



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 2-20
February 27, 2020**

LOCATION: **MES Headquarters**

TIME: **9:30 a.m.**

DIRECTORS PRESENT: Roy McGrath, Chairman
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT: Morgan Hall
Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia
Steve Pennington
Dan Faoro
Matthew Sherring
Hattie Crosby (in at 9:46am)
Pamela Fuller

CALL TO ORDER

Mr. McGrath called the meeting to order at 9:30 a.m. Mr. McGrath introduced Morgan Hall, who has been nominated by the Governor to serve on the Board of Directors. Mr. Hall will fill a public sector position. Mr. Billy Addison has been nominated to fill a private sector position. Both are scheduled to appear at the Senate Executive Nominations Committee on March 9th. Mr. McGrath also introduced Dan Faoro, who has joined MES as Managing Director, Communications.

Board of Directors Minutes
February 27, 2020
Page 2

MINUTES

Mr. McGrath requested discussion or a motion for the approval of the minutes of the meeting of January 23, 2020. Mr. Snee made a motion to approve the minutes, and Dr. Streett seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath noted the legislative session is about halfway complete. MES' Operating Budget hearings have been completed. Capital Budget hearings will occur soon. MES has been asked to comment on many fiscal notes this year. In particular, HB1643 proposes to establish an Organics Recycling and Composting Grants program and give MES a specific role in the program.

Mr. McGrath and other staff recently returned from the Global Waste Management Symposium, where he spoke about the MES - Prince George's county composting partnership.

The MES internal mentorship pilot program was launched. Several participants have signed up so far. MES recently issued an expansion of the telework program allowing more flexible work schedules. Executive staff have begun preparing for potential impacts from the coronavirus, including updating the existing COOP plan.

AGENCY ACTIVITY REPORT

Mr. McGrath presented the Agency Activity Report. Questions regarding work at the Brown Station Landfill were addressed. Prince George's County is contracting with MES for the design and expansion of their landfill over the next five years. Most of the MDOT MPA dredging facilities are also expanding, with dike raising occurring at Cox Creek, Masonville and Poplar Island.

STRATEGIC PARTNERSHIP OPPORTUNITIES REPORT

Mr. Pennington reported on nine Stakeholder Partnership Events in January and 8 so far in February. There were 21 business to business meetings in January, and 12 so far in February. Team members participated in the following opportunities in February: BWI Partnership Breakfast, Maryland Economic Development Association – Economic Development Day, NAIOP (National Association of Industrial and Office Properties) networking event, Greater Baltimore Committee – Economic Development Committee meeting, Taste of the Shore in Annapolis, and Southern Maryland Reception.

Board of Directors Minutes

February 27, 2020

Page 3

Proposals are being developed for three designated scopes of work for BioEnergy DevCo in Delaware. A campaign is being developed to highlight the possibilities of shared use systems for water and wastewater treatment. MES is still moving forward with a full staffing evaluation for Cumberland, and with BGE EV charging station discussions. Upcoming meetings are scheduled with Howard County and Baltimore County.

FINANCIAL REPORT

Mr. Harris presented the January financial report. The month closed out strong with \$104 million in total revenue so far this fiscal year, which is a remarkable 25% higher than at the same time in FY19. Labor sales are about 10% higher than at this point last year. Key projects contributing to the growth include Cox Creek and Lake Linganore Dredging. Management of capital projects is not included in these figures.

Overhead rates have gone down, due to more efficient management of expenses. Fringe recovery looks good this year, partly due to the moderate weather. Total net assets have increased, adding value to the State and MES. Aging infrastructure is being replaced, including the headquarters building being expanded and debt is being reduced.

Many of the accounts on the 90-day AR report are in the process of being paid.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has a record 851 total positions. The vacancy rate once all the new hires are brought on board will be 3.6%. The Assistant Chief of O&M for Water/Wastewater recently retired. The interview process resulted in two equally well-qualified applicants, both currently Regional Supervisors. The decision was made to hire both and have two Assistant Chiefs.

An inquiry was made regarding the pass rate for the OIT (Operator in Training) program. MES' pass rate is about 37%, which is higher than the State average of 30%.

BEST UPDATE

Ms. Wojton handed out the BEST 2020 Update. All goals are on track to be met this year.

GROUP UPDATES

Ms. Banta discussed the Masonville Marine Terminal Pond Retrofit. The current retrofit will include regrading slopes, deepening of pond, installation of treatment

Board of Directors Minutes

February 27, 2020

Page 4

forebays, new plantings, riser structure repairs, and new access road, all with minimal disruption to terminal operations. This work is detailed on Procurement Item #6 this month. Mr. Snee asked the Board to consider that item now. Mr. Smith made the motion to approve Procurement Item #6, Ms. Jenkins seconded. The motion passed unanimously.

Mr. Gillespie updated the Board on a unique relationship at the Southern Hills subdivision. MES will act as the Controlling Authority for the shared use wastewater system serving the 24 homes in the new development. MES will eventually take ownership of the plant after the developer meets its contractual obligations regarding testing, permitting, bonding and insurance. Testing of the small membrane treatment plant process has begun.

Mr. Tomczewski discussed the Maryland Department of Agriculture Poultry Litter Transport and storage program. MDE is attempting to move poultry litter off of the lower Eastern Shore and distribute it to other parts of the State where it is more needed. The Midshore II site is being considered as a possible temporary storage facility. This usage would require the approval of all four Midshore Counties.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for Test America Laboratory services at multiple MPA project. Mr. Snee made the motion to approve the item, Ms. Jenkins seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is for additional Workday support provided by Collaborative Solutions. Mr. Smith made the motion to approve the item, Ms. Wojton seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is for concrete pole installation and aggregator pole relocation at Cox Creek MDOT/MPA Dredged Material Containment Facility. Mr. Snee made the motion to approve the item, Mr. Harris seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for the development of additional public outreach campaign deliverables for the Dredged Material Management Program provided by Council Fire. Mr. Harris made the motion to approve the item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for dredging at the Seagirt Berth. Mr. Harris made the motion approve the item. Ms. Jenkins seconded. The motion passed unanimously.

Board of Directors Minutes

February 27, 2020

Page 5

Item 6 was approved earlier during the Group Update.

Ms. Crosby introduced Item 7. The procurement is for engineering, permitting and design services for the Brown Station Road Sanitary Landfill Area C infill. Mr. Snee made the motion to approve the item. Mr. Harris seconded. The motion passed unanimously, with the exception of Ms. Jenkins, who abstained.

Ms. Crosby introduced Item 8. The procurement is for consent order assistance and compliance monitoring at the Sandy Hill Landfill provided by Arcadis. Dr. Streett made the motion to approve the item. Mr. Harris seconded. The motion passed unanimously, with the exception of Ms. Jenkins, who abstained.

Ms. Crosby introduced Item 9. The procurement is for compliance monitoring at the Brown Station Road and Sandy Hill Landfills provided by SCS Engineering. Mr. Snee made the motion to approve the item. Mr. Smith seconded. The motion passed unanimously, with the exception of Ms. Jenkins, who abstained.

The Board Notifications were reviewed.

LEGAL REPORT

Mr. Coleman advised that a brief was filed in the Court of Special Appeals in the matter of Gupta v. MES. Oral arguments have been scheduled for April 7th.

There have been a number of ethics bills introduced this session that may affect the Board members. HB360/SB283 would increase penalties for violators, and asks for a Constitutional amendment to limit pensions to public officials who violate ethics laws. Another bill would prohibit the use of protected information for personal gain by State employees and public officials. SB200/HB278 would expand the definition of “criminal conduct in office,” and allow the State prosecutor to be involved. Finally, with respect to personnel legislation, SB260 would change State law to require all employers to offer bereavement leave to include the death of a pet. The definition of “pet” was not included in the bill.

OLD/NEW BUSINESS

Mr. Snee inquired into the status of the Conowingo project. Mr. McGrath replied that on March 2nd a notice will be published in local newspapers, and also sent via US mail to property owners in the area, informing the public of an upcoming public outreach meeting scheduled for April 1st at the Muddy Run Visitor Center. This notice and meeting are required as part of the process to obtain FERC approval of the dredging activity.

Board of Directors Minutes

February 27, 2020

Page 6

The next meeting is scheduled for March 26, 2020 at 9:30 a.m.

ADJOURNMENT

Mr. McGrath adjourned the meeting at 10:56 a.m.

DocuSigned by:

Richard P. Streett, Jr V M D

62B3671F81AF453
RICHARD P. STRETT, JR., V.M.D
SECRETARY

DocuSigned by:

Roy McGrath

5F01A82A6F954D5
ROY MCGRATH
CHAIRMAN