



**MAYOR AND CITY COUNCIL
WORK SESSION AGENDA**

Monday, November 23, 2009, 7:30 p.m.

(Off-Site at 21 Firstfield Road, Gaithersburg, Maryland, Not Televised)

- I. Topic(s)**
 - A. Economic Development Initiative – Proposal for a Bio-Technology Accelerator Partnership**
- II. Adjournment**

SPECIAL MEETING AGENDA

Monday, November 23, 2009

(Following the Off-Site Work Session, City Hall Council Chambers, Not Televised)

(Please turn off all cellular phones and pagers prior to the meeting. Hand held signs brought into the Council Chambers may not be displayed in a manner which disrupts the meeting, blocks the view of spectators or cameras and poses a safety concern [e.g., signs mounted on stakes]. Your cooperation is appreciated.)

- I. Call to Order**
- II. Motion to Conduct Special Meeting**
- III. Motion to Conduct Closed Executive Session**
- V. Adjournment**

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EXECUTIVE SESSION ANNOUNCEMENT

Notice to the general public is hereby given that the Mayor and City Council of Gaithersburg plan to conduct a closed Executive Session immediately following its scheduled special meeting on Monday, November 23, 2009, at City Hall. The meeting is proposed to be closed pursuant to the State Government Article of the Annotated Code of Maryland, Section 10-508(a)(1)(i) to discuss a personnel matter. The topic to be discussed is the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction. The closed executive session will be conducted pursuant to a motion properly adopted during the special meeting of the Mayor and City Council on Monday, November 23, 2009.

ANNOUNCEMENT

Notice to the general public is hereby given that the City of Gaithersburg facilities will be closed on Thursday, November 26 and Friday, November 27, 2009, due to the Thanksgiving holiday. The Mayor and City Council will NOT conduct a work session on Monday, November 30, 2009. The next regular meeting of the Mayor and City Council of the City of Gaithersburg will be held on Monday, December 7, 2009, 7:30 p.m., in the Council Chambers.

TO CONFIRM ACCESSIBILITY ACCOMMODATIONS,
PLEASE CONTACT DORIS STOKES AT CITY HALL, 301-258-6310

UPCOMING COUNCIL MEETING

This list is not all-inclusive, and does not reflect priorities or scheduling
But is intended to provide a glance at future items to come before the City Council.

Regular Meeting of the Mayor and City Council

Mon., Dec. 7	Appts.	-	Election of Council Vice President
	Presentation	-	Annual Financial Report
	Consent Item	-	Contract for Replacement Fuel System
	Public Hearings	-	Joint - Process and Overview Element of the Master Plan
		-	Joint - Water Resource Element of the Master Plan
		-	Ordinance to Amend Chap. 17 "Personnel" (Final Action)

Work Session Topics

MEETING DATE:

November 23, 2009

CALL TO PODIUM:

Tony Tomasello – Assistant City Manager

Henry Bernstein – Scheer Partners

RESPONSIBLE STAFF:

Tony Tomasello

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
X	Work Session OFF-SITE
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Hearing Date	
Record Held Open	
Policy Discussion	

TITLE:
Economic Development Initiative – Proposal for a Bio-Technology Accelerator Partnership

SUPPORTING BACKGROUND:
<u>This work session will be held off-site at 21 Firstfield Road, Gaithersburg, Maryland.</u>
There is ample parking at the building and the public is welcome to attend. The work session will not be televised.
Scheer Partners is a commercial real estate advisory firm with an extensive track record in assisting local biotechnology and pharmaceutical companies. The firm owns the building at 21 Firstfield Road and is interested in partnering with the City to market the facility to biotechnology tenants. Key elements of the partnership would include City “branding” of the facility, permit fee waivers, tenant improvement incentives (provided via existing “toolbox” funding), and joint marketing initiatives.
The proposed agenda is as follows:
<ul style="list-style-type: none"> • Welcome & Introductions • The “Accelerator” Concept • Tour of the Facility and Model Lab • Proposed Partnership • Questions
If the Council decides to support the partnership concept, staff will return with a formal resolution that details each party’s specific responsibilities.

DESIRED OUTCOME:
Hear presentations, tour facility, discuss partnership concept.

Adjournment

Call to Order Special Meeting

Special Meeting Motion

Executive Session Motion

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Adjournment

From Staff

TESTIMONY OF THE CITY OF GAITHERSBURG BEFORE THE
MONTGOMERY COUNTY JOINT HOUSE AND SENATE DELEGATIONS ON
LEGISLATIVE PRIORITIES FOR THE 2010 LEGISLATIVE SESSION

November 19, 2009

Good evening Chairman Madaleno, Chairman Feldman, and members of the Montgomery County Delegation. My name is Sidney Katz and I have the honor of being the Mayor of the City of Gaithersburg. With me is Intergovernmental Affairs Coordinator Monica Sanchez, who will be our lead staff member for the upcoming legislative session.

Tonight we would like to outline the City's initial transportation, legislative and funding priorities for the 2010 session.

Transportation

With respect to transportation priorities, we would like to start by thanking you for funding the Intercounty Connector. As you know, this crucial road is under construction and the initial segment will be open for traffic in the near future. We couldn't be happier.

The Watkins Mill Road Interchange remains a key legislative priority. This project is essential to reduce congestion on MD 124, and to jumpstart significant approved economic development projects in the Watkins Mill Interchange sector. Pursuant to an agreement between the City, the County, and the development community, both the western and eastern segments of Watkins Mill Road extended will be completed in the near future without the necessity of State funding. However, it is critical for the State Highway Administration to move forward with the interchange. We have already secured 75% of the land that is necessary for construction of the interchange at no cost to the state, and we are working diligently to obtain the remainder. While the Department of Transportation did not propose additional engineering funds in the Consolidated Transportation Plan, it is our understanding that Montgomery County has agreed to forward fund an additional \$7.4 million over a three year period to complete the engineering of this interchange. We respectfully request that the State budget the necessary funding to construct this interchange as soon as engineering is complete.

The other major transportation priority for the City of Gaithersburg is the Corridor Cities Transitway or CCT. All land use approvals in the western portion of Gaithersburg for the last 40 years have been influenced by this transit project. Most of the right-of-way through the City of Gaithersburg is available for construction at no cost to the State. The long anticipated I-270/US15 Multi-Modal Corridor Study is nearing completion and it is anticipated that the Governor will soon select the Locally Preferred Alternative. Once this is complete, the CCT project should be broken out of the study and immediately entered into the Federal New Starts process.

Legislative

Two of the City's legislative priorities this year focus on cost saving measures that could be implemented by local governments with the General Assembly's modification of existing laws. The first involves the requirement that local governments advertise various hearings and actions in newspapers of general circulation within the jurisdiction. This method of public notification is outdated and could be replaced with more progressive, cost efficient methods. Gaithersburg will be supporting an amendment to this law, allowing hearings and actions to be advertised on the jurisdiction's official website and, potentially, a state-sponsored clearinghouse website.

We also propose a modification to the state law involving the method in which traffic citations are channeled to court. Under current law, the District Court dates are automatically scheduled if the individual receiving the citation does not pay it within the specified time, even if the individual has not elected to stand trial and challenge the citation. As a result, local jurisdictions are required to send police officers to court in what is often an overtime status. Unfortunately, a large percentage of the defendants do not appear in court, causing local governments to waste value personnel funding. An amended state law requiring defendants to *request* a court date would result in significant cost savings for local governments, and be a better use of public safety personnel's time. We realize this will be a difficult bill to pass; however, it is worth noting that state government receives *all* of the revenue from traffic citations, while local governments bear the burden of the personnel costs. We believe such an amendment could be crafted so as to not impinge upon an individual's legal rights.

The City also supports legislation to reauthorize the Maryland Heritage Structural Tax Credit Program. This program has been very beneficial to the ongoing revitalization of Gaithersburg's Olde Towne Central Business District and our Historic Districts. Since 2000, sixteen commercial and residential rehabilitation projects in Gaithersburg have qualified for tax credits. A bill to extend this program failed last year, and the program is scheduled to sunset on June 30, 2010. It is essential that the General Assembly pass legislation to extend the tax credit program during the upcoming session.

Finally, the City is requesting legislation that would modify the use of diminution credits to reduce prison sentences for violent criminals as well as address the many loopholes associated with the reconsideration of sentencing process for these individuals. While it is unusual for the City to take a position on a statewide bill, we were extremely concerned when one of our residents was murdered by an individual with a record of violent behavior who was released from prison early due to the application of the diminution credits process.

Funding

Recognizing the state is again facing a difficult budget, our number one funding priority is to prevent any additional state cuts to municipal revenue sources. Local governments are also facing significant budget deficits and municipalities have very limited authority to raise revenues. While we are extremely appreciative that the General Assembly restored the majority of the municipal Highway User funds that were originally cut in 2009, the Board of Public Works ended up cutting 90% of these funds anyway. In addition, the Board of Public Works reduced our police grant by 35%.

We are also requesting that the Delegation support a bond bill submitted on behalf of Identity, Inc. Identity is an outstanding organization that works with Latino youth in our community. The bond bill will assist in the cost of moving a historic structure that was donated to Identity for their existing property on East Diamond Avenue in Gaithersburg. This is a rare opportunity to promote historic preservation and support the excellent services Identity provides, all in a single project.

Finally, we would like to remind the Delegation that a major funding goal for the City remains state assistance in the cost of constructing a new senior center. We have been working with the Department of Aging on this for several years and we remain very committed to this project.

We appreciate the opportunity to testify this evening, and I would be pleased to address any questions you may have. Additionally, please feel free to contact me, City Manager Angel Jones, or Monica Sanchez at anytime to discuss any issues of concern.

Robert Christin
President
Gaithersburg Sports Association
P.O. Box 360
Washington Grove, MD 20880

November 12, 2009

Dear Mr. Christin,

The Gaithersburg Sports Association and the City of Gaithersburg have enjoyed a mutually successful and rewarding relationship for many years. Therefore, it is with great regret that I must write this letter. Due to the turn in the economic climate, the City has decided to discontinue the Agreement we have with the Gaithersburg Sports Association. We have been very pleased with the results of the program. The decision to end the relationship is purely a financial one.

As I am sure you are aware, all areas of business and government need to carefully scrutinize their spending and budget. The City of Gaithersburg is no exception and this has led to some very difficult decisions. The ending of the Agreement with Gaithersburg Sports Association is one on these very difficult decisions. As this program is not fiscally profitable to us, serving only 26 percent of City residents and averaging only 635 youth annually, with a \$7,210 subsidy from the City, it has been decided that monies could be targeted to serve a larger portion of the population in other areas. In addition, rooms at the Casey Community Center have been provided free of cost and have not been included in the 990 Return of Organization Exempt From Income Tax, two concession stands have been provided for \$1 per year lease with the City absorbing the water and electrical expenses, one full time professional sports staff member allocates 20% of his time administering the responsibilities in accordance to the Agreement, and Public Works expends 680 hours or \$38,000 in staff labor in field maintenance.

At this time, the City proposes a position that may be more advantageous to both organizations in the long term. The Gaithersburg Sports Association will become a renter of the fields at a negotiated rate to cover costs for the provision of these services. You will no longer be required to submit rosters and remit payment for resident and non residents alike. Gaithersburg Sports Association will have priority in scheduling of fields

as long as requests are submitted in a timely fashion. Daily maintenance of fields will continue to be supported by the City.

Gaithersburg Sports Association will be required to obtain permits for use of the fields for games and practices to ensure a guaranteed reservation. Hence, all practices must be coordinated through the City representative. The existing procedure will remain that all make up games and schedules must be communicated to the Department of Parks, Recreation and Culture. The Association will not be billed for personnel, lighting, administration costs, field rental, and non-resident fees with spread sheets for travel teams for multiple quarters at one time. The Association will pay per permit, a more efficient process, allowing greater control through the fiscal year.

The rental of rooms at the Casey Community Center will be offered at the lowest non-profit rental fee. A lower than market value lease of the concession stands and storage will be \$50 per month for six months at \$300 per year for each of the two sites, attempting to recoup monies toward utilities. New leases will be drawn up for signatures. The Activity Center storage will remain free.

Thank you for all the years you have worked with us and I am confident that the continued relationship will benefit those youth who want to continue their interest in the area of baseball.

I wanted to provide notice to you as you begin the planning of the 2010 season. These changes will be effective with the City of Gaithersburg's FY'11 annual operating budget on July 1, 2010. The City Sports Staff and I want to meet in person to review this new plan. Please call me regarding your availability. You can reach me at (301)258.6350, extension 116.

Sincerely,

Michele R. Potter
Director of Parks, Recreation and Culture

MRP:sk

Cc: Harold Belton, Director of Finance
Tina Smith, Comptroller
Jim McGuire, Program Director
Dave Ludington, Recreation/Sports Program Supervisor

For Release November 13, 2009

Gaithersburg Provides Economic Incentives to Keep GXS in City

Gaithersburg, MD. By packaging a variety of economic incentives, the City of Gaithersburg has successfully worked with GXS to relocate from their former location on Route 28 and Edison Park Drive to the new, LEED Silver certified Summit at Washingtonian building on Washingtonian Boulevard. GXS, which conducted a region wide search for its new location, is a high technology company providing business-to-business electronic data interchange. It employs approximately 300 workers.

“Helping businesses currently in the City grow and prosper is one of the primary goals of our economic development strategy,” said City Manager Angel L. Jones. “By crafting our first-ever financial incentive package aimed at keeping a key business in Gaithersburg, we not only made a statement to GXS about their importance to our economy, we also sent the message to other prospects that the City of Gaithersburg is willing and able to be an effective economic development partner.”

Incentives offered to GXS included the waiver of interior, build-out related fees, expedited plan review and permitting, and the rebate of City real property taxes allocated to space leased by GXS at the new site for a period of five years.

“In these economic times it takes a very creative approach to craft incentive packages,” said Assistant City Manager and Gaithersburg Economic Development Director Tony Tomasello. “These are just a few of the items available in our economic development toolbox, and we look forward to using everything at our disposal as we work with both existing City businesses and new prospects to enrich our commercial landscape.”

For more information on the City’s economic development initiatives please contact Tomasello at 301-258-6310 or e-mail ttomasello@gaithersburgmd.gov

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Mayor
Sidney A. Katz

City Manager
Angel L. Jones

Council Members

Jud Ashman Cathy C. Drzyzgula Henry F. Marraffa, Jr. Michael A. Sesma Ryan Spiegel

For Release November 10, 2009

Highway and Safety Services, Inc. Donates Labor to City of Gaithersburg

Gaithersburg, MD. In a show of support to the community, Highway and Safety Services, Inc. is donating approximately 400 hours of labor services to the City of Gaithersburg. During the week of November 9, 2010 the company's crews will be working to remove vegetation and woody growth from the dam embankments at Lake Placid, an effort requested of the City of Gaithersburg by the Maryland Department of the Environment. General cleanup services in the vicinity will also be performed free of charge.

"We feel that our local area has been very good to us and now, more than ever, it is our turn to give back to the community," said Highway and Safety Services President John Diamondidis. "During this economic downturn, we hope that this effort will benefit the City of Gaithersburg, our community and our employees."

"We appreciate Highway and Safety Services' generous offer," said Director of Public Works Jim Arnault. "It is a win-win proposition, providing the City with an opportunity to tackle a cleanup project at no cost to our taxpayers while providing the employees of Highway and Safety Services, Inc. with additional work during a slow period."

For more information please contact the Gaithersburg Department of Public Works at 301-258-6370 or Highway and Safety Services, Inc. at 301-948-4970.

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Mayor
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For Release November 18, 2009

Summit Shopping Center Redevelopment Approved

Gaithersburg, MD. On Monday, November 16, 2009, the Gaithersburg Mayor and City Council approved the Summit Shopping Center redevelopment project known as the Residences at Hidden Creek. The applicants, a partnership of Hearthstone Communities, LC and Woodfield Investments, LLC are proposing a mixed use redevelopment of a blighted shopping center at the corner of Girard Street and Goshen Road that will provide 300 new luxury rental apartments including 45 moderately priced dwelling units and a retail center on the ground floor.

“Especially in light of these challenging financial times, we are delighted to see this redevelopment project move forward,” said Gaithersburg Mayor Sidney Katz. “Getting a shovel in the ground for this project sooner rather than later will have economic benefits for the entire community.”

“I’m glad that we could work with Hearthstone Communities and Woodfield Investments to reach an agreement on the rezoning of this property,” said Council Member Cathy Drzyzgula. “Mixed use developments have proven very successful in Gaithersburg, and the Residences at Hidden Creek should become an attractive new neighborhood.”

With the approved rezoning and schematic development plans, the applicants can now move forward to submit final plans for approval by the City’s Planning Commission in early 2010. Construction is expected to begin in 2011. For more information please visit the “City Projects” page of the Gaithersburg website at www.gaithersburgmd.gov or call Gaithersburg’s Planning and Code Administration at 301-258-6330.

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For Release November 13, 2009

Gaithersburg Community Chorus Winter Concert Features Variety of Choral Classics

Gaithersburg, MD. A variety of choral classics will be featured at the 22nd annual Gaithersburg Community Chorus Winter Concert on Saturday, December 12, 2009 at 7 p.m. Admission is free

Directed by Hugh Harvey III and accompanied by Mary Lu Hartsell, the 60+ member Chorus will celebrate 22 years of joyful song with *Magnificat* by John Rutter, *Yesusum midbar vetsiyah* by Solomon Rossi, and *Candle Blessing for Chanukah* by Joshua Jacobson. There will also be a sing-a-long of popular Christmas carols and the *Hallelujah! Chorus* by G. F. Handel.

The performance will take place at the Watkins Mill High School Auditorium, 10301 Apple Ridge Road in Montgomery Village, Maryland. Admission is free, but donations are gratefully accepted. This program is presented by the City of Gaithersburg Cultural Arts Advisory Committee and supported by a grant from the Maryland State Arts Council, an agency dedicated to cultivating a vibrant cultural community where the arts thrive. Funding for the Maryland State Arts Council is also provided by the National Endowment for the Arts, a federal agency, which believes that a great nation deserves great art.

The Gaithersburg Community Chorus, which requires no audition to join, is open to anyone high school aged or older. Rehearsals are held on Tuesday evenings from 7:30 to 9:30 p.m. September through June. Two annual concerts are presented, with the Chorus performing at various special events throughout the year. For more information please contact Nansie Heimer Wilde at 301-258-6350 or visit the City's website at www.gaithersburgmd.gov.

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For Release November 17, 2009

High School Music Groups Sought for Teen Events

Gaithersburg, MD. Calling all high school bands and music performers! The City of Gaithersburg is searching for talented high school music groups to perform at teen events throughout the year. All styles and genres are welcome to try out.

Auditions will be held from 2:30 to 9 p.m. on Saturday, December 19, 2009 at the Olde Towne Youth Center, 301 Teachers Way. To sign up for an audition please call Tim “Smitty” Smith at 301-258-6350 x125 or e-mail tsmith@gaitersburgmd.gov. Please note that you must be a high school student to audition.

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Mayor
Sidney A. Katz

City Manager
Angel L. Jones

Council Members

Jud Ashman Cathy C. Drzyzgula Henry F. Marraffa, Jr. Michael A. Sesma Ryan Spiegel

For Release November 10, 2009

Holiday Traditions Abound at Gaithersburg Jingle Jubilee

Gaithersburg, MD. Hot chocolate, caroling, a tree lighting ceremony and visits with Santa make for a fabulous night of family fun as Gaithersburg rings in the holiday season with its annual Jingle Jubilee at the City Hall Concert Pavilion in Olde Towne Gaithersburg on Saturday, December 5, 2009.

This joyous event, perfect for families and young children, begins with the close harmonies of the Party Har-Har Carolers from 6 to 6:30 p.m. Holiday music will be provided throughout the evening by the Gaithersburg High School Holiday Ensemble. Then Santa arrives by fire truck. Be sure to bring your own camera for memorable holiday photos.

Costumed characters and a magnificent tree lighting ceremony create a delightful holiday mood. Kids of all ages will enjoy the activities and diversions provided by Tots2Twins.com. Just to keep things toasty, free hot chocolate will be served by volunteers from the Gaithersburg-Germantown Jaycees. For a small fee you can also purchase hot apple cider and kettle corn, with proceeds benefiting Autism Speaks.

Representatives from the John M. Carter VFW Post #9862 will be on hand with holiday cards for families to sign that will be sent to those on active military duty. The VFW is also collecting donations for servicemen and women overseas, including sample size toiletries, individually wrapped snacks, batteries and stationery.

Jingle Jubilee takes place from 6 to 8 p.m. at the City Hall Pavilion, 31 South Summit Avenue. Admission is free. Be sure to dress warmly for this winter wonderland. For more information contact the City of Gaithersburg 301-258-6350 or visit www.gaithersburgmd.gov.

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Mayor
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Outside Correspondence



Martin O'Malley, Governor
Anthony G. Brown, Lt. Governor

State Highway
Administration

MARYLAND DEPARTMENT OF TRANSPORTATION

Distributed to M&CC:11/23/09

Beverley K. Swain-Staley, Secretary
Neil J. Federsen, Administrator



November 16, 2009

The Honorable Sidney A. Katz
Mayor
City of Gaithersburg
31 S Summit Ave
Gaithersburg MD 20877

Dear Mayor Katz:

As part of the State Highway Administration's (SHA) ongoing effort to keep you informed of maintenance activity in your area, District Three's Maintenance Shop has scheduled a cleanup for the City of Gaithersburg the week of November 16 with the contracted sweeping cycle to begin the week of November 23, weather permitting.

The clean up involves mowing, litter pickup, and landscaping maintenance throughout Gaithersburg. In case of inclement weather, crews will perform the clean up on the next available day.

During the clean up motorists can expect to see crews along MD 355 between MD 124 and I-370 and may experience minor delays throughout the day. There are no scheduled lane closures associated with this work zone.

On any one day, there could be more than 350 work zones. Remember that work zones are not only large construction projects possibly taking years to complete, but smaller, mobile operations such as mowing, pothole repair and litter pick ups. When workers are on the road, THINK ORANGE, which is the color of construction signs, barrels and warning devices. Please slow down, stay alert and expect the unexpected. Choose to make work zone safety your business at choosesafetyforlife.com.

If you have any additional questions or comments, please feel free to contact Kim Frum at 301-513-7415 or toll free at 800-749-0737.

Sincerely,

for

Darrell B. Mobley
District Engineer

cc: Mr. Vernon Stinnett, Assistant District Engineer Maintenance, SHA
Mr. Greg Edwards, Resident Maintenance Engineer Gaithersburg Shop, SHA

My Telephone Number/Toll Free Number is 301-513-7300 / 1-800-749-0737
Maryland Relay Service for Impaired Hearing or Speech 1.800.735.2258 Statewide Toll Free

Street Address: 9300 Kenilworth Avenue * Greenbelt, Maryland 20770 * www.SHADistrict3@sha.state.md.us

From: [Sidney Katz](#)
To: [Angel Jones](#); [Doris Stokes](#); [Marie Best](#); [Monica Sanchez](#); [Sidney Katz](#); [Tony Tomasello](#); [Cathy Drzyzgula](#); [Henry Marraffa - External](#); [Jud Ashman - External](#); [Michael Sesma](#); [Ryan Spiegel - External](#)
Subject: FW: Administration Budget Actions 11/18/09
Date: Wednesday, November 18, 2009 10:50:03 AM
Attachments: [11.18.09 BPW Reductions RELEASE.doc](#)
[NovemberBPW.pdf](#)

FYI

From: Ashley Valis [mailto:avalis@GOV.STATE.MD.US]
Sent: Wednesday, November 18, 2009 10:05 AM
Cc: Izzy Patoka
Subject: Administration Budget Actions 11/18/09

County and Municipal Officials,

Today, the Board of Public Works will vote on a new round of budget actions totaling over \$360 million. This national recession has forced our state government to cut spending by about \$4.6 billion over the last three years and since then, over 3,000 state government positions have been eliminated. Although these decisions have not been easy by any measure, the actions taken today by the Board of Public Works are necessary in order for us to build that better future we all prefer.

The Governor wanted me to alert you to the fact that for this round of cuts, local governments have been spared from further reductions and working together, we will come out of the turbulent waters of this devastating recession. The O'Malley-Brown Administration continues to prepare for the FY 2011 projected shortfalls by protecting our rainy day fund -- and with that our triple bond rating-- and we have reserved more than half of our federal fiscal stabilization funds for the next fiscal year.

Attached is the press release, as well as the power point the Governor delivered at today's meeting. Once you open the Press release, a link will take you to the complete list of BPW actions to be approved today.

Many Thanks,
Ashley

Ashley R. Valis
Intergovernmental Affairs
Office of Governor Martin O'Malley

100 State Circle
Annapolis, MD 21401
410-974-5024 Office
443-336-2800 Cell
avalis@gov.state.md.us



MARTIN O'MALLEY
GOVERNOR

Media Contacts: Shaun Adamec Christine Hansen
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FOR IMMEDIATE RELEASE Cell: 410-919-3206 Cell: 443-336-5270

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TTY USERS CALL VIA MD RELAY

GOVERNOR MARTIN O'MALLEY BRINGS FY2010 SPENDING REDUCTIONS TO OVER \$1 BILLION

Budget actions maintain Triple A bond rating; Protect public education, public safety, and jobs

ANNAPOLIS, MD (November 18, 2009) – Governor Martin O'Malley introduced more than \$360 million in budget actions before the Board of Public Works today, bringing total spending reductions for FY2010 thus far to over \$1 billion. Today's actions bring General Fund spending to \$500 million less than it was three years ago, as Maryland continues to manage this national recession in a way that maintains the Triple A Bond rating and protects our core priorities of public education, public safety and jobs.

[A complete list of budget actions is available here.](#)

[A summary of total budget actions is available here.](#)

"These have not been easy decisions, but they have been necessary decisions to balance our State's budget, and get our state through this recession more quickly and stronger than other states," said Governor O'Malley. "Our citizens expect and deserve a government that works, and in spite of the most severe recession in a generation we've been working to reform our State government to make more efficient and effective."

In the past three years, the O'Malley-Brown Administration has implemented \$4.6 billion in budget cuts and spending reductions, including the elimination of more than 3,300 state positions.

Governor O'Malley once again held public education harmless in this round of budget cuts, noting Maryland's nationally ranked number one public schools and the need to invest in our schools even in difficult times. General Fund support for K-12 education in FY2010 will exceed FY07 spending by almost \$700 million.

Of the FY2010 budget actions, six of every ten dollars have come from reforming state agencies. Among today reductions were efforts to continue reforming our State government to make it more efficient and effective, including the suspension of non-essential vehicle purchases and reducing out-of-state travel for state employees. In addition, the State Highway Administration will reduce operating hours for five of 12 SHA-operated rest areas. An additional rest area will close during the winter months, and the rest area at US 219 at Keyser's Ridge will close permanently.

Additionally, Governor O'Malley introduced \$11 million in savings from efforts to ensure that only people who are eligible for Medicaid receive Medicaid services, and by scaling back unnecessary services; \$500,000 in savings from negotiating lower prices with vendors; and \$3 million in savings from streamlining operations and consolidating functions across our government.

With today's reductions, the O'Malley-Brown Administration maintains its commitment to fiscal responsibility by preserving the Rainy Day Fund at the mandated five percent of General Fund Revenues. Maryland remains one of only seven states to defend the coveted Triple A bond rating certified by all three bond rating agencies. In reaffirming this top ranked status, Standard & Poor's wrote in October that Maryland "has proactively responded to [a] recent structural budget imbalance." And the rating agency Fitch noted that "the state has taken prompt and repeated action to preserve operating balance...."

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**Maryland
Transportation
Authority**

Martin O'Malley
Governor

Anthony Brown
Lt. Governor

Beverley K. Swaim-Staley
Chairman

Peter J. Basso
Rev. Dr. William C. Calhoun, Sr.
Mary Beyer Halsey
Louise P. Hoblitzell
Richard C. Mike Lewin
Isaac H. Marks, Sr., Esq.
Michael J. Whitson
Walter E. Woodford, Jr., P.E.

Ronald L. Freeland
Executive Secretary

2310 Broening Highway
Suite 150
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November 13, 2009

The Honorable Sydney Katz
The City of Gaithersburg
City Hall
31 South Summit Avenue
Gaithersburg, MD 20877



Dear Mayor Katz:

Thank you for the testimony you provided during the public hearing for the Maryland Transportation Authority's (MDTA) proposed tolling plan for the Intercounty Connector (ICC) and the letter dated October 27, 2009. As MDTA Executive Secretary, I am pleased to address your comments, and, on behalf of our Members, I thank you for taking the time to share your concerns.

Toll rates on the ICC are intended to meet two major goals: to manage congestion on the highway and to generate funding to pay the highway's operating and capital costs. The average trip length is expected to be 6.6 miles – a proposed cost of between \$1.65 and \$2.35 during peak periods and \$1.35 and \$2 during off-peak periods. It is expected that few of the motorists using the ICC are expected to travel its full tolled length of 17.5 miles.

The proposed ranges are based on a traffic and revenue study updated this year that took into account current economic conditions. When considering inflation since 2004, the proposed toll ranges are comparable to the higher rate used for analysis during the National Environmental Policy Act (NEPA) study. The proposed ICC per-mile sample toll rates are comparable to, and in some cases lower than, other variably priced tolling facilities around the country.

Thank you again for your feedback regarding the proposed ICC tolling plan. Your comments have been included as part of the official public record and will be considered by the MDTA Board when rendering a final decision on the tolling plan parameters. If you have additional questions on this plan, please contact me directly at 410-537-1001.

Sincerely,

A handwritten signature in cursive script that reads "Ronald L. Freeland".

Ronald L. Freeland
Executive Secretary

Lockheed Martin Corporation
6801 Rockledge Drive Bethesda, MD 20817
Telephone 301-897-6642 Facsimile 301-897-6611

Distributed to M&CC:11/23/09

LOCKHEED MARTIN



Robert J. Stevens
Chairman, President and Chief Executive Officer

November 17, 2009



The Honorable Sidney A. Katz
Mayor of Gaithersburg, Maryland
31 South Summit Avenue
Gaithersburg, MD 20877

Dear Mayor Katz:

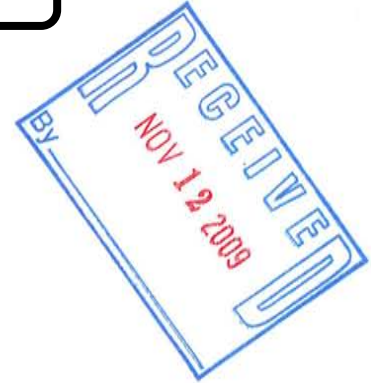
Thank you for participating in the dedication ceremony for the NexGen Cyber Innovation and Technology Center. We greatly appreciated your remarks and proclamation of November 12, 2009 as "NexGen Day" in the City of Gaithersburg.

I am especially thankful for the time you spent touring the NexGen Center to experience our technology solutions. We are very proud of the world-class, collaborative environment we have created to meet our nation's cyber security challenges.

Thank you for your strong support of Lockheed Martin and the NexGen Center. I look forward to working with you in the future.

Sincerely,

Robert J. Stevens



November 6, 2009

The Honorable Sidney A. Katz
Mayor, City Of Gaithersburg
31 South Summit Avenue
Gaithersburg, MD 20877

Dear Mayor Katz:

Community Clinic, Inc. appreciates the annual grant the City of Gaithersburg has provided us for many years to help fund primary care services for the City's low income residents.

I understand that starting in FY10 the City will substantially change its health grant funding process and we would like to believe that we could compete favorably. We have analyzed the new process and its impact upon our anticipated funds. Based upon this analysis, we have determined that the costs associated with current grant requirements and those needed to meet expectations for the new process will exceed expected revenues.

The current requirements include documentation of Gaithersburg residence on a street-by-street basis for each patient visit. We also must create specially tailored progress reports that distinguish Gaithersburg patients (about 60%) from the rest of our patient population. Both requirements require an inordinate amount of time for already overburdened staff. Over the years CCI has received the grant, our service costs have steadily risen, the number of patients has grown, and funding has remained flat. At present, the grant provides CCI with less than \$20 for each time a Gaithersburg patient is seen; CCI's cost is \$145. Under the terms of the new grant process, we expect a 17 percent reduction in the present grant to \$33,200, thus aggravating further the disparity between costs and income.

The new process also provides that a grantee develop collaborative partnerships with MOAs and subcontracts. The lead grantee is responsible for developing and monitoring sub-contracts with the remaining four existing projects. This lead grantee will receive \$19,550 (17%) administrative fee to organize, manage and oversee the subcontracts of the other grantees. We believe this amount will not adequately cover our costs to administer other grantees whose fiduciary capabilities and risks are unknown to us.



Accredited by
JCAHO

Page Two

November 6, 2009 Letter to The Honorable Sidney A. Katz

You can be assured that this decision will not change CCI's commitment to high quality, culturally sensitive primary care services to all patients, regardless of residence. Again, thank you for the City's past support. We will be happy to work with other non-profits who choose to participate in the new RFP process this year and are prepared to consider invitations to compete in future years.

Sincerely,

A handwritten signature in black ink, appearing to read "J. William Flynt". The signature is written in a cursive style with a long horizontal stroke at the end.

J. William Flynt, M.D.
Chief Executive Officer

M&CC,
Mayor Katz met with the Gaithersburg
Home School group on November 10th.

Nov. 1

Dear Mr. Katz -

Thank you for giving us your
time on Tuesday to talk to our group!
I know the kids were quiet but they
learned a lot and enjoyed hearing from
you. Wendy also did a great job teaching
us about the history of Gaithersburg.

Thank you for your service to
Gaithersburg! We're very glad you were
reelected! ☺ grateful, Jen Leaman
Czarnick