

2001 Annual Report



MARYLAND DEPARTMENT OF GENERAL SERVICES



Parris N. Glendening, *Governor*

Kathleen Kennedy Townsend, *Lt. Governor*

Peta N. Richkus, *Secretary*

Richard F. Pecora, *Deputy Secretary*

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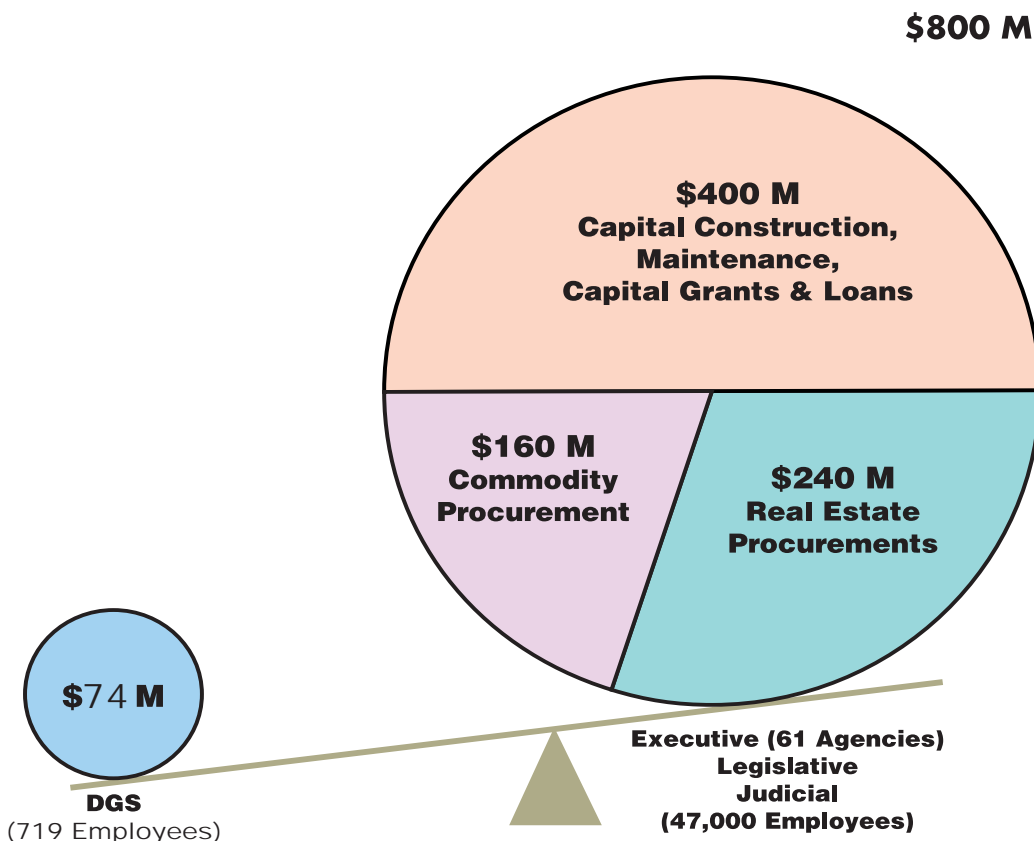


Summary

The Department of General Services manages, operates and maintains multi-agency State facilities; assesses State-owned facilities and manages facilities renewal funds of those facilities; provides full spectrum real estate support to include acquisition and disposal of any interest in real property in the name of the State; master plans and manages space in State-owned and leased facilities; provides professional and technical services for the design and construction of State public improvements (except those of the Departments of Transportation, Public Safety and Corrections, and the University System of Maryland); manages centralized procurement of materials, supplies and equipment used by State agencies; provides and manages centralized graphic reproduction capabilities including printing, publishing, duplicating, photocopying, graphic design, typography and graphic art production; provides centralized inventory standards and controls; manages records of State agencies; and manages the Maryland State Agency for Surplus Property.

The Secretary of General Services advises the Board of Public Works and any unit of State government on public improvements and construction matters.

Maryland Department of General Services



DGS leverages its resources to serve others.



"DGS has operationalized Managing for Results by aligning all of our activities with our key goals."

Secretary Peta N. Richkus

MISSION

The Department of General Services serves Maryland and its citizens by supporting other State agencies in achieving their missions. The Department performs a variety of functions, including planning, design, and construction management; facilities maintenance; procurement of goods and services; receipt and distribution of excess property; and provision of real estate services. Through these activities, DGS addresses the need for: (1) facilities that are safe, secure, and function as needed, (2) buildings, materials, and services that help other State agencies achieve their objectives; and (3) departmental actions that support social and economic goals important to the State. In all our undertakings, timeliness and cost-effectiveness are essential.

VISION

The Department's organization values are our hallmark: to serve State agencies' operational needs through cost-effective stewardship of State assets; to serve State suppliers through honest and equitable business relationships, and the public through effective utilization of resources and promotion of their safe access to State entities; and to nurture and celebrate excellence and diversity.

KEY GOALS

- Goal 1:** Provide State agencies with the facilities and real property interests necessary to meet their operational needs in a cost effective manner.
- Goal 2:** Provide clean, safe and secure facilities for the public and State employees to conduct government business.
- Goal 3:** Maintain proper functioning of all State facilities under the responsibility of the Department of General Services.
- Goal 4:** Provide State agencies with the materials and services required to achieve their objectives.
- Goal 5:** Improve efficiency of DGS business operations
- Goal 6:** Meet important social and economic goals of the State.



The Secretary of General Services is the chief executive officer of the Department with responsibility for the Department's programs, services, and budget. Pursuant to §4-403 and 4-406 of the Annotated Code of Maryland, the Secretary also advises and assists the Board of Public Works and other units of State government in matters which are under the jurisdiction of the Department. The Secretary serves as Construction Advisor to the State Board of Public Works and the Executive Department, chairs the Maryland Green Buildings Council, the Electricity Deregulation Advisory Committee and the FY 2001-02 Task Force on Lighting Efficiency and Light Pollution. The Secretary is also a member of the Smart Growth Subcabinet, the Information Technology Board, the Procurement Advisory Council, the Maryland Food Center Authority, the Interagency and for Public School Construction.

The Deputy Secretary advises the Secretary, plans strategies, performs special functions, and shares responsibility for management of the Department.

INFORMATION TECHNOLOGY GROUP

The Information Technology Group (ITG) is responsible for automation of DGS processes to support departmental activities. Responsibilities include vendor and product selection, systems development, systems installation and integration, data center operations, system maintenance, and end-user support.

FY 2001 Highlights

- **DGSnet:** Introduced in June 2001, intranet design and software content which continues to be developed.
- **EPCN** (Excess Property Control Network): Completed Version 1.0 and conducted beta tests at DGS. Statewide roll-out is scheduled to begin before the end of the year. Version 2.0 is in design and includes an interface with the fixed assets and surplus property data bases.
- **CIFM** (Computer Integrated Facilities Management): Software purchased and historical data being converted from AS/400 for fixed assets and real estate. Software evaluated and requirements developed for facilities management and facilities design. Land acquisition and disposal database developed and implemented and lease management web-enabled software selected.
- **eMaryland Marketplace:** eMaryland Marketplace/ADPICS interface pre-development documents were evaluated and some design completed using MDOT ADPICS system.
- **DGSmobile:** 13 Pocket PCs are being tested by DGS employees including Project Managers in the Facilities Planning, Design & Construction Division. Another unit is being set-up as dedicated bar code reader for taking fixed asset inventory.
- **DGSdocs:** Acrobat Messenger was selected for document scanning and delivery work processes. The product was bench tested and evaluated in the DGS computer lab. First application is for fiscal invoice imaging and approval process.
- **eMaryland Connection:** eMaryland Connection program to rebuild surplus DGS computers into Web-only computers for the public to access eMaryland Marketplace at statewide DGS facilities was implemented.
- **DGSprint:** Purchased print shop management software for Visual Communications and Digital Imaging Division.

"Fast competent service. Personnel were very courteous. Great asset to the Department."

from an ITG Customer Satisfaction Survey



"Thanks for your outstanding support in making the National Association of Secretaries of State Summer Conference in Baltimore a huge success."

Secretary of State John T. Willis

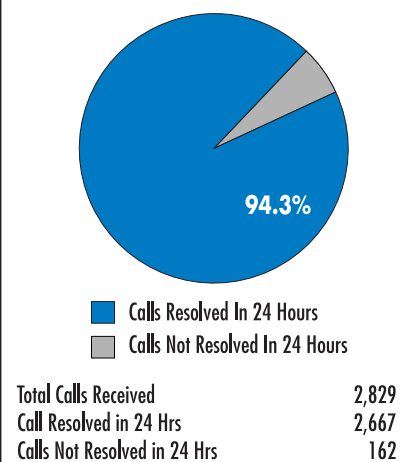


- **Network Management:** Network Cluster Services and a Storage Area Network were installed in Baltimore. In addition, new Raptor firewall and Virtual Private Network software were installed. Roll-out of VPN connections with outlying offices should begin after Local Area Networks are installed in all outside DGS locations.
- **User Support:** Clientele help desk software purchased and implemented for all help desk inquiries. IT hardware, software, and telecommunications inventory is being loaded and imported into Clientele and a complete inventory should be available by years-end.
- **eGov Web Development:** Completed Web sites include MBE Division Web site; Fuel Management Web site; Facilities (Managed and Leased) Web site; Records Management Web site; Green Buildings Council Web site.

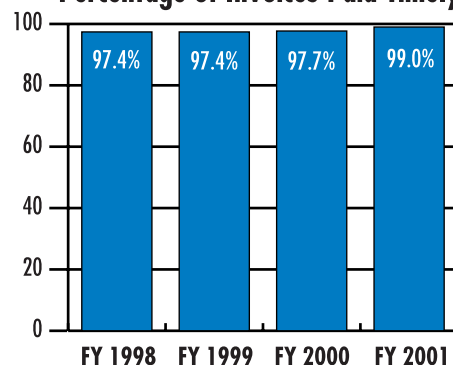
FISCAL SERVICES DIVISION

The Division is composed of three primary units, Statewide Capital Projects Accounting, Operating Accounting, and Budget Management. The Division provides accounting and budget management services to the Department. This includes: providing guidance to management on various fiscal and budgetary matters; representing the Department's views on fiscal and budgetary issues to outside agencies and the public; accounts payable; accounts receivable; payroll; leave keeping; fixed asset management; forecasting of revenues and expenditures; budget preparation; and accounting and financial reporting.

ITG Help Desk Response Statistics for FY2001



Percentage of Invoices Paid Timely



PERSONNEL DIVISION

The Personnel Division directs, manages, and coordinates all areas of human resources and collective bargaining for the Department. This includes setting policy and procedural guidelines to ensure compliance with State Personnel law and regulations. Other activities include: recruitment and hiring, salary determination, position classification and promotion, employment counseling, health benefits, employee assistance, medical referrals, reporting of accident leave, employee's leave bank, mandated drug testing, budget and staff projections, ADA compliance, grievance resolution, EEO and Affirmative Action compliance, complaint resolution, arbitration of employer/employee disputes, training initiatives, various employee awards programs and representing management before the Office of Administrative Hearings.

OFFICE OF COMMUNICATIONS

The Office of Communications develops, coordinates and implements a comprehensive public relations program for the Department. Activities include proactive media relations, preparation of news releases, publications, speeches and coordination of special events within the Department and in support of the Office of the Governor.

FY 2001 Highlights

- Coordinated news coverage and planned vendor events for **eMaryland Marketplace**.
- Prepared **eMaryland Marketplace** award nominations for seven national competitions: five awards resulted.
- Planned and managed the groundbreaking ceremonies for the \$11.9 million John R. Hargrove, Sr. District Court building in South Baltimore and the \$6.9 million District Court building in Westminster.
- Planned and managed the dedication ceremony for the \$3.9 million J. Louis Boblitz District Court building in Hagerstown.
- Prepared 31 news releases promoting DGS and State initiatives.
- Directed media planning and coverage of the 2000 Maryland Technology Showcase.
- Produced the first **eMaryland Marketplace Annual Report**.
- Organized and supported the National State Surplus Property Conference.
- Produced the quarterly DGS newsletter.
- Fielded 246 media inquiries over the past 12 months.
- Provided media support to many DGS customer agencies in conjunction with their capital and operations activities.

*DGS employees,
for the 3rd year in
a row, increased
their
contributions to
the Maryland
Charity
Campaign. Almost
\$18,000 was
raised, topping
our goal by more
than 28%.*



"The information provided was very useful and I expect the insight gained at the seminar will help my firm compete for State work in the future."

John Brunnett of Gant Hart Brunnett after attending the DGS A/E Selection Seminar

LEGAL DIVISION

The Legal Division was established in accordance with legislation which requires the Attorney General to "act as the legal advisor to the Department." At present there are six Assistant Attorneys General who function as "in-house counsel" to the Department and two additional attorneys in the Contract Litigation Unit of the Attorney General's Office who devote time to DGS litigation and are funded out of Departmental funds on a reimbursable basis to the Attorney General.

Duties of the Legal Division include responsibility for court cases, reviewing and preparing contract documents, and providing both formal and informal legal opinions on a regular basis to the Department's personnel. The Legal Division also assists the divisions of the Department on issues requiring legal assistance. These include the following:

- Advice and Counsel to the Secretary and Deputy Secretary
- Affirmative Litigation
- Approval of Contracts for Form and Legal Sufficiency
- Architect/Engineer Selection and Procurement
- Bid Protests
- Defense of Construction Litigation
- E-Commerce Initiatives
- Leases
- Legislation
- Minority Business Enterprise Participation
- Personnel Hearings
- Preservation Easements
- Procurement Law
- Public Information Act Requests
- Regulations
- Sale and Acquisition of Real Property
- Tort Claims

The Division remained active at the Maryland State Board of Contract Appeals where it defended several contractor claims and numerous bid protests brought against the Department. In FY 2001, the State settled on eight claims. The total amount of the claims filed was \$1,218,095.98 and the amount paid was \$325,400.00 or 26.7%. The State was also successful in recovering \$92,500 and \$270,000 respectively from the general contractor and architect/engineer for defective workmanship and design errors on a capital project at St. Mary's College.

Legal support is provided to the Office of Real Estate by preparing/reviewing leases, contracts of sale, deeds, easements, rights-of-way, rights-of-entry, other transaction specific agreements and documents, and by bringing transactions to settlement. In addition to providing support for the other divisions, the Legal Unit develops procedures, policies, and new types of documentation to meet the changing real estate needs of other State agencies.



SPECIAL INITIATIVES

eMaryland Marketplace

Recognized nationally as a leader in e-Procurement, *eMaryland Marketplace* is an important element in the State of Maryland's e-Gov portfolio, and a contributor to Maryland's number one ranking in the 2001 Digital State Survey.

Maryland began moving its \$8 billion in annual State purchasing to the Internet with an innovative G2B/B2G no-cost project that was launched March 8, 2000. Conceived by the Maryland Department of General Services (DGS) procurement division, *eMaryland Marketplace (eMM)* allows government agency buyers to establish real time communications and business transactions with vendors in a paperless environment, producing savings for both the State and local government agencies and their vendors.

Since its inception, *eMM* (www.emarylandmarketplace.com) has posted more than \$120 million in procurements on its Web site. The system has grown to include more than 60 State and local government agencies and more than 1,300 bidding vendors. State commodity contracts are loaded as catalogs and are available to public buyers in an "amazon.com" manner.

As the first fully-functional state procurement system, *eMM* has received a number of national awards. Maryland's on-ramp for electronic procurement was selected by E-Gov 2001 as one of 20 coveted Pioneer Awards for best practices in E-Government; *Civic.com*, a national magazine for state and local government IT professionals, presented the portal with its "Civic 50" award; the National Association of State Chief Administrators honored *eMaryland Marketplace* for excellence in procurement innovation; and the Council of State Governments (CSG) has recognized *eMaryland Marketplace* with a 2001 Innovations Award. Additionally, the CSG Eagle E-Government Awards Program presented eMaryland Marketplace with a 2001 Award of Excellence in the Best Executive Branch Web site category, recognizing *eMM* as a model for other e-government initiatives.



One of the goals of *eMaryland Marketplace* is, in fact, to build and strengthen the "marketplace" of Maryland vendors. *eMM* makes government contracts more available, and levels the playing field for participating vendors, regardless of their location or company size. It can be especially helpful for small and minority businesses. All vendors experience efficiencies by accessing a single portal to conduct business with government buyers.



"Our judges clearly were impressed with how eMaryland Marketplace makes it possible for universities, state and local agencies to streamline procurement by taking it online...it's a model that other states would be wise to consider."

from Civic 50 award



"DGS leads the commercial real estate community by example in its successful implementation of Smart Growth lease procurements in priority funding areas throughout the State."

*Lt. Governor
Kathleen Kennedy Townsend*



Significant benefits to Maryland government procurement organizations are realized by reducing the average administrative cost per order by an estimated \$100. For example, Anne Arundel County reported saving almost \$12,000 on 27 bid solicitations its first month using the system. The system reduces "maverick" buying, increases purchasing power through intergovernmental cooperative procurement, and heightens competition among a wider spectrum of suppliers.

Smart Growth

The Department of General Services continues to fulfill agency space needs by locating only within designated Smart Growth areas, specifically concentrating on downtown areas and core business districts.

The State's first green building lease agreement was negotiated by the Office of Real Estate on behalf of the Department of the Environment for 262,300 net usable square feet at Montgomery Park in southwest Baltimore City. This lease will foster redevelopment of a long vacant 1.3 million square foot building, while conserving natural resources through the use of green building renovation strategies.

Another successful Smart Growth project was the redevelopment of the Schwarzenbacher Building in Cumberland as an employment and training call center housing up to 100 employees. The building's historic facade was preserved during redevelopment while installing state-of-the-art energy management systems to control energy use and costs.

The Department of General Services continues to play an important role in preserving the state's rural resources and protecting our environment by acting as transaction agent for the Departments of Agriculture and Natural Resources. To that end, we purchased \$32,569,714 in preservation and conservation easements in FY 2001.

Maryland Green Building Council (MGBC)

Created by Executive Order (Sustaining Maryland's Future with Clean Power, Green Buildings and Energy Efficiency - March 2001) and chaired by the Secretary of the DGS, MGBC developed a green buildings program for State-owned and leased facilities, adapting the LEED™ program of the U.S. Green Building Council. In anticipation of Silver certification requirements, DGS initiated two pilot green buildings programs. MGBC is also charged to report annually on the results of a number of State environmental programs, including green power, recycling and alternative fuel usage.



The Facilities Operations and Maintenance Division is responsible for establishing policy and directing the Statewide operations, maintenance and security of 54 buildings with 6.5 million square feet of space under the Department's authority. The Assistant Secretary oversees three principal office centers – Annapolis Public Buildings and Grounds, Baltimore Public Buildings and Grounds and the Inner Harbor State Office Complex – along with 12 regional Multi-Service Centers. Staff at each of the three complexes and the Multi-Service Centers provide both preventive and routine maintenance as well as major repairs, alterations, improvements, housekeeping and security services to support other State agencies.

In the interest of reliability, responsiveness and cost effectiveness, the Department accomplishes the majority of its mission by employing maintenance trades and other special service personnel to support the operations, preventive maintenance and repair services. The Department is supplemented with specialized support by private contractors for a full range of facility services to meet State requirements.

ANNAPOLIS PUBLIC BUILDINGS AND GROUNDS

Annapolis Public Buildings and Grounds (APB&G) operates, maintains and secures the State Office Center in historic Annapolis. APB&G oversees 26 State-owned buildings encompassing more than 2 million square feet on 49 acres of landscaped areas and 24.5 acres of parking lots. The buildings house approximately 4,700 State employees and elected officials. Among the buildings the Division maintains are: the State House, House and Senate office buildings, the Legislative Services building, Government House, the Treasury Building, the Revenue Administration Building the five-building Tawes Office Complex, the Courts of Appeal building, the Robert F. Sweeney District Court building, the Maryland State Police Barrack "J", the Maryland State Archives building, the Jeffrey Building and the Shaw House. In addition, APB&G is responsible for maintenance and daily operations of the Crownsville Day Care Center and the Crownsville People's Resource Center buildings located in Anne Arundel County.

FY 2001 Highlights

- Restoration of Portico - State House
- State House interior renovations including Office of Tourism Visitor's Center
- Roof replacement - House Office and Legislative Services Buildings
- Parking Deck restoration - Central Services and House Office Buildings
- Interior renovations - James Senate Office Building
- Implementation of an enhanced Recycling Program - State House
- Development of a facilities Water Use Inventory as part of the Governor's Water Conservation initiatives
- Design development for a Day Care Center - Tawes Building

"Pulling together as a team and utilizing your training and years of experience, your quick response to a critical situation resulted in a most positive outcome."

From Governor Glendening's letter to Annapolis DGS Police officers who used an automated external defibrillator to save the life of a heart attack victim



DGS operates and maintains 54 State office buildings with 6.5 million square feet of space and 61 acres of parking.



BALTIMORE PUBLIC BUILDINGS AND GROUNDS

Baltimore Public Buildings and Grounds (BPB&G) is responsible for the operation, maintenance and security of four State-owned buildings totaling 1.4 million square-feet in Baltimore City located at 201, 300 and 301 West Preston Street and 2100 Guilford Avenue. BPB&G houses approximately 5,400 State employees and maintains 17 acres of landscaped area and 19 acres of parking lots.

FY 2001 Highlights

- New O'Connor Lobby Coffee Shop - 201 W. Preston Street Building
- Replacement of chilled water coils - 300 and 301 W. Preston Street Buildings
- Lobby enhancement with installation of suspended county, City and State flags - 301 W. Preston Street Lobby
- Interior Lobby and 1st floor painting - 2100 Guilford Avenue
- Replacement of electrical panels - 301 W. Preston Street Building
- Lowering of the fire pull stations - 201 W. Preston Street Building
- Replacement of drinking fountains - 300 and 301 W. Preston Street Buildings
- Exterior planting of drought resistant flowers/plants around complex
- Installed new electrical ADA automatic door openers - 201 W. Preston Street and Cafeteria at 301 W. Preston Street Buildings

INNER HARBOR COMPLEX

The Inner Harbor State Office Complex is responsible for the operation, maintenance and security of 12 buildings, housing 2,957 State employees, including the following: William Donald Schaefer Tower; the Public Defender Building; Saratoga State Center; Woodstock Job Corps Center; Hilton Heights Community Center; and Civic Plaza. These buildings total over 1.6 million square feet and 83 acres of land and three acres of parking. This complex is also responsible for the State Records Management Center; State Use Industries offices and warehouse, the Motor Fuel Lab in Jessup, and the Maryland State Agency for Surplus Property in Jessup.

FY 2001 Highlights

- Installed energy saving environmental controls on certain exposures to take advantage of solar heat gains during winter months - 6 St. Paul Street
- Insulated and sealed air infiltration throughout building exterior envelope and basement - 6 St. Paul Street
- New emergency generator and water main installation including electrical/sprinkler upgrading - 310 W. Saratoga Street Building
- Installation of new parking garage control system - 310 W. Saratoga Street Building
- Emergency telephone upgrades - 310 and 311 W. Saratoga Street Buildings
- Installation of new electrical ADA auto door openers in restrooms - 311 W. Saratoga Street Building
- Retrofitted 102 light fixtures with energy efficient ballasts and lamps - 6 St. Paul Street
- Refurbished South cooling tower basin and cooling system - 6 St. Paul Street
- Total renovation of 15 restrooms - Civic Plaza

MULTI-SERVICE CENTER/DISTRICT COURT OPERATIONS

The Multi-Service Center (MSC)/District Court Operations are responsible for the operation, maintenance and security of 12 District Court/Multi-Service Centers across the State. These facilities encompass over 1.5 million square feet on 38.3 acres of landscaped areas and 14.6 acres of parking lots. These facilities are: George M. Taylor MSC, Glen Burnie in Anne Arundel County; W. Paul Martin MSC, Salisbury in Wicomico County; John R. Hargreaves MSC, Denton in Caroline County; Shillman Building, Baltimore City; Arbutus/Catonsville MSC, in Baltimore County; Edward F. Borgerding MSC, Baltimore City; Ellicott City MSC, Howard County; Essex/Rosedale MSC, Baltimore County; Mary E. W. Risteau MSC, Bel Air in Harford County; Elkton MSC, Cecil County; Carter M. Hickman MSC, Centreville in Queen Anne's County; and the J. Louis Boulblitz District Court, Hagerstown in Washington County. A total of 2,705 state employees work in the Multi-Service Centers.

FY 2001 Highlights

- Light retro-fit of District Court courtroom, installed an x-ray machine in District court, installed control system for cooling tower pump, hot water heater, automatic valve on compressor, and traps for heat pumps - Arbutus/Catonsville DC/MSC
- Light retro-fit and building insulation - Edward F. Borgerding DC/MSC
- Resurfaced parking lot, repaired drainage field and replaced brick in sidewalk - Carter M. Hickman DC/MSC
- Replaced exit lights with LED lights and sealed the building envelope - John R. Hargreave DC/MSC
- Light retro-fit, rebuilt chiller #2, installed phase protection, replaced sprinkler (dry system) air compressor, rebuilt 12 high pressure sodium garage lights and installed drop ceiling in courtroom - Elkton DC/MSC
- Sealed building envelope, added one court room, two judges chambers and three holding cells - Ellicott City DC/MSC
- Installed 30 foot addition to boiler chimney, sealed building envelope and repaired/replaced ADA doors - George M. Taylor DC/MSC
- Light retro-fit, added two rooftop air handling units District court rooms, installed two metal detectors and installed an x-ray machine - W. Paul Martin DC/MSC
- Light retro-fit of upper level garage and loading dock, replaced 2nd and 3rd floor compressors, resealed and recharged 4th floor primary compressor, replaced two sump pumps in elevator pit and replaced loading dock shelters and bumpers - Shillman Building

Ground was broken this year for new District Court buildings in South Baltimore and Westminster.



DGS has played a key roll in emergency response and enhanced security activities following the tragic 9/11 attacks.



DGS POLICE

The Division's police officers and building guards offer around-the-clock security for the Annapolis, Baltimore and Inner Harbor State Office Centers.

Baltimore Detachment

The Baltimore DGS Police Detachment provides law enforcement and security for a total of ten buildings, six state parking lots and four parking garages and has concurrent jurisdiction for traffic enforcement throughout the City of Baltimore. The buildings include 301, 300 and 201 W. Preston Street, the Fifth Regiment Armory, 2100 Guilford Avenue, 500 N. Calvert Street, 6 St. Paul Street, 201 St. Paul Street, and 310 and 311 W. Saratoga Streets.

FY 2001 Highlights

- The Baltimore Unit continues to be involved in safety networks with allied agencies such as the Downtown Partnership of Baltimore, the Midtown Community Benefits District, The Baltimore Executive Safety Team (BEST) and the DHMH Labside Safety Committee.
- Crime Prevention initiatives were instituted which aided in reducing crime. Services such as new employee orientations, personal safety seminars and surveys educated our work community. The bike patrol continues to be successful in deterring criminal activity on the parking lots and the streets around the facilities, while plain clothes officers have prevented thefts within the buildings.
- DGS Police continue to be very active with the State ID program and have distributed more than 30,000 ID cards to date.
- DGS Police continue an aggressive approach to the recurring traffic/parking problems at the Baltimore Complex with over 900 parking/traffic citations issued.
- DGS Police are the Baltimore Metropolitan Regional Law Enforcement Liaison for the education of safety belt use in Maryland, in cooperation with the Maryland Highway Safety Office.

Annapolis Detachment

The Annapolis Detachment of DGS Police provides security to 19 buildings, including the Maryland State House, the Revenue Administration and Goldstein Treasury Buildings, as well as the Lowe House Office Building, the James Senate Office Building and the Miller Senate Office Building. In addition, the detachment covers five parking garages and 11 surface parking lots. The Annapolis DGSP Officers also handle both scheduled and unscheduled demonstrations held on State property and coordinate closely with the Annapolis City and Maryland State Police Departments.

FY 2001 Highlights

- DGS Police began providing security for the new Miller Senate Office Building
- The Automated External Defibrillator, which DGSP Annapolis has in place in six buildings, was used successfully on February 6, 2001 when the victim went into cardiac arrest while in the James Senate Office Building. Officers worked together as a team to save the victim's life.
- The Annapolis DGS Police continues to increase Crime Prevention initiatives to aid in reducing crime in the complex.

PORTFOLIO MANAGEMENT DIVISION

This Division tracks and matches vacant space in State-owned and capital lease properties with State agency requirements. The staff reviews the rent components paid to the leaseholders on capital leases, debt service and operating costs. This division also serves as the DGS liaison with the Maryland Emergency Management Agency by acting on behalf of the Secretary in matters involving DGS and departmental resources in the event of a natural disaster or civil emergency.

FY 2001 Highlights

- Identified temporary office space for Governor's new Office of Smart Growth at 6 St. Paul Street and facilitated office fit-out and furnishings.
- Established permanent locations for Department/Agency Legislative representatives in the Attman/Glazer building in Annapolis.
- Participated in Emergency Operations Center activations in conjunction with the CSX train derailment, 9/11 attacks, anthrax threats and others.

MARYLAND STATE AGENCY FOR SURPLUS PROPERTY

The Maryland State Agency for Surplus Property (MSASP) is responsible for the receipt and redistribution of State and Federal surplus property for the State of Maryland. MSASP is a self-supporting agency; all operating funds are generated by service charges applied to surplus property or refurbishing services provided.

Surplus State property is available to the public, but Federal surplus property is limited to eligible donee institutions. The warehouse is open Monday thru Friday from 8:00 a.m. to 4:00 p.m.

FY 2001 Highlights

- Two tractor trailer loads of computers (approximately 1500 pieces of computer equipment) were donated to Maryland schools by MSASP.
- MSASP, in cooperation with the Federal government, held four donee training classes teaching organizations how to screen for their own property at reduced charges.
- Hosted in the National Association of State Agencies for Surplus property's by-yearly conference.
- Distributed 25,000 surplus blankets to local governments and providers of assistance to the homeless.
- MSASP donated two Jet Aircraft Engines to Calhoon MEBA Engineering School in support of their engineering program.



*Surplus Property
distributed
25,000 blankets
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homeless.*



The Office of Real Estate is on track to conclude the State's purchase of 4,800 acres for the newly enacted GreenPrint Program.



The Office of Real Estate is responsible for establishing policy and for directing all functions within the Office of Real Estate, which includes the Land Acquisition and Disposal Unit, the Lease Management and Procurement Unit, and the Valuation and Appraisal Unit. The Assistant Secretary is responsible for communicating with the leadership of client agencies, State and local elected officials, private property owners and brokers, and the Board of Public Works, in support and on behalf of the Secretary and Deputy Secretary of the Department.

Since 1995, the Office of Real Estate has handled more than \$493.8 million in land acquisition and disposals and \$508 million in lease transactions.

LAND ACQUISITION AND DISPOSAL UNIT

The Land Acquisition and Disposal Unit is responsible for the acquisition and disposal of real property for all State agencies, with the exception of the Department of Transportation's transactions for highways, roads and bridges. Acquisition activities include obtaining and compiling real property information for ordering titles and appraisals; evaluating the property condition via due diligence; conducting negotiations with property owners/representatives; securing purchase option agreements, rights-of-way and easements; pursuing the powers of eminent domain; and, preparing Board of Public Works action items for approval. The Unit receives special funding for its support of Program Open Space from the Department of Natural Resources.

The Unit is also responsible for the disposal of excess real property and intergovernmental property transfer, after such a recommendation is made by the Maryland Office of Planning. Disposition is usually in the form of a sale for fair market value through Requests For Bids, Requests For Proposals, or Requests for Expression of Interest.

The Unit presented 39 purchase and sale agreements, options and easements to the Board of Public Works for a total FY 2001 transaction value of \$69,815,428.

	FY 00	FY 01
New Program Open Space Cases	45	35
POS Cases Approved by BPW	19	15
POS Acres Acquired	7,756	1,536
POS Acquisition Cost	\$31.1 million	\$13.3 million
Other Acquisitions Approved by BPW	30	24
Other Acquisition Cost	\$57.4 million	\$56.5 million

VALUATION AND APPRAISAL UNIT

The Valuation and Appraisal Unit oversees real property valuation issues for all State agencies except MDOT. The valuation issues include, but are not limited, to preparing preliminary estimates of development potential and contracting for private fee appraisals. It is responsible for reviewing for form, fact and sufficiency the independent appraisals of the properties to be acquired. Valuation recommendations are made to the Assistant Secretary for a determination of a property's approved value. It also evaluates appraisals for Capital Grants and Loans and disposal of State real property assets, and it conducts staff appraisals and other real estate related studies.

	FY 96	FY 97	FY 98	FY 99	FY 00	FY01
Appraisal Reviews	642	677	731	835	777	865
Staff Appraisals	59	45	44	76	95	69
BPW Items	52	45	81	83	108	149

The Unit receives special fund support from the Maryland Agricultural Land Preservation Foundation through the Department of Agriculture for its support of the Agricultural Easement Program. In FY 2001, the Unit established valuation parameters and presented to the Board of Public Works 149 easement options valued at \$32,569,714. options valued at \$23,872,105.

	FY 00	FY 01
Ag Easements Approved by BPW	108	149
Ag Easement Acreage	14,279	19,397
Ag Easement Cost	\$23.8 million	\$32.5 million

LEASE MANAGEMENT AND PROCUREMENT UNIT

The Lease Management and Procurement Unit acquires and manages new and renewal leasehold agreements for real property between State agencies (excluding USM and certain MDOT actions) and commercial and governmental landlords. This includes soliciting lease proposals in approved geographic boundaries; evaluating requests for proposals; negotiating rental rates, terms and conditions with the apparent winner; reviewing and approving space modifications; preparing lease documents; establishing standards for the use of office space; and, preparing action agenda items for Board of Public Works approval.

*Acting as a
transaction agent
for the
Department of
Agriculture,
DGS purchased
\$32.5 million in
agricultural
easements in
FY 2001.*



The Unit also inspects leased property to enforce lease terms.

Current Annual Lease Inventory

Totals	Annual Rent Value	Measured Space	Leases
Office/Storage Leases	\$ 56,310,026	4,262,529 nuf	377
Parking	\$ 2,615,822	5,880 spaces	60
Revenue	\$ 5,245,256		252
Employee Housing	—	214 units	—

FY2001 Total value of leases presented to Board of Public Works \$106,223,257

FY2001 Total number of leases presented to Board of Public Works 100

FY 2001 Highlights

- Acquired 755 acres in the Parkers Creek watershed in Calvert County from the Nature Conservancy for preservation purposes in the amount of \$5,107,900.
- Transferred 96 acres of Springfield Hospital Center, known as the Warfield Complex, to the Town of Sykesville for economic development purposes under a joint development and participation agreement.
- Acquisition of 278 acre Holly Beach Farm for Department of Natural Resources in Anne Arundel County for \$7,250,000.
- Developed lease and obtained Board of Public Work's approval for the State's first "Green Building" lease procurement of 262,300 square feet of energy efficient space for the Maryland Department of the Environment's headquarters.
- Obtained Board of Public Works approval of 20,000 square foot lease with option to purchase of historic property located at 128 Baltimore Avenue in Cumberland for Department of Labor Licensing & Regulation. The property was completed and purchased by the State in June for \$2.4 million.
- Issued Request for Proposal for relocation of Lottery for 72,700 net usable square feet.
- Accepted 63,400 net usable square foot Department of Human Resources facility in Charles County.
- Initiated the two year process of surveying and offering for sale over 2,000 buy down parcels to lake front property owners at Deep Creek Lake in Garrett County.



For economic development purposes, DGS transferred 96 acres of Springfield Hospital Center property to the Town of Sykesville.



The Facilities Planning, Design and Construction (FPDC) Division is responsible for the management and direction of the Construction Division, the Project Management & Design Division, the Energy Projects and Services Division, and the Maintenance Engineering Division. The Division develops and implements policies, procedures, regulations and standards to assure that programs and services meet the needs of its State agency customers. These customers include DGS, DHMH, DJJ, DMIL, District Courts, DNR, DHR, MSP, DBED, DLLR, DHCD, MDVA, MD Schools for the Deaf, Higher Education, local governments and nonprofit agencies (Grant & Loan Program), Community Colleges, and the Inter-Agency Committee on Public School Construction. Other agencies requesting support include: St. Mary's College of Maryland, MES, MAIF and the State Retirement Agency.

The Assistant Secretary has responsibilities for Statewide Executive Branch Capital Project program review. This program review includes providing feasible alternatives, cost estimates, technical review comments, and design and construction schedules. The Assistant Secretary is also responsible for architect/engineer (A/E) selection for all projects (with the exception of USM and MDOT) with design fees greater than \$25,000.

FY 2001

117 negotiated design contracts totaling \$12.5 M

Estimated Construction Value - \$ 107 M

As the engineering and facilities advisor to the Governor and the BPW, the staff provides support to the Secretary as well as to task forces and committees, e.g., Interagency Committee on Public School Construction, Economic Growth and Resource Protection Planning Committee, Asbestos Oversight Committee, CFC Task Force, the Maryland Building Rehabilitation Code Advisory Council, and the Lower Western Shore Tributary Team/Maryland Green Building Network, and the Maryland Green Buildings Council.

PROJECT MANAGEMENT AND DESIGN DIVISION

The Project Management & Design Division verifies and amplifies project scopes and definitions; reviews and approves capital programs, establishes project schedules; coordinates with using agencies, grantees, and the Office of Capital Budgeting, DBM; appears before Legislative Budget Committees; develops Architect/Engineer contract scopes of work; and monitors construction budget and project schedules during design and construction. The Division's Project Management staff provides a single point of contact for the using agencies' Capital Improvement Program projects. The Project Managers provide oversight review and recommend approval of change orders during construction, and monitor funding expenditures and appropriation balances.

The Miller Senate Office Building, completed and opened for the 2001 General Assembly, received the 2001 Best Public Project over \$15 Million Award from the Design/Build Institute of America.



DGS initiated two Green Building projects in anticipation of the requirement that all State-owned and leased facilities achieve LEED™ certification from the U.S. Green Building Council.

In FY 2001, the Division's Project Management staff conducted A/E selections, awarded contracts, and initiated designs for projects across the State. These include the \$1,199,952 St. Johns Archeological Site Exhibit at Historic St. Mary's City, the \$2,562,207 Maryland Museum of African American History and Culture in Baltimore, the \$2,238,822 Student Center at Morgan State University, the \$1,434,914 Maryland State Police Forensic Science Laboratory in Pikesville, the \$1,332,564 Montgomery County District Court in Silver Spring, and the \$1,636,406 Communication Center at Morgan State University.

The Division's Project Management staff managed the completion of design contracts, conducted successful procurements for construction contractor selections, and awarded construction contracts for several important projects across the State during FY 2001. These include the \$10 million renovations to the James Senate Office Building, the \$7 million Carroll County District Court, the \$12 million South Baltimore District Court, the \$13 million Phase I Renovations to the Main Building of the Baltimore City Community College's Liberty Campus, and the \$6 million Western Maryland 24-Bed Juvenile Detention Facility for the Department of Juvenile Justice.

The Project Management & Design Division's multi-discipline Design Team provides technical reviews of construction documents and approves the final construction documents for bidding and construction. The Design Team also provides technical consultation services to using agencies to investigate problems or new requirements at user facilities, and recommends solutions or modifications. The Project Management & Design Division responded to more than 30 requests for special assistance from state facility managers during FY 2001. The unit also supports the Office of Real Estate by performing building assessment inspections and preparing building condition reports for prospective property acquisitions.

The Project Management and Design Division also reviews Public School designs and manages Community College Construction projects. For FY 2001, the legislature approved State funding of \$257.5 million for public school construction and \$22.5 million for community college construction. Total construction value of these projects is estimated to be \$800 million. Community College contracts awarded in FY 2001, representing 44 contracts in 13 counties, totaling \$27 million.

The Project Management and Design Division is also responsible for the Capital Grant and Loan Program. This involved administrative and technical support for over 350 grant recipients, for 484 projects with an estimated construction value of \$600 million. Responsibilities include program and design review, and accountability of funds associated with the program. Capital Grant and Loan Contracts awarded in FY 2001 totaled \$269,506,267.



ENERGY PROJECTS AND SERVICES DIVISION

The Energy Projects and Services (EP&S) Division's mission is to assist State Agencies to reduce energy consumption and unit costs, improve building indoor air quality, and optimize equipment life in State facilities by providing building system commissioning and quality equipment service. EP&S is responsible for the following programs:

Energy Performance Projects

This program provides capital upgrades (heating, cooling, ventilation, central plant, peak power generation, electrical distribution, energy management systems, lighting), for State Agencies, using funds financed all or in part from reduced energy consumption by a Legislature-mandated minimum of 20% per square foot by 2001. DGS also oversees monitoring and verification of actual savings throughout the payback period to insure that the guaranteed savings are met.

ENERGY PERFORMANCE PROJECTS AWARDED IN FY2001

\$ Value of projects awarded (including maintenance for life of payback period)	\$23,600,000
\$ Value of capital improvements awarded	\$13,800,000
Capital funding 100% financed from energy savings	\$13,200,000
\$ Value of maintenance awarded (over life of payback period)	\$9,800,000
Estimated energy cost/energy-related savings per year	\$710,000

Chlorofluorocarbon (CFC) Phase out Program

Manages a Statewide capital program to replace chilled water systems that use environmentally damaging CFCs. The EPA has recognized Maryland's CFC Program as the first Statewide program to eliminate ozone-depleting CFC refrigerant in the United States.

ENERGY PHASE OUT PROJECTS AWARDED IN FY2001

\$ Value of projects awarded (design and construction)	\$1,250,000
Lbs. of CFC removed from State's inventory of chillers	5,776

CONSTRUCTION DIVISION

The Office of Facilities Planning's Construction Division ended FY 2001 with 95 projects worth \$102.7 million under construction, 39 projects worth \$89.1 million in the punch list stage, and 45 projects worth \$28.6 million awaiting final payment for a total workload of 249 projects valued at \$325.7 million. A total of 161 projects valued at \$97.2 million were completed in FY 2001. In addition, of the 392 projects under warranty, valued at \$184.7 million, 258 warranty inspections were performed during this period.

FY 2001 - Projects Completed

- 126 Bed Residential Wing, Phase IV, Charlotte Hall Veterans Home, St. Mary's County - \$8.5 million
- Expansion of the Howard County District Court, Ellicott City - \$1.2 million
- Miller Senate Office Building, Annapolis - \$25.2 million
- Window Replacement, Treasury Building & Income Tax Bldg., Annapolis - \$1.0 million
- Washington County District Court House - \$4.1 million
- 80 Bed Inpatient Eastern Shore Hospital Center, Cambridge - \$19.1 million
- Fire Arms Training Facility, Sykesville - \$4.2 million
- State Police Waldorf Barrack "H" and Garage, LaPlata - \$3.1 million

"Thanks for your continued support. The review team at DGS has provided us with guidance that has been invaluable to our progress."

*Nikki DeJesus Smith,
CEO of the Maryland African
American Museum Corporation*



Significant projects included the modular surge space building at the Baltimore City Community College. DGS built a temporary building out of 32 pre-fabricated trailer sections with a footprint of 16 units, 2 stories high with an elevator. BCCC will use this as surge space while we renovate their Administration Building.

"Maryland's comprehensive roofing program is a creative solution to providing needed services that can be replicated by other agencies in other states."

*2001 Outstanding Program Awards
for leadership and innovation, The
National Association of State Chief
Administrators*



MAINTENANCE ENGINEERING DIVISION

The Maintenance Engineering Division's mission is to aid and assist the Assistant Secretary of Facilities Planning, Design and Construction in implementing Maintenance Management Services for State-owned facilities. This includes, but is not limited to, establishing policies and procedures, establishing and supervising a comprehensive and continuing program of maintenance and repairs of all public improvements, reviewing maintenance and operation of public improvements, resolving engineering questions, and managing the Capital, Operating, Program Open Space, Critical Maintenance, Underground Heating Oil Tank Replacement and Hazardous Waste budgets. Maintaining existing resources is the primary directive of this unit and an important complement to Smart Growth.

The Maintenance Engineering Division is responsible for carrying maintenance projects from conception through completion. In addition, the unit is responsible for asbestos and other hazardous material projects, whether as stand-alone projects or as part of larger renovation projects.

Besides the normal customer service requirements inherent in project management duties, the Division responds to numerous unscheduled requests from various using agencies. For example, the unit performs handicap accessibility projects as needed and is in charge of the sprinkler head replacement and underground storage tank replacement projects.

In FY 2001, the Maintenance Engineering Division assumed the responsibility of improving roofing conditions throughout the State. Since that time, 513 roofs at 60 facilities have been inspected and condition reports issued. Additionally, the roofing unit is instrumental in resolving numerous roof problems during the construction phase. While less than two years in operation, the DGS roofing program has saved more \$2.3 million in construction costs.

In FY 2001, an Assessment Unit was formed assuming the responsibilities of inspecting State-owned buildings and facilities and reporting on their maintenance condition. Their ultimate goal is to inspect all State-owned buildings under the Departments jurisdiction every five years.



Facilities Planning, Design and Construction

The Maintenance Engineering Division manages the following workload, which represents more than 70% of the number of active capital projects being managed by the Department:

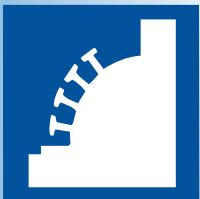
Type of Project	# of Projects	Estimated Construction Value
Capital Maintenance	107	\$ 31,412,437
Object 14 Maintenance	296	\$ 9,317,960
Haz Waste (Asbestos, Lead)	90	\$ 2,267,000
Program Open Space	97	\$ 2,619,238
Other (UA Oper, etc.)	49	\$ 4,608,330
Underground Heating Oil Tanks	3	\$ 201,694
Omega Sprinkler Heads	4	\$ 810,110
TOTALS	646	\$ 51,237,769



Maintaining existing resources is an important complement to Maryland's Smart Growth program.



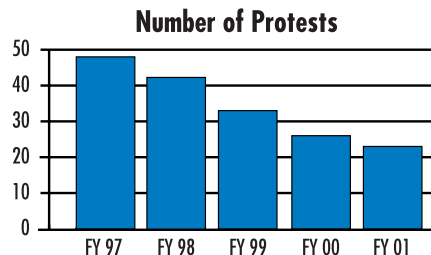
DGS manages procurement of materials, supplies and equipment used by Maryland agencies. These contracts are also available to local governments, leveraging the buying power of the State.



The Department of General Services is a primary procurement agency with numerous responsibilities for statewide purchasing of a variety of goods and services. The Office of Procurement and Contracting (OPC) provides procurement support and expertise to DGS and to all other State agencies.

The Office of Procurement and Contracting assists its agency customers in meeting their missions through fair and equitable processes for the timely delivery of quality products and support services. We meet customer needs and achieve important socio-economic goals through effective use of resources. Our customers include State agencies, county governments, municipalities, non-profit organizations, and the vendor community with which we do business.

The integrity of the procurement process is very important to us. With almost 2,500 procurements, only 23 protests were registered in FY 2001; five were appealed to the Maryland State Board of Contract Appeals. Of the five appealed, one was sustained; two dismissed and two are currently under review.



FACILITIES AND CONSTRUCTION CONTRACTING

The Facilities and Construction Contracting program performs a broad spectrum of procurement functions and administers contracts for A/E services, construction, maintenance, and repair and alterations of real property in a timely and cost effective manner while ensuring maximum return on State resources.

FY 2001 Highlights

- Significant projects awarded for design in FY 2001 are as follows: Student Center, Morgan State University, \$2,238,822; Maryland State Police Crime Lab \$1,434,914; Montgomery County District Court \$1,332,564; Communications Center, Morgan State \$1,636,406.
- Significant construction projects bid and awarded: Carroll County District Court \$6,974,585; Southern Maryland Higher Education Classrooms \$5,012,000; 24-bed Juvenile Detention Center Hagerstown \$6,865,500; South Baltimore District Court \$11,966,250; MSP New Barrack "X", Princess Anne \$3,738,800; and the Western Maryland Rail Trail \$1,423,600.
- In FY 2001, the Department was budgeted \$7.5 million in operating funds to catch up on needed building maintenance projects, more than twice the normal funding. All identified projects were successfully bid and awarded including: HVAC Upgrade, Tawes E Pod \$605,000; Electric System Upgrade, Hagerstown Correctional Facility \$329,000; Roof Replacement, House of Delegates Building \$230,000; Boiler Replacements, Various Armories \$330,000; Security System, Victor Cullen Center \$425,000; Elevator Renovation, Civic Plaza \$490,000; and Exterior Repairs, State House \$124,000.

FACILITIES MAINTENANCE CONTRACTING

The Facilities Maintenance program provides support of day-to-day operations of state facilities (buildings, equipment) under the control authority of DGS. Typical service contracts under this program are: HVAC, Emergency Generator and Elevator Maintenance, janitorial and guard services, recycling and trash removal.

Facilities Maintenance began solicitation and bidding of contracts exclusively online. Guard and janitorial services were selected as the first maintenance contracts for this approach, as these services represent roughly 50% of the contracts projected for FY 2002. To ensure competitive bidding, a broad range of selected vendors were notified via fax and referred for *eMaryland Marketplace* membership. Bids were received from ten known vendors for the initial solicitations, and *eMM* membership continues to increase. The FY 2002 goal is to solicit and bid 80% of maintenance services solely online. Currently all Facilities Maintenance contracts are advertised on *eMaryland Marketplace*. Facilities Maintenance met 100 % MFR goals for timeliness for the 14 contracts requiring Board of Public Works approval (total value \$12 million). 80% or 28 of the 35 awards for delegated procurement (total value \$2.5 million) met MFR goals for timeliness.

FY 2001 Highlights

- In accordance with Senate Bill 686, fourteen (14) contracts with a total value over \$14 million were identified for inclusion of the Hiring Agreement. As a result, 49 positions were created for which Temporary Cash Assistance customers were offered the first right of refusal, providing a total of 19 customers hired for the fiscal year.
- Ongoing Pre-sort Mail services were solicited and awarded, with an increase in estimated savings to \$1.4 million annually over existing service costs.
- No-cost paper recycling services have been expanded despite the decreasing value of scrap paper.

COMMODITY PROCUREMENT

Commodity Procurement is a service-oriented program dedicated to providing leadership and support in the acquisition of equipment and supplies that enable State agencies to complete their mission in a fiscally and socially responsible manner.

DGS Commodity procurement continues to take the lead in providing State agencies the vehicles to acquire a variety of their equipment and supply needs through intergovernmental cooperative procurement contracts for road salt, replacement lamps and pharmaceuticals.

New contracts were made available to State agencies to enable the acquisition of recycled composite park equipment, rerefined oil, low mercury replacement lamps, and calendar supplies manufactured exclusively with recycled materials.

Specialized and competitive procurement contracts were awarded for State agencies to secure State park rental cabins, floating dock systems, specialized bridges, and a significant amount of digital broadcast changeover television equipment for MPT.

By our active participation in a multi-state pharmaceutical contract, DGS has held the cost of the top 113 drugs purchased to an average inflation rate of 3.1% over the last three years.



*Goods and
services offered by
Preferred
Providers are
available on the
DGS Web site:
www.dgs.state.md.us*

New multiple award contracts afford State agencies access to multiple manufacturers of lawn care and general grounds maintenance equipment at direct discounts of 5% to 39% off manufacturers published prices.

BOARD OF PUBLIC WORKS ADMINISTRATION

The Board of Public Works Administration supports the Department by formulating and disseminating the Department's Action Agenda to the Board of Public Works (BPW); advising the Secretary on matters related to the Agenda; processing contract awards made through the BPW and the Departmental Procurement Review Board (DPRB) including bonding and insurance verification; and management of Bid/Proposal Administration.

Over the past fiscal year, the program has assisted the Department in processing 2,486 procurements totaling \$773.6 million.

PROCUREMENT LAW AND STATE POLICY

Since first promulgated in 1982, State Procurement Law and regulations have been modified over time to further a number of social and economic goals.

Preferred Providers

Through the Preferred Provider Program, State law establishes a means of obtaining additional socio-economic benefits in the procurement process. This is accomplished by ensuring that the Department of Public Safety and Correctional Services' State Use Industries and businesses established to foster training and opportunities to physically and mentally challenged citizens have the first right of refusal for contracts to provide State agencies with goods and services contained in a Master List of products maintained and published by DGS.

State Use Industries

State Use Industries is a unit of the Division of Correction of the Department of Public Safety and Correctional Services. It is authorized by law to use prison labor to produce supplies or to provide services for sale to public entities and certain not-for-profit organizations.

State Use Industries set a new record for inmate employment this year. There are currently 1,377 inmates employed, representing a 6% increase from last year. State Use Industries' sales for the year was approximately \$38 million. In order to provide faster delivery of their products SUI is in the process of implementing a Quick Ship Program.

Blind Industries and Services of Maryland (BISM)

This is the entity designated by law to produce supplies manufactured and assembled by processes involving blind workers. BISM supplied products valued at more than \$1.2 million in FY 2001. BISM was an **eMaryland Marketplace** pilot vendor.

Certified Sheltered Workshops

A Sheltered Workshop is an agency organized under the laws of the United States or the State and certified as a Sheltered Workshop by the Wage and Hour Division of the United States Department of Labor. Furthermore, it is accredited by the Division of Vocational Rehabilitation of the State Department of Education. A Sheltered Workshop is to be operated in the interest of individuals who have a mental or



physical disability (including blindness) that constitutes a substantial handicap to employment and prevents the individual from engaging in normal competitive employment. Its net income must not contribute wholly or partly to the benefit of any shareholder or other individual.

The Certified Sheltered Workshops Program, administered by Maryland Works, Inc., presently has 130 contracts with State Agencies totaling \$23,991,213. The Community Service Providers employ over 5,000 individuals working to help others achieve full employment opportunities and access.

Master List

The Master List is a catalog of all the goods and services offered by the Preferred Providers. This information is easily accessible on the DGS Web site at

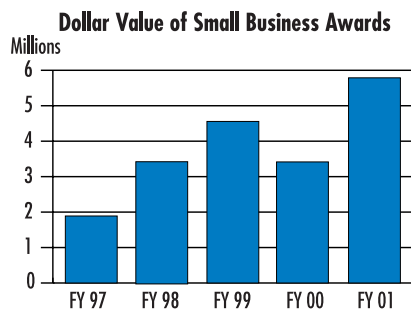
www.dgs.state.md.us.

Acceptable Recycled Products List

The Acceptable Recycled Products List contains recycled items currently under State contracts, as well as other information. This information is also available on the DGS Web site and is part of the State's effort to promote environmental sustainability. Maryland Procurement Law includes a price preference for recycled materials to further encourage their use.

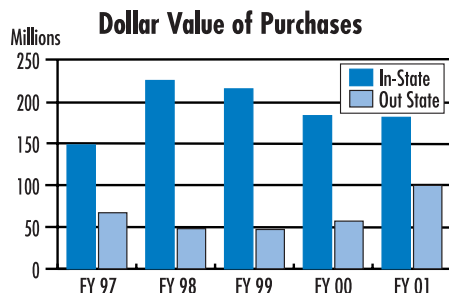
Small Business Awards

Procurement Law also provides a small business preference. The State made 310 awards to small businesses in FY 2001 for more than \$5.7 million.



In State/Out State Purchases

As allowed by law, DGS is committed to the success of Maryland-based companies. The ratio of in-state/out-of-state purchases continues to exhibit the careful attention OPC directs to Maryland businesses. During FY 2001, there were 1,167 in-state awards totaling \$181.1 vs. 547 out-of-state awards totaling \$99.7 million.



*Small businesses
in Maryland
participated in
more than \$ 5.7
million in State
purchases.*



.....

Since its inception, eMaryland Marketplace has posted more than \$120 million in procurements on its Web site and has grown to include more than 60 State and local government agencies and more than 1,300 vendors.



TECHNOLOGY

The Technology Program provides support and training for the Advanced Purchasing and Inventory Control System (ADPICS) and **eMaryland Marketplace** (eMM), the State's technology-based procurement and procurement information systems. As part of this support, the program manages Statewide vendor and commodity tables in the ADPICS legacy system, in order to gather meaningful statistical data including that for Small and Minority Business utilization and contract awards.

eMaryland Marketplace has demonstrated significant growth over the past year, with more than 1,300 participating vendors and over \$120 million in opportunities posted. More than 400 users have been trained including many from county and municipal governments.

All Commodity and Facilities Maintenance procurements have been moved to eMM. The passage of SB70 has enabled the State to move contracts of any size to the Internet.

ENERGY PROCUREMENT

Electricity Procurement

A cooperative effort by the State's largest electricity using agencies resulted in a comprehensive Request for Proposal (RFP) in FY 00. At that time, five licensed electricity providers participated. The RFP included a 6% Green Power goal, the highest of any state; the Minority Business Enterprise goal was 14%. As the Standard Offer pricing, in place per the Public Service Commission, was better than any offers received, the State elected to remain with the Standard Offer.

In anticipation of the July 2002 expiration of the Standard Offer for industrial accounts, DGS issued a "Request for Information" (RFI) early in FY 02. The purpose of the RFI was to investigate issues related to risk management and optimal procurement strategies to enhance the State's ability to achieve the best service at the lowest overall cost to the State. The subsequent RFP issued in September 2001 attracted five proposers, will achieve the 6% Green Power goal and yielded an attractive rate for the State's industrial accounts.

Natural Gas Procurement

The pricing of natural gas escalated significantly over the last year and a half, impacting agency operating budgets. The State achieved some cost avoidance as a result of a fuel switching agreement in the contract between the vendor and those facilities that could use fuel oil in lieu of natural gas for winter heating loads. The strategy netted savings of \$540,000 to the State.

Maryland's second state-wide natural gas procurement was conducted in the last quarter of FY 2001 and resulted in a contract for a two-year period with three one-year options. The contract provides turn key natural gas service at a locked average aggregate price.



The Logistics and Special Projects Division supports DGS and our sister agencies through a combination of generally-funded and reimbursable programs.

INVENTORY STANDARDS AND SUPPORT SERVICES DIVISION

Inventory Standards and Support Services (ISSSD) oversees Statewide management of inventory of materials, supplies, foodstuffs, and State personal property. The Division provides agencies with technical automated inventory control assistance, using established procedures and auditing programs to achieve compliance with State Regulations and control standards. The Division is the disposal authority for disposition of excess and surplus personal property. ISSSD also manages the Department's Fleet Management Program consisting of 107 motor vehicles, and the Statewide Automated Fuel Dispensing and Management System with 85 refueling stations located throughout Maryland.

FY 2001 Highlights

- Assisted in the development and implementation of the online Excess Property Control Network (EPCN).
- Conducted 25 Inventory Compliance Audits as a result of Legislative Audit Reports.
- Processed 2,696 Excess Property Declarations involving 126,986 excess and surplus property items having an original acquisition value of \$94.8 million.
- The Statewide Fuel Dispensing and Management System dispensed 10.3 million gallons in gasoline, diesel, motor oil and compressed natural gas. FY 01 savings: \$378,695; savings total \$3.37 million since June '91.
- Initiated the replacement of 115 Optical Cards Readers with Magnetic Card Readers at all Statewide Fuel Dispensing and Management System locations.
- Added the Walter P. Carter Hospital Center and the new LaPlata State Police Barrack to the Statewide Fuel Dispensing and Management System.
- Supervised the auctioning of 1,083 operable/inoperable surplus State vehicles which returned \$2.39 million to State agencies.
- Established DGS as a member of the Governor's Fleet Safety Committee and was asked to take the lead for the "Train the Trainer" pilot program.
- Enrolled all DGS vehicles in the "Watch Your Car Program."

MINORITY BUSINESS ENTERPRISE OFFICE

The Department of General Services has an aggressive MBE program in place to maximize the business it conducts with minority businesses. The MBE officer is responsible for administering the Department's policies and standard operating procedures for all areas of procurement.

In FY 2001, DGS awarded \$225,719,319 in contracts requiring minority business participation. Of that amount, \$33,106,404 or 14.7%, was awarded to certified MBEs.

	Construction	Maintenance	Architect/ Services	Architect/Engineer	Commodity	Totals
TOTAL \$	\$33,996,673	\$31,677,285	\$380,705	\$11,147,294	\$147,582,276	\$225,719,319
MBE \$	\$9,552,394	\$15,531,444	\$99,280	\$2,923,311	\$4,499,975	\$33,106,404
MBE %	28.1%	49.3%	26.1%	26.2%	3.1%	14.7%

Since its inception, the 85 station Fuel Management Program has saved Maryland taxpayers \$3.37 million.



*In FY 2001, the
DGS Courier
Service distributed
almost 1.5
million pieces of
mail to 81
customers.*



FY 2001 Highlights

- Moving forward with the design of new Maryland African American Museum of History and Culture.
- Construction of South Baltimore District Court, was awarded for \$11,996,250. Of that amount, \$2,999,063 or 25%, was awarded to a number of certified minority businesses to perform electrical, drywall & acoustic ceiling, concrete services and supply materials for the project.
- Renovation of the Rehabilitation Services Wing at the Clifton T. Perkins Hospital Center, was awarded to a certified minority business for \$2,955,000.
- Carroll County District Court Construction was awarded for \$6,974,585. Of that amount, \$1,220,552 or 17.5%, was awarded to a number of certified minority businesses to perform concrete, engineering services and to supply materials for the project.
- Baltimore State Office Center Streetscape construction was awarded to a certified minority business for \$997,065.
- Hazard Abatement/Select Demolition at the James Senate Office Building, in Annapolis, was awarded to a certified minority business for \$650,000.
- Developed the plan and coordinated DGS's Architect/Engineering Conference in January, 2001. The conference was design to assist small and minority businesses on the A/E bidding process.

VISUAL COMMUNICATIONS AND DIGITAL IMAGING

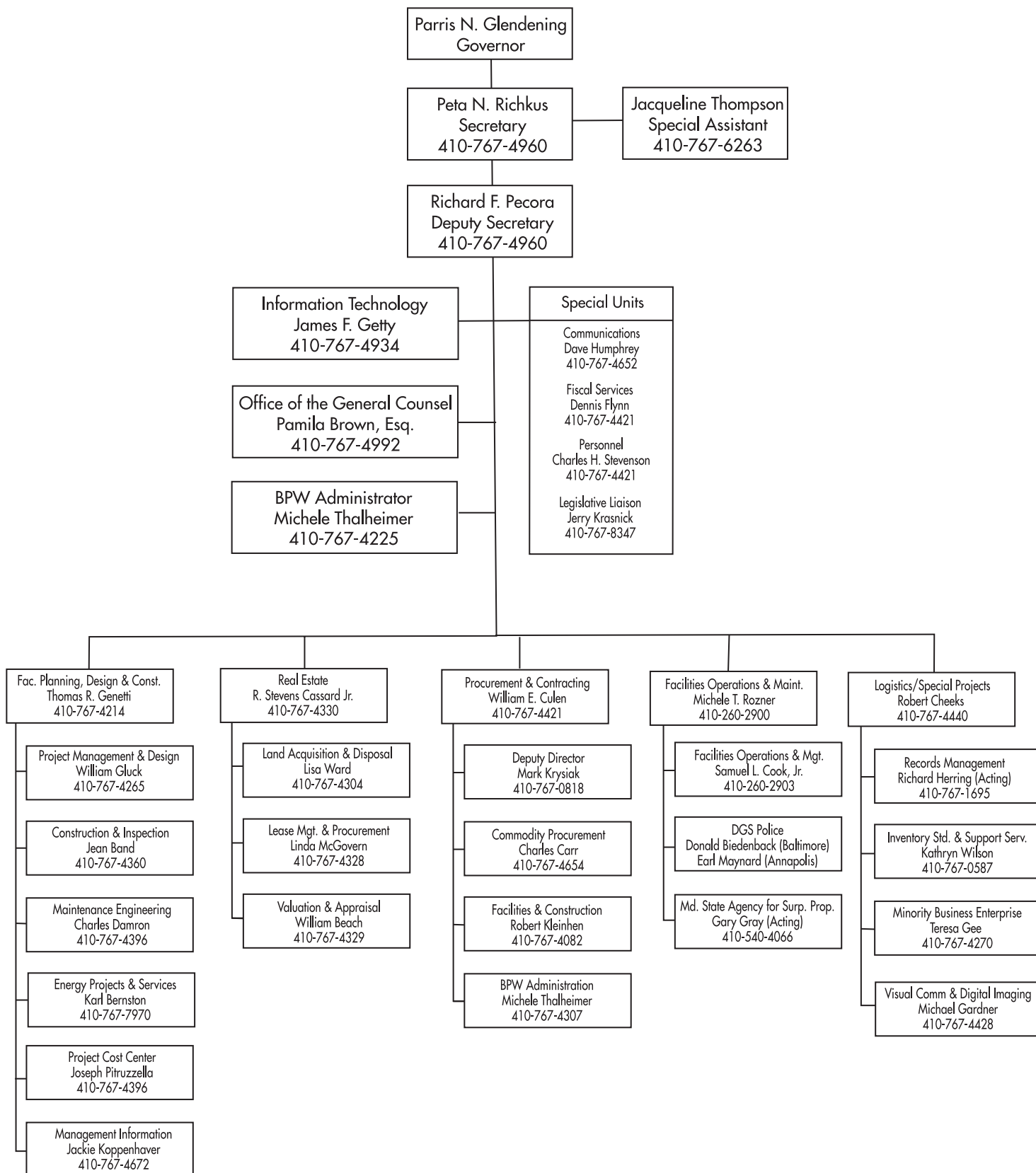
Visual Communications & Digital Imaging (VCDI) provides central support for all State government activities relating to the design, printing, storage, and retrieval of printed materials. The services provided by VCDI include: offset duplicating; high-speed digital duplicating; digital color printing/duplicating; graphic design; Computer Output to Microfilm (COM); Computer Output to Laser Disk (COLD); Conversion of Paper Documents to Electronic Files; Conversion of Microfilm to Electronic Files; Document or Drawing Microfilming; Processing of Microfilm; and records storage, management, and retrieval.

FY 2001 Highlights

- The Baltimore/Annapolis Reproduction Units produced 20.4 million copies for 70 State and Local government and private customers.
- The DGS mailroom processed over 550,000 pieces of mail for distribution by United Parcel Service and by the United States Postal Service under the State's bulk mail contract.
- 1,467,237 pieces of mail were processed and distributed by the DGS courier operation for 81 customers.
- The Forms Management Program reported a 3.2% reduction in forms exceeding the 3% Joint Legislative Audit Committee forms reduction goal.



Maryland Department of General Services FY 2001



Mandated Reports

Title	Reporting to	Due Date
Anticipated debt during next seven-month period	State Treasurer (Semi-annual)	1/1 7/1
Acceptable recycled products list	Distributed to all State Agencies	1/1 7/1
Equal employment opportunity	Governor	1/1
Task Force Report on Lighting Efficiency and Light Pollution in Maryland	General Assembly	2/1/01
Proposed expenditures for capital improvements	Department of Planning	6/30
Series analysis on records held by State government units or officials (Chapter 286, Acts of 1984)	State Archives (Due every five years)	7/1/05
MBE Notification Report on Complete Listing of all recurring solicitations expected to be 100,000 or more	Governor, Office on Minority Affairs	8/1
Recycled materials percentage price preference	Department of Environment	9/1
Records Management Division/Forms Management (Chapter 286, Acts of 1984)	Joint Audit Committee of The General Assembly	9/1
Contracts for services exceeding \$100,000, and sole source, emergency & expedited procurements	Governor & General Assembly	9/30
Effectiveness of Small Business Preference Program	Legislative Policy Committee, Board of Public Works	9/30
Procurement contracts awarded to minority business enterprise	Office of Minority Affairs, Board of Public Works, Legislative Policy Committee	9/30
Contracts performed outside of the State or Washington, D.C. (Exempt from public notice requirements)	Governor & General Assembly	9/30
Each procurement for which the non-competitive negotiated procurement method (NNPM) has been approved	Board of Public Works, General Assembly	9/30
Maryland Green Buildings Annual Report	Governor	11/15
Internet project plan (Chapter 5, Acts of 2000)	Department of Budget & Management, Office of Information Technology	11/27
Smart Growth & Neighborhood Conservation (Chapter 759, Acts of 1997)	Department of Planning	11/30
Agency annual report	Governor	12/1
Comprehensive facilities maintenance & repair report	Board of Public Works, Department of Budget & Management, Department of Planning	12/31
Status and Use of the Construction Contingency Fund Established in the General Construction Funds of 1988, 1990, 1992-93 and 1995	Maryland General Assembly	12/31

Cover Art: An artist's rendering of the Maryland State House and the restored acorn finial and pedestal, constructed of native cypress by Maryland woodworkers in 1996 to replace a 208-year-old weather-worn acorn designed by Annapolis Master Builder Joseph Clarke in the late 1700s.

History: The State House Dome Restoration Project stabilized and repaired the upper portions of the dome, including removal of the original acorn and installation of a new one. Created by Maryland woodworkers, the acorn has 31 horizontal wheels made of Maryland cypress that were glued and bolted together, replicating the 1700s design.

DGS is proud of its role in restoring this highly visible part of the Maryland State House and ***DGS-proud*** of two awards recognizing this achievement: the 1999 Historic Annapolis Foundation Preservation Award; and the 1997 Maryland Historical Trust's Calvert Prize, Maryland's most prestigious conservation award.



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