

Open Work Session
Update on Lobbyist Projects
February 18, 2020

Mr. Weston Young, Assistant Director of Administration, came before Council and said, to recap, the County has contracted with State and Local Advisors to assist their interests at the State and Federal level, which provides them a permanent presence in Annapolis. He said much of Mr. Ellington's focus has been in support of the Airport and the Port with associated dredging efforts. He said, for example, fairly recently Mr. Ellington helped coordinate efforts and testimony on the Airplane Parts Bill. He said, in addition, he assisted the County with their Legislative Bond Bill request for additional funding for the Challenger Program at Henry Parker, and assisted the Library with replacement of the Bookmobile. He said Mr. Ellington attends meetings when they meet with various Secretaries and their staff, and fairly recently they met with Secretary Brinkley to talk about the Governor's budget and some of the priorities the County wants funded, and Director Gorrell with the IAC regarding public school construction to get a better understanding of their priorities and funding formulas. He said Mr. Ellington is assisting them with a larger discussion with the State on addictions and mental health issues, not just in the County, but at the Detention Center. He said the data they get back shows what it costs the County medically, the recidivism, and the frequent fliers who, when released, are back in a short amount of time, and the stress it puts on the medical unit of the Detention Center. He said those are all things they are trying to work with at the State level, and Mr. Ellington is using his existing contacts and relationships making their time in Annapolis much more efficient. He said there are a few Bills this year that threaten some of their revenue sources, so they are working to counter those, especially in light of Kirwan, and today Mr. Ellington is in Annapolis with Dave Ryan and other economic development directors. He said Mr. Ellington is also assisting with efforts, for example, on the growing drone industry at the Airport, and potential exports at their port. He concluded, he is glad to answer any questions Council may have.

Mr. Davis said it was stated that the lobbyist is assisting with a Bond Bill. He then asked which Delegate is working with him on that, as Council knows that has to come through a Delegate, to which Mr. Young responded, they still work directly with a Delegate or Senator. He said, in that case, Delegate Anderton is assisting them with the Bookmobile, but Senator Carozza is pursuing the Bookmobile from the Senate angle. He said initially they were proposing funding to convert the restrooms at the Extension Office to ADA, but Senator Eckardt found another funding source for that, so Senator Eckardt went with Field 7½. He said Mr. Davis is correct that these Legislative bond requests have to come from the Senators or Delegates, but it is a competitive process, and they think they have put together competitive packages.

Mr. Cannon asked which funding requests were submitted to Ben Cardin's office in reference to Kim Kratovil's request, to which Mr. Young responded, he does not have that in front of him, but when they are dealing with Senator VanHollen, Senator Cardin, or Congressman Harris, it is typically Airport related, and he can pull that list. Mr. Cannon said this was a request that was with a February 28th deadline, to which Mr. Young responded, he is not up to date on that, but he will find out.

Mr. Holloway said, in looking through some past emails, he thinks there has been some question about their lobbyist and when he came to be. He said Council did not know they had a lobbyist until quite a few months after they had a lobbyist, and, reading the scope of services, it says "To provide a broad range of lobbying and Legislative representation services that promote the County with an interest before Legislative and Executive Branches of Government at the State and Federal levels". He said, other than that one day, Council has never seen him, has never had any emails from him, and has never had

any updates on anything he has done, other than what Mr. Young has done today. He said he cannot find where Mr. Ellington is registered as a lobbyist in the State as he is not on the list, to which Mr. Young responded, he would have to look. Mr. Holloway said, not to bring up past history, but he thinks there were issues the day Mr. Ellington announced to Council they had a lobbyist they did not know they had. Mr. Young responded, they can task Mr. Ellington to assist with initiatives Council would like brought forward, such as changes to the School Board Nominating process as discussed in the previous Work Session, just like working with their Delegates getting support. He said they are tasking him with plenty of items with what they have as their fulltime efforts in the Executive Branch. Mr. Holloway asked if it is general practice of the Executive Branch to pay \$30,000 up front for services, and is it even legal to do so, to which Mr. Young responded, it is not normal, and they do not always do that, but it depends, and sometimes it is 50 percent now or 50 percent upon completion. Mr. Holloway asked if they have ever done it before, to which Mr. Young responded, he does not know. He said, again, they have a lot of contracts, so he cannot name every consultant working for them right now because, with everything they have going on in all the Departments, it is quite a list, but he can get it printed and then dig into what each one of them is doing. Mr. Holloway said he cannot find where this gentleman is even listed as a registered lobbyist. He clarified, he does not know if his firm is, but he thinks Mr. Ellington has to be listed individually, and he is just wondering if they are employing someone who is not registered. Mr. Hastings said he just checked, and he does not see Mr. Ellington's name, but his firm is registered. Mr. Holloway repeated, he is not registered. Mr. Dodd asked if he has to be registered individually, to which Mr. Holloway responded, he thinks so. Mr. Young said he does not know those laws, just like he does not know if they have anything that expressly prohibits them from paying up front, but, typically, they have milestones where funding is provided, or things are broken into tasks. He said one of the harder things to conceptualize with a lobbyist is they do not always have instant results. He said they can pay an engineer for a plan or design and they know what they are getting in the end. He said, in terms of assisting with fighting off Legislation, or getting the Airport Bill passed, there is a lot of work behind the scenes coordinating efforts across the State with other entities they would not have thought to reach out to with similar interests. He said there is a lot of work that goes into that, so it is not a defined product in the end, besides representing them and helping them get their initiatives put forward.

Mr. Cannon said they had the discussion earlier that the \$30,000 payment upfront was a highly irregular payment and very questionable as to how it is supposed to be done. He said his concern is he was talking to one of their representatives in Annapolis yesterday who was very surprised because evidently Mr. Ellington made a comment in testimony in Annapolis that he represented the County Executive in Wicomico County, and did not represent the County Council in Wicomico County. He said he thinks maybe there needs to be clarification on that, to which Mr. Young responded, they can address that. He said Mr. Ellington testified on a potential loss of revenue of nearly half a million dollars as the Bill was written, and at the last minute they needed Mr. Ellington to go support that loss of revenue by trying to stop that. Mr. Cannon said it was relayed to him that it was not a terribly productive testimony.

Mr. Davis said it seems to him that what Mr. Ellington is being tasked to do are things their Legislators should be doing. He said, with the one they just lost, he thinks if their Legislators knew about it they could have fought it better than he could have because they are the ones who are approving this stuff, to which Mr. Young responded, he agrees. He said Mr. Ellington supplements their Delegation, but, in this case, the Delegates on the Committee he testified before wanted someone from the County to give their standpoint. Mrs. Acle said she thinks it is also something the Council could probably advocate for, but that is just not how their Council is set up. She said she is testifying later in the next two weeks.

Mr. Dodd said Mr. Holloway mentioned the Executive fronting \$30,000 to this firm. He then asked how much of it is left, to which Mr. Young responded, they paid for it all upfront, and the contract will end sometime this fall. Mr. Dodd asked if they are beyond the \$30,000, and have they had to invest more, to which Mr. Young responded, they do not need to invest more. He clarified, it is for a year of service. Mr. Dodd said it sounded like Mr. Young was running off a lot of things Mr. Ellington is doing, to which Mr. Young responded, yes. He said, as he mentioned previously, he is confident that they will have a very positive return on investment for what Mr. Ellington has been doing. He said, again, their efforts in Annapolis are connected with the right people they need to talk to in a timely manner. He said, if they talk to some of the Delegates who were on the Committee of the testimony yesterday, they will hear that he was beneficial in providing them the information they needed in a timely manner.

Mr. Holloway asked if there are plans to renew Mr. Ellington's contract, to which Mr. Young responded, they have not spoken about that. He said, again, they think it is a good effort, and he would like to put together the successes they have had showing that the \$30,000 was well spent, and he would like Council's buy-in when they are doing this. Mr. Holloway said Mr. Young did not ask for Council's opinion to begin with, to which Mr. Young responded, touching on Public Works, and Recreation and Parks, they do not come to Council with every consultant they are going with. He said Council cannot name every engineer working on every project. He then asked who designed the Morris Mill Dam? Mr. Cannon said they are talking about \$30,000, to which Mr. Young responded, but it is significantly more for dam design, and Council is not directly involved when they go to those contracts, so they are picking one and getting upset. He clarified, again, he fully understands, and it has been explained that somebody came out saying they are the County's lobbyist without communication. Mr. Holloway said he does not know who was more upset, Council or the Legislators because those folks were blindsided as much as Council was. He said, not only that, but he talked to this gentleman a couple of months beforehand after he had signed his contract with Wicomico County. He said Mr. Ellington introduced himself by name, but he did not tell him he was their lobbyist. He said he made no mention of being a lobbyist for Wicomico County when they had that conversation, and he had already been hired and paid, supposedly. He said he does not know why he stepped forward that day and made those comments, but, apparently, he thought it was time Council knew, but it just seemed to him like this was done with the intention of Council not knowing about it. Mrs. Acle said she thinks it also gives Council something to maybe look internally in how they can as a Council and on the Executive side advocate more so in Annapolis for the things they need, which is what other Counties do. Mr. Young said the bigger Counties' Legislative and Executive Branches have their own lobbyist, and, again, with their fulltime efforts, they have enough work to keep him loaded. He said, given their size, he thinks the smartest thing to do when they have initiatives is get in touch and use him to help Council with their initiatives. He said, if they are not able to do that and it is something they are not able to help with, then maybe Council needs to get their own lobbyist like they have their own attorney, to which Mr. Cannon responded, they do, they are the Delegates and Senators.

Mr. Cannon said what surprised him, in all honesty, is Mr. Ellington was hired in June 2019, but nobody knew he was representing Wicomico County, not even the Eastern Shore Delegation, until December, so that is five or six months since the gentleman was hired that no one even knew he existed. Mr. Holloway said he met him in March and he did not introduce himself as their lobbyist. Mr. Cannon then asked, if they have someone who has been employed for six months as a lobbyist and their Eastern Shore Delegation did not know he existed, what exactly did they get for the first six months of his service? He clarified, that question needs to be asked.

Mrs. Acle thanked Mr. Young for updating Council.

Mr. McCain said he liked Mr. Young's idea of giving Council a summation, especially at the end of the Legislative Session, so Council can see what their wins were.

Mr. Hastings said he is happy to see the Aircraft Parts and Equipment Bill is moving. He said he just checked, and the House Bill is not moving at all, but Senator Eckardt's Bill has moved into the House, so it is going through, and that is good progress, to which Mr. Young responded, yes, they are still working.

Mr. Cannon asked if they had any luck on the tax exemption, to which Mr. Young responded, that is the Airport Tax Bill. He said their angle is getting other Airports on board, and getting a mega church pastor with his own plane signing up in support of this who controls a lot of sway in Prince George's County. He said he is optimistic, but with Kirwan on the way, they do not want to cut any revenue sources at the State level either with the expenses they do not know if they have fully figured out how they are going to pay for. Mr. Cannon said he was under the impression this was not really going to have any impact on the State of Maryland whatsoever as far as income, and the Legislators just do not get that, to which Mr. Young responded, it actually will produce more revenue with jobs, but they are hung up on the taxes that are paid on airplane parts. He said, right now, if they do not have maintenance at their Airport, they are not earning anything. He said, if they had one open, they would be making sales tax on those parts. He said bolts can cost \$10,000-\$20,000 individually for planes. He said Mr. Cannon is correct in that they would make money if they had a facility, but they do not have a facility because of the tax. He said all of the surrounding States do not have a tax, and with planes they can jump over the Eastern Shore or any part of Maryland pretty easily and land in an Airport in another State to not pay 6 percent on their \$20,000 bolt that needs replacing. Mr. Hastings said Delaware does have a tax, but it is 0.83 percent.

Mr. Holloway said he has one more question about the hiring. He said there were several people in the room that morning. He then asked if any of their Delegation was aware they had hired a lobbyist, to which Mr. Young responded, he would have to talk to each of them individually. He said it is his understanding that a few of them knew, but it was fairly fresh and was something they had not known from the start. He clarified, again, bringing somebody who is not in the thick of things with Wicomico and what their needs are, there was a lot of getting him up to speed on what their priorities are, what issues they have had, what their relationships are with different parts of the State and entities, what they would like to accomplish, and the best way to accomplish it. He said there is a ramp-up period, but he believes maybe two or three of the Delegates knew at the time of the Legislative Breakfast where he announced himself, to which Mr. Cannon responded, he is not aware of any, just for the record.

Mrs. Acle asked where they are at with Field 7½, to which Mr. Young responded, he thinks they are breaking ground, and if they have not started already, they will be soon. Mrs. Acle asked if they are going to have adequate funding for it, to which Mr. Young responded, they have enough for the field, but he thinks they are still funding the sensory playground adjacent to it, and there are amenities to the field, such as the lighting, which he does not know if it is fully funded. He said he thinks the basics, such as the dugout, grass and fencing are covered. He said he believes to fully build out as it was envisioned, the last estimate he heard was \$150,000-\$200,000 needed. He said he does not know if the private donations received have changed that, but this was one of the Legislative Bond Bills Senator Eckardt put forward on the County's behalf. Mr. Dodd added, the Shorebirds just donated, to which Mr. Young responded, as well as Perdue, and the Henson Foundation, so there is a large variety of people contributing to this. He said he does not know if the sensory playground adjacent to it is fully funded. Mrs. Acle said, if they need a letter of support from Council to move forward if Senator Eckard has other suggestions, that is something they could pursue.

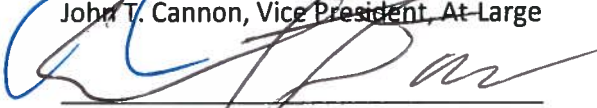
Mr. Dodd said a few minutes ago Mr. Young mentioned he wants Council's buy-in, and he agrees with that. He said he thinks they can accomplish a lot more if they are all on the same page, but they need to work together while it is going on, not after the fact, so Council would appreciate them reaching out earlier. There was no further discussion.



Larry W. Dodd, President, District 3



John T. Cannon, Vice President, At-Large



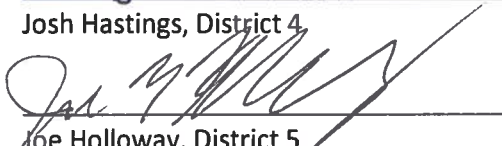
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Nicole Ade, District 2



Josh Hastings, District 4



Joe Holloway, District 5



William R. McCain, At-Large



Laura Hurley, Council Administrator