors. This would be a "restricted" fund. The goal is to maintain a balance of approximately three (3) months of operating reserves or about \$1.5 million based upon the FY 2008 budget.

The second amendment eliminates the current requirement that the Council Advisory Board be notified of all Board of Directors meetings, activities and issues. The proposed amendment also removes the requirement that the Council Advisory Board review and make recommendations on the BMC budget. The amendment has the effect of maintaining the existence of the Council Advisory Board as a resource available to the BMC and its Board of Directors, at the Board of Directors discretion and direction, as issues or circumstances may dictate.

Both of these amendments were distributed to the Management Committee on May 10, 2007. Marked up copies of both the bylaws and charter are included in your packets. The Management Committee unanimously recommends acceptance of these amendments.

Mr. Klimovitz called the Board's attention to Board Resolution 2007-2. Mayor Dixon called for a motion to approve the resolution and it was seconded by County Executive Leopold.

Action Item – Consideration of Endorsement and Participation in Proposed Regional Highway Safety Campaign and Program Update B: Clean Commute Month – May 2007 – Activities to Date

Mr. Klimovitz stated that at this time, with the Chair's permission, he would like to deviate from the printed agenda and provide a status report on BMC's Clean Commute Campaign and then move into Action Item 6 which requests the Board's participation in a proposed regional highway safety campaign.

Mr. Klimovitz introduced Mr. Russ Ulrich, BMC's Clean Air Outreach Coordinator and Transportation Planner, who presented both items.

Mr. Ulrich commented that he had been asked to talk about two transportation related public health issues. Obviously, the first issue is air quality and it is no secret that air quality issues exist in our region and it is no secret that motor vehicles make up a major component of the pollutants in the air. By reducing the number of cars and trucks on the roadways the region can get cleaner air. About 10 years ago, a partnership was formed which was spearheaded by the BMC and the Baltimore Regional Transportation Board (BRTB). Its purpose was to raise awareness of the relationship between air quality and motor vehicles, to remind people there are other ways to get around other than single occupant vehicles, and to promote those alternatives. Within the last several years, that partnership has also started to remind people who must drive to keep their vehicles well maintained, thus running as sufficiently and cleanly as possible. This initiative came to be known as Clean Commute Month and it is an annual event that takes place every May because May is the beginning of the ozone season in the Baltimore region. Actually, this year's initiative got started a little earlier on Earth Day, April 22nd, with the kick-off of our Clean Cars for Clean Air event at Towson University. Mr. Ulrich further stated that this campaign is funded by the Department of the Environment and had the cooperation of Precision Tune Auto Care who provided certified auto technicians. The next day we went up to Harford County for the unveiling of their Clean Commute signs which are affixed to county transit vehicles from late April through early June. On April 28 BMC staff was joined by staff from Baltimore County on the NCR Trail. Also, Princeton Sports performed some light maintenance for bikers on the trail. We reminded cyclists that bicycles were for more than recreation and are a form of commuting. On May 4th, 5th, and 6th we had our "mega week-end". There were three events going on simultaneously; two in Baltimore City and one in Towson. BMC staff was joined by staff from MDE and gave out thousands of pieces of literature and promotional materials. More importantly, we talked face to face to literally hundreds of people in the region probably the best way to bring about change and educate people. The following weekend we had a much more sedate and calmer event in Carroll County. The audience was much smaller, but they were very enthusiastic and receptive and wanted to hear all we had to say. Bike to Work Day is a hallmark of the Clean Commute month initiative. We had four events, major rallies in Annapolis, Baltimore City, Bel Air and Towson. There were also events at Johns Hopkins University's Homewood campus and the Applied Physics Laboratory.

Mayor Dixon commented that some Baltimore City staff are actually planning to bike to work on a regular basis, kicking it off this month. Mr. Ulrich responded that the mayor's staff was most supportive of this effort.

Mr. Ulrich stated that a record number of riders registered this year. Unfortunately, the weather was a little threatening on May 18 and kept the actual numbers down, but the event got some good media coverage.

Mr. Ulrich stated that every year staff goes to a park-and-ride facility to thank the people who ride mass transit. This year's outing was arranged by the BWI Partnership and ARTMA. We show up in the wee hours, usually before sunrise with bags of goodies and complimentary newspapers as a way of

saying thank you and reinforcing good behaviors. Clean Car Clinics were continued throughout May and June and is a wonderful event that allows drivers to bring their cars in and get an absolutely free comprehensive, although non-evasive, inspection. Nothing is removed; accept for perhaps a dip-stick and occasionally some air in tires that are over inflated. We had certified technicians, compliments of Precision Tune Auto Care.

BMC staff worked with the MDE and Harford County and had a number of events at the county's senior centers. Also, Howard County Commuter Solutions worked with the Maple Lawn Business Association and we had a public event there. There are additional events scheduled in the coming weeks and we hope to do an additional four events by the end of September.

Related to Clean Commute Month was the 10th anniversary of Clean Air Partners on June 5th. Clean Air Partners is a private-public partnership which is co-chartered by BMC and the Metropolitan Washington Council of Governments. The partnership works to raise awareness of air quality issues in the combined Baltimore-Washington region. It also promotes voluntary measures that can promote reduced emissions. County Executive Craig, along with Penny Gross, Fairfax County Supervisor and Vice-Chair of Clean Air Partners, recently signed the new charter for the organization.

Media of course is very important in an initiative like Clean Commute Month. This year there were paid campaigns on three of the regions top rated radio stations. We also had stories placed in a number of local publications and got placements on Channels 11 and 45. Mr. Ulrich mentioned that Channel 11 was very generous in its coverage of the Clean Car events; two stories the Friday before and four stories the day of the event, including live remotes. Clean Commute Month 2007 was a success and thanked the county executives and their staffs for their assistance. There is so much more we want to do in the future, such as greater involvement from the business community and additional car clinics—at least two in each jurisdiction. BMC would also like to find out more about the public outreach opportunities in each jurisdiction. Our staff may not be able to attend all the events, but we could possibly supply your staff with materials and resources.

The second topic Mr. Ulrich talked about was highway safety. In 2005, over 52,300 motor vehicle crashes occurred in the Baltimore region resulting in over 26,000 injuries and 222 fatalities. These statistics indicate just how serious this problem is. The State Highway Administration (SHA) is looking at figures for 2006 and indications are that they have increased. This is just not happening in Maryland or the Baltimore region, it is happening throughout the country. This is one of the reasons the states were charged to develop and adopt comprehensive highway safety plans. Maryland did their plan last year with the assistance of the BRTB. This is just not an issue for state government; they need the help and support of the local jurisdictions. The Board is being asked for endorsement of and support for a regional public awareness campaign. BMC is proposing hiring a professional communication consultant to craft a message and collateral materials to place that message in the media. Mr. Ulrich commented that the Board's involvement is essential and we want to include them in the message. The consultant will evaluate the message at the end of the campaign to determine its effectiveness. By utilizing existing funding in the UPWP, BMC can hire a consultant next month which would put us on track for having a campaign launched by the end of this year. BMC can build on some of the things that the local jurisdictions have done throughout the year and also take advantage of some national initiatives. Mr. Ulrich thanked the Board for their attention and commented that he would be happy to answer any questions.

Mayor Dixon asked what the process would be for hiring a consultant for this campaign. Mr. Ulrich responded that an RFP would be put together, which is currently in progress, and then advertised. BMC has discussed the possibility of short-listing some firms around the region that we are aware of and have worked with in the past and bring them on board within 30 days.

Mr. Klimovitz commented that BMC would go through a public advertisement process much the same as the city or counties.

Mayor Dixon stated that she would be happy to give BMC the name of the consultant the City hired for their clean campaign.

Mr. Ulrich stated that the SHA is very enthusiastic about this project as well and unless things change, Neil Pederson, Administrator of SHA, will be at the Board's October meeting and one of the things he will address will be partnering within the safety campaign. As previously mentioned, BMC anticipates that monies can be found in existing 2008 UPWP to fund this consultant to: determine how best to deliver this message; what the message should be and how it should be delivered; and should it be delivered by elected officials, by personalities, or by someone who has been involved in the process. Mr. Ulrich stated that this is a limited campaign without a great deal of funds. BMC is asking for the Board's involvement which might consist of being asked to speak, or to speak on radio and televisions ads. We hope this campaign can be targeted for the holiday season, beginning with Thanksgiving.

County Executive Ulman asked what the jurisdictions were being asked to commit to and for a rough estimate of the cost for the consultant. Mr. Ulrich stated that BMC is asking for your commitment at this point to its going to the BRTB and identifying UPWP funds to hire the consultant as the first phase. BMC plans on partnering with SHA and MDOT to acquire some additional grant funds or additional state funds for the remaining monies.

County Executive Ulman commented that Howard County, along with the Horizon Foundation, just kicked-off a campaign for road safety placing signs throughout Howard County. Mr. Ulman stated he believes this is an important issue and offered to share Howard County's experience.

Mr. Bloom, Director of BMC's Transportation Division, commented that BMC would take advantage of any existing campaigns or any opportunities from the local members, state agencies, or federal government.

Mr. Klimovitz called for the Board's approval of this initiative. Count Executive Ulman called for a motion to approve the initiative and it was seconded by Mayor Dixon.

Program Updates

Mr. Klimovitz provided the Board with brief updates on some ongoing and evolving activities at BMC.

- a. **May 2007 Financials:** Income statement reflects BMC income at \$338,056 on a budget of \$66,516. Even after final bills are paid for June, BMC will still be in the range of \$330,000. BMC's audit is scheduled for the week of August 6-10, 2007 and the results presented at the October 23, 2007 Board meeting. Those monies will be added to the Emergency Reserve Fund and the fund will be at about \$1,000,000 at the end of FY 2007.

- b. **Completed**

- c. **Base Realignment and Closure (BRAC) Priority Project List:** Included as an information item. FYI – Mass Transit/MARC Press Releases from June 14, 2007 and letter forwarded to Governor O’Malley and MDOT Secretary Porcari regarding a Strategic Action Plan for MARC in the Baltimore-Washington Corridor. Mr. Klimovitz stated that he is expecting a reply from Paul Wiedefeld of the Mass Transit Administration.
- d. **Changes to BRTB Bylaws Regarding Meeting Frequency:** In keeping with the BRTB’s elected officials directive, your empowered representative, at their meeting on April 24, 2007, voted to reduce the number of required elected official meetings to one per year. That required meeting is already set for August 28th and is on your calendar. At that meeting you will be presented with public comments on the most recent long-range transportation plan which was recently distributed.
- e. **Long Range Transportation Plan and BRTB Meeting on August 28th:** Mr, Klimovitz introduced Regina Aris, BMC’s Manager of Plan and Policy Development, who presented a few pertinent facts regarding the plan, date of local meetings and the comment process. Included in your packet is a summary of the plan.

Ms. Aris directed the Board to Page 3 of the hand-out which shows the public meeting dates scheduled for each jurisdiction. The public meetings begin with a 3-4 hour open house format and then local representatives make a presentation to interested parties. BMC is currently getting inquiries from citizens and media. The plan covers the years 2013-2035 and those projects listed are for funding long-range. There are projects with committed funding in the near term; because that project is committed it is not considered here. There is text that provides content about what drives the needs for projects; population, labor force, and miles of travel. Listed are the projects submitted by the local jurisdictions in consultation with the state. The Plan is out for public review and after the meetings in the jurisdictions there will be one regional meeting here. The final comments will be taken at the meeting on August 28, 2007 and the comment period ends a day later. The Board’s empowered representatives will consider those comments, respond and are expected to vote at their October meeting.

Mr. Andy Frank commented that he did not see the Red or Green lines listed. Ms. Aris responded that the Red Line is in the plan, but the Green Line is not. Those two projects alone would have totaled around \$4 billion dollars and there were not enough funds for two major transit projects. The Red Line is included, listed with “regionally significant” projects. It got funded right off the top without any type of analysis, however, we do not want to imply funding of the Red Line is a given, but projects listed as “regionally significant” are seen as critically important to all jurisdictions in the region. The remainder of the projects had to undergo policy and technical evaluations, lots of discussion, consideration of BRAC among other deliberations. The Green Line is seen as “illustrative”, a second list of projects that would be considered if money were to be become available.

Mayor Dixon asked if there would be any discussion in these public meetings about the possibility of expanding the Red Line. Ms. Aris replied that as a Board, basically you are suggesting to the public that these are projects the Board would like to fund in the future. When we actually get to project planning, the planning sponsor, which

in this case would be MTA, would deal with that issue. As we understand it, they have been asked by a number of groups to look at a range of alternatives.

Mr. Frank asked that the fact that it shows Patterson Park is relevant or is that just approximate. Ms. Aris responded that basically what is done with these projects is to identify the corridor that we anticipate making an improvement to sometime in the future. When the corridor is actually looked at, the limits could be expanded or shifted. A proposed highway project could morph into a transit project. This is sort of a place holder that indicates this corridor is looking for improvement. Actual improvement is decided in project planning and it is possible that it can change.

Mr. Frank Principe asked when the “illustrative” list would be finalized. Ms. Aris responded that at the Technical Committee meeting earlier today, BMC asked that all jurisdictions that have a specific interest in having a project listed as “illustrative” provide it at the next Technical Committee meeting which is scheduled for Tuesday, August 7th. We understand that there are a couple of projects out there that people are interested in—two different Green Lines.

- f. **CMAQ Funding Proposal for FY 2008:** Mr. Klimovitz commented that on June 13th, Mr. Bloom and I met with Sam Minnitte, Director of Planning for MDOT, and Nelson Castellanos, Division Administrator of the Maryland Division of the Federal Highway Administration. With Mr. Bloom’s perseverance over the years, and Mr. Castellanos’ prodding, MDOT is looking to provide, BMC, aka the region, with approximately \$2 million dollars over the next two years for CMAQ funding. These are projects that would fit under the CMAQ umbrella—locally operated transit systems, anything dealing with congestion mitigation, and air quality. This is something BMC has been lobbying for years. Presently, issues are being worked out by MDOT/SHA attorneys regarding procedures and liability concerns. We are anticipating that this will all come together sometime in the fall. At that time, we will initiate a program working with your BRTB empowered representative to submit specifications for the types of projects that can be funded through this \$2 million dollar fund. We are hopeful that once MDOT realizes that BMC can handle this undertaking, project solicitations are put out there, and projects funded that the jurisdictions want that are regionally significant and are dually qualified under CMAQ funds, that amount will only increase over the years. Presently, SHA and transportation officials have been meeting to work out these procedures.

- g. **BRCPC Natural Gas Purchases:** Included in the meeting packet is a BRCPC update for the month of June. Insofar as the natural gas proposal is concerned, BRCPC has entered into a contract with Constellation Energy to purchase natural gas under a regional contract. BRCPC was hoping to make the first purchase in July and August. However, there are some legal issues to resolve before the contract between BRCPC, Constellation Energy and South River Consultants, BRCPC’s energy consultant on these matters, can be finalized. It is estimated that actual purchasing of natural gas off the wholesale market will probably not take place before November. Electricity purchase in the past year saw a savings of \$12 million dollars for the region.

Mr. Klimovitz informed the Board that BMC is meeting with the Northeast Maryland Waste Disposal Authority (NMWDA). BMC has been asked to join them in a refuse route study for Baltimore City. Apparently the refuse routes and collection schedules, etc. for Baltimore City have not been looked at for 40 years. The NMWDA

has been asked to look at them and BMC will be working with them to help redraw routes, schedules, and frequency using our GIS mapping capabilities.

Mayor Dixon asked if there was communication with Baltimore City's Department of Public Works. Mr. Klimovitz responded that he assumed that NMSDA had been in contact with the city. The upcoming meeting will be the first between BMC and NMSDA.

- h. **ENHANCED USE LEASES (EUL's)**: Mr. Klimovitz commented that the Board is very interested in EUL's because of the impact on local jurisdictions. Initially, Anne Arundel and Harford counties are being affected by the 2 million square feet of office space being built by the Trammell Crow Company on the grounds of Fort Meade and the 2 million square feet of office space being built on the grounds of Aberdeen Proving Grounds by Opus Corporation. This issue has taxing non-implications and uses of resources to local governments.

Mr. Klimovitz stated that he has been working with the law departments in both Anne Arundel and Harford counties and the management representative from each jurisdiction on this issue.

Mr. Klimovitz commented that in his absence, on June 18, Mr. Ryan O'Doherty, BMC's Government Relations staff person, attended a seminar sponsored by Whiteford Taylor & Preston at the Maritime Institute that focused on enhanced leases. Along with a myriad of people, there were representatives from BMC, both forts, the Harford County law department and Congressman Ruppertsberger and his staff.

Mr. Klimovitz introduced Mr. Ryan O'Doherty who presented a brief overview of the issue. Mr. O'Doherty reported that enhanced use leases basically allows the federal government, in this case the Defense Department, to lease federally owned land to a private developer under an agreement to develop the property, in this case 4 million square feet of office space, combined at the two bases. The law itself has been in existence for a while but was actually amended in 2002 and significantly expanded the military's ability to utilize this system as a way to upgrade existing facilities. A contractor will come in and get development rights to build office space but they also agree to provide in-kind services to the base in various ways.

As mentioned, the development of 2 million square feet of office space in both Anne Arundel and Harford counties is definitely going to have an impact on both counties, and Mr. O'Doherty commented the state as well, when it comes to the transportation infrastructure. On the positive side, each county will get the economic benefit of additional jobs and military contractors coming in, but there is no tax base there to be gotten by the locals. Mr. O'Doherty stated that he was describing a problem that the affected locals are very much aware of. As to a solution, it is part of federal law and would have to involve the Maryland Congressional Delegation as a body doing something to address the issue. Mr. O'Doherty spoke to Congressman Ruppertsberger's staff and was disappointed in their lack of understanding as to the impact on the locals. Not only will Anne Arundel and Harford counties be affected by the development on federal lands, but also the fact that the projected office spaces competes with existing office space in other jurisdictions such as Baltimore and Howard counties.

County Executive Leopold commented that what also exacerbates the problem is that Anne Arundel County has had plans for a number of years for the Odenton Towncenter and that the project is at risk by such an enormous project being built on federal land in the county.

County Executive Leopold further commented that there is a state law which was put in place several years ago regarding exemption from taxation and that is another tool the Board might examine. Another area to investigate is to quantify square footage in other parts of the state that will also be impacted. This is not just a local but a statewide issue. Anne Arundel will continue to explore options to pursue and will keep the Board apprised of findings.

Mr. Klimovitz commented that there seems to be hesitation on the part of the Maryland Congressional Delegation to address the issue with the Defense Department and its economic impact on the region. After talking to Mr. Freidman, there also seems to be lack of interest as well from Senator Mikulski's staff to deal with this situation.

In addition to the state exemption that County Executive Leopold mentioned, Mr. Klimovitz stated that he believes, after his discussion with the Harford County law department, that there are also provisions included within United States Code Title 10 regarding tax exemptions which are another hurdle to overcome. Mr. Klimovitz commented that he is not certain if this applies to federally owned land or if it would require litigation and Congressional support for an amendment to Title 10.

County Executive Leopold commented that the Board would have to navigate through the shoals of legal aspects. County Executive Leopold mentioned that he spoke with Senator Mikulski about this issue and her focus, understandably because she is on the Appropriations Committee, is on the federal impact date law in respect to schools. Senator Mikulski is hoping to have the law amended so that money would flow immediately rather than when students are actually entering the school systems. When County Executive Leopold suggested perhaps that when the Senator looked at the possibility of amending the federal impact law, perhaps the issue of tax exemption on federal land could be included. Senator Mikulski responded that she is not on finance but on appropriations. County Executive Leopold also discussed this issue with Senator Mitch McConnell who suggested talking to the Maryland representative on the Ways and Means Committee Chris Van Hollen. County Executive Leopold stated he has not had an opportunity to speak him.

County Executive Leopold also stated that he feels it is important to have a full press of options and look at all the different ways we might be successful. Obviously the Army has cut its own deal with the contractors, but the local governments have been left out of the equation. Even though the local jurisdictions are beneficiaries of BRAC, the locals would obviously rather be on the receiving end of BRAC rather than losing jobs. This issue also has potentially significant adverse impacts and it is our job to attempt to address them.

Mr. Klimovitz commented that in addition to impacting new construction of office space that might otherwise occur outside the gates, there are also going to be tenants leaving existing office space to go into 2 million square feet of office space on either post. All it has to be is defense related and that is a wide-open definition. There is a good summary in Trammell Crow and Opus Corporation literature and there is also an

expansive list of where EULs have been used in past. In the past, they have been used frequently by the Department of the Navy, but now the Department of the Army has become heavily involved.

County Executive Leopold commented that to put this issue into perspective, Arundel Mill Mall, the greatest tourist attraction in Maryland, is a million square feet. Trammell Crow has doubled that and we are looking at a major impact in the region.

County Executive Leopold asked if Montgomery County is affected by this issue. Mr. O'Doherty responded that he was not certain but would check. Mr. O'Doherty also commented that this issue is an explosion and is occurring across the country. There is a map that the Army compiled that shows all the projects in the country and there is a large cluster in the Northeast. This issue is new and one of the things raised at the seminar by some of lawyers on the expert panel is the sense that this is so new some things could be litigated. They were referring to parts of the lease that could be challenged.

County Executive Craig asked if this matter would continue to be an action item in the future and Mr. Klimovitz responded in the affirmative and stated he would continue to work with Mr. Friedman and the Harford County law department to see how this unfolds.

8. COMMENTS FROM BOARD MEMBERS

County Executive Leopold stated that an issue he would like discussed at future Board meetings is the Transportation Trust Fund and the Constitutional firewall. He is certain there is going to be a request for enhancement, whether it is a gas tax or titling and registration and it will be directed to the Transportation Trust Fund. County Executive Leopold thinks it is important to attempt to build bi-partisan support in the General Assembly for any kind of enhancement and that we look seriously at the Constitutional firewall to assure people that if they are paying more money into that fund that is actually going to be used for transportation. Also, when money is taken out of the fund it is paid back in a set time period as recommended from the Hellmann commission in 1999. Clearly this something that is important in order to build support and restore a foundation of trust in transportation funding. Wherever we look at improvements we are talking about the need for money and anything that can be done to build support for any kind of enhancement is important.

County Executive Craig commented that at MACO's recent Board of Directors meeting this issue was raised. Leadership in the house and senate are potentially considering a gasoline tax and other things and not honoring the formula so that local governments would not get their 30 percent. Ultimately for several years, all the money would go to state projects and there is no guarantee that local government would get an increase in their highway revenues which could impact all of us badly.

Mr. Klimovitz responded that this issue would be kept on future agendas.

Mr. Bloom commented that at the August 28 BRTB meeting, BMC is hoping to have Secretary Porcari make a presentation, not necessarily to discuss the firewall issue, but to discuss potential revenue issues and anything that will be pending at that time, so hopefully that will stimulate a discussion on this issue.

9. **ADJOURNMENT:** As there was no further business, County Executive Craig thanked everyone for attending and adjourned the meeting. The next Board meeting is scheduled for Tuesday, October 23 at 3:00 p.m.

Respectfully submitted,

Larry W. Klimovitz
Executive Director