Brooke E. Lierman



## **News Release**

## Comptroller Lierman Issues Statement Following Wednesday's Board of Public Works Meeting

## Comptroller emphasizes the importance of improving state procurement processes

**ANNAPOLIS, Md. (July 19, 2023)** - Today, the Maryland Board of Public Works considered 77 items as part of its routine agenda, authorizing over \$355.8 million in state expenditures.

**Comptroller Brooke Lierman** issued the following statement on a vote regarding a major project affecting Maryland taxpayers – a supplemental item submitted by the Maryland Transit Administration (MTA) regarding an extension for the Maryland Purple Line.

**Purple Line and Public-Private-Partnerships (P3s)** – The Maryland Transportation Authority and its partner, Purple Line Transit Partners, sought a 7month extension from the BPW, moving the completion deadline for the Purple Line to the Spring of 2027. The Purple Line eventually will connect New Carrollton to Bethesda. While Comptroller Lierman voted to approve this contract extension, she expressed her concerns regarding the continued use of Public-Private-Partnerships or "P3s".

"I am an enthusiastic transit supporter – including as a co-founder of the General Assembly's Transit Caucus, and a supporter of the Purple Line. Today, I will be reluctantly supporting this item because, at this point, our hands are tied.

"Years of previous administration failures have led us to this point – a critical transportation project that is years behind schedule, and nearly \$4 billion over budget.

"Simply put, this has been a bad deal for Maryland taxpayers. From the earliest days when our previous Governor insisted on restructuring the deal for the supposed purpose of saving money – it is pretty clear that decision was penny-wise and pound-foolish.

"The Purple Line is a textbook case of why long-term transportation P3s can be so dangerous. At the end of the day, if there is a disagreement or the numbers no longer work for the private partner – it just walks away. And there's nothing the state can do to stop it. And then, it is taxpayers and residents who suffer... and MDOT does not have the capacity to then jump in and quickly take over.

"All of our State agency workforces have been decimated, but there has been an outsized impact to MDOT. I am sure that is a big contributing factor to why we are repeatedly approving contracts like number nine on the MDOT agenda for planning and engineering that should be done in-house by State employees.

"In fact, today's modification comes from a failure by MDOT to fulfill its limited duty to do utility work after the previous private partner walked off the job. To keep the project moving, Secretary Ports and others said they would undertake work that they apparently could not do – because here we are, and it is not done, and we Maryland taxpayers are now paying for that failure.

"I sincerely hope that valuable lessons have been learned to ensure that these types of delays and cost cease. I think we are all done with additional delays and more modifications for the purple line. I also look forward to ensuring that all signage and wayfinding for all our light rail lines are consistent – the Penn Line, Camden Line, Brunswick Line and Purple Line are all Maryland Transit Administration lines and must be consistent so the public knows who is responsible for these services.

"Thank you Secretary Wiedefeld and Administrator Arnold who now must assume the responsibility for a project that has been woefully mismanaged. I know you are all up to the job, and I look forward to being a partner however I can. This state desperately needs more public transit – and we need it now, not decades from now. Best of luck to everyone in getting this done without additional delays and money."

The Maryland Board of Public Works' powers and duties, stated in the State Constitution, are those the General Assembly delegates to it through statute. Specifically, the Board: approves the expenditure of all general obligation bond funds; approves the expenditure of funds for capital improvements except for State roads, bridges, and highways; approves the sale, lease, or transfer of State real and personal property; controls procurement policy, adopts procurement regulations, and approves most contracts exceeding \$200,000; debars vendors from entering into contracts with the State when the vendor has been convicted or the vendor's participation will adversely affect the integrity of the procurement process; and, preserves and protects the State's submerged lands, shoreline, and tidal wetlands and issues licenses to dredge or fill wetlands. More information can be found at <u>https://bpw.maryland.gov/</u>

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MEDIA CONTACTS: Adam Abadir: <u>AAbadir@marylandtaxes.gov</u> 667-408-0768 (cell) Barbara Sauers: <u>bsauers@marylandtaxes.gov</u> 410-212-9414 (cell)

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