



Martin O'Malley, Governor

**BOARD OF DIRECTORS
MINUTES
MEETING 10-1
January 25, 2010**

James M. Harkins, Director

LOCATION: Conference Call
259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:** James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer

**DIRECTORS PARTIC-
IPATING BY CONFER-
ENCE CALL:** Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph F. Snee, Esq.
Talmadge E. Simons
Edward Adams

DIRECTOR ABSENT : Leslie Jackson Jenkins, Esq.

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Henry Cook
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:30 a.m.
259 Najoles Road • Millersville, Maryland • 21108
phone 410-729-8200 • fax 410-729-8220 • www.menv.com

MINUTES

Mr. Harkins requested approval of the minutes of December 14, 2009. Mr. Addison made the motion to approve the minutes and Mr. Simons seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

As the legislative session gets underway, MES has had numerous meetings with various Senators, Committees, and the Eastern Shore Delegation. Budget meetings are scheduled for this week.

MES is making a presentation to the Harry R. Hughes Center on the ECI anaerobic digester project.

A visit to Westernport and meetings with Mayors & Town Councils in Garrett and Allegany Counties are being scheduled to follow up on potential water and wastewater projects.

Employees were recently provided the opportunity to receive H1N1 flu vaccinations.

A briefing was given to the Budget & Taxation Committee. The stars of the presentation were the baby terrapins.

Will be meeting with municipal leaders in Washington County to discuss MES' potential additional business.

MACO's winter meeting was held January 6th-8th in Cambridge. MES received several leads on potential new business.

BUSINESS DEVELOPMENT

Ms. Wojton reported that MES is currently preparing a letter to go to the counties and municipalities about the services that we provide.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Key Operating Results ending December 31, 2009. He noted labor sales are flat, overhead and fringe are as expected and costs are being contained on the overhead variance. Finance has noticed slower Account Receivable payments. Mr.

Zimmerman turned the Board's attention to the Plan v. Actual Report. All Groups are exceeding their target projections. Mr. Zimmerman has not seen the Governor's budget to review the State reimbursable projects budgets. Mr. Harkins added that MES is working on the projected furlough and pay cuts for FY 2011. A question was addressed regarding the accounts over 120 days.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 1.66% once the 2 new hires and 1 potential new hire are processed. There are 13 vacancies. The number of positions is 725.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Mr. Addison made the motion to approve the Item. Dr. Streett seconded. Question was addressed. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Snee made the motion to approve the Item. Mr. Simons seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. Mr. Harkins noted the Emanuel amendment.

LEGAL REPORT

Mr. Coleman's Legal Report was made during the Executive Session.

EXECUTIVE SESSION

At 9:50 a.m., upon motion of Dr. Streett, second by Mr. Addison, the members of the Board went into executive session to consult with counsel about potential litigation, as permitted under State Government Article §10-508(a)(8). Also present during the executive session were Mr. Coleman, Mr. Wheeler, and Ms. Voorhees Balenske. Upon motion by Mr. Addison, seconded by Dr. Streett, at 10:06 a.m. the Executive Session ended and the meeting adjourned.



RICHARD P. STREETT, JR., V.M.D.
SECRETARY



JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-2
February 22, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 10:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:** James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer
William B.C. Addison
Talmadge E. Simons
Edward Adams
Joseph F. Snee, Esq. (arrived at 10 :32 a.m.)

DIRECTOR PARTICIPATING BY CONFERENCE CALL: Richard P. Streett, Jr., V.M.D., Secretary

DIRECTOR ABSENT : Leslie Jackson Jenkins, Esq.

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Henry Cook
Doug Conaway
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 10:30 a.m.
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phone 410-729-8200 • fax 410-729-8220 • www.menv.com

MINUTES

Mr. Harkins requested approval of the minutes of January 25, 2009. Dr. Streett made the motion to approve the minutes and Mr. Adams seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins reported the sponsor of Senate Bill 38 has withdrawn the bill. The bill designated MES as procurement unit under the Small Business Reserve Program.

EXECUTIVE DIRECTORS REPORT

Each Executive Director gave a report on operations during the recent major snow events.

Mr. Tomczewski reported all facilities were closed Wednesday and Thursday with the exception of ECI, which remained open. Environmental Operations employees assisted Baltimore and Montgomery Counties with clearing public streets.

Mr. Madison reported that several sites remained open. De-icing operations were on going at BWI and snow removal was performed early at Dundalk Marine Terminal groundwater treatment facility, Hawkins Point and Honeywell sites. By Monday morning everything was operational. Many headquarters employees telecommuted. Hart-Miller Island DMCF was closed due the access roads in the vicinity of the land base being impassable, but the Poplar Island Environmental Restoration Facility remained open.

Mr. Conaway's reported that 145 Water and Wastewater employees are designated as essential personnel. Water and Wastewater took a proactive approach to the storm. There were 2 non-injury vehicle impacts and 4 personal injuries. Fourteen project sites were inaccessible, but are monitored by alarm systems. There were no interruptions in service.

Mr. O'Neill reported that Beechfield Landscaping is under contract to perform snow removal at headquarters. There was minimal impact although parking spaces were affected. The Compliance Division reports that there were very few compliance issues, although there may be as many as twenty frequency violations due to project sites not being accessible.

BUSINESS DEVELOPMENT

Ms. Wojton reported that Jerry Wheeler and staff members were in Port Tobacco for a property site visit. John Hanson heirs own the property and they are considering developing it. MES would provide Phase I services.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Key Operating Results ending January 31, 2010. He noted labor sales continue to be flat, overhead and fringe are as expected and costs continue to be contained. TES made moderate gains. Mr. Zimmerman reviewed the Major Accounts Over 120 days. American Container is a Midshore hauler account. A-1 made a payment of \$10,000.00 on March 19th. Rosewood is closed, but MES is operating a pumping station. Mr. Adams commented and provided information on the facility. Mr. Zimmerman turned the Board's attention to the Plan v. Actual Report. All Groups are projected to exceed their targets Overhead variances are above the target projection and Administrative Leave granted during the winter storm will affect fringe. Mr. Zimmerman has seen the Governor's budget, but had no comments.

Mr. Zimmerman informed the Board of a software issue recently discovered that affected the reimbursement MES pays to Prince George's County. Revenues owed to the County were included on financial statements, but were not being properly remitted back to the County. MES owed and has paid with interest Prince George's County approximately \$2 million dollars. MES discussed with the County's Solid Waste staff and Leslie Jackson Jenkins. Reconciliation procedures were instituted. Questions were addressed.

Mr. Zimmerman introduced the Debt Management Policy. The policy is intended to provide written guidelines and restrictions that affect the amounts and types of debt permitted to be issued by the Service, the issuance process, and its management. The creation of the policy was driven by legislation and brings MES into compliance with its requirements.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate becomes 1.79% with 10 new hires in February and 2 pending. The number of positions is 725.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. A question was addressed. Mr. Addison made the motion to approve the Item. Mr. Adams seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Snee made the motion to approve the Item. Mr. Adams seconded. Questions were addressed. The motion passed unanimously. Item 3 was introduced with additional comments by Mr. Madison. Mr. Adams made the motion to approve the Item. Mr. Simons seconded. The motion passed unanimously. Mr. O'Neill introduced Item 4. Questions were addressed. Mr. Addison made the motion to approve the Item. Mr. Snee seconded. The motion passed unanimously. Mr. Harkins introduced Item 5. Mr. Madison provided additional information. Questions and suggestions were addressed. Mr. Adams made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Mr. Harkins introduced Item 6 with additional information provided by Mr. Madison. Questions were addressed and a drawing

of the mobile test platform was given to the members. Mr. Adams made the motion to approve. Mr. Simons seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks.

LEGAL REPORT

Mr. Coleman's reported that the Port Deposit Town Commissioners approved the settlement agreement with the Town of Port Deposit. MES signed the agreement and the release of lien has been sent. Mr. Coleman informed the Board that Joe Gill, Assistant Attorney General for the Department of Natural Resources has been named DNR's Deputy Secretary replacing Eric Schwab who received a federal government appointment.

The meeting adjourned at 11:20 a.m.



RICHARD P. STREETT, JR., V.M.D.
SECRETARY



JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-3
March 22, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 10:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:** James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer
William B.C. Addison
Talmadge E. Simons
Edward Adams
Joseph F. Snee, Esq.
Leslie Jackson Jenkins, Esq.

DIRECTOR PARTICIPATING BY CONFERENCE CALL: Richard P. Streett, Jr., V.M.D., Secretary

OTHERS PRESENT: Sean Coleman, Esq.
Henry Cook
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 10:37 a.m. While Mr. Adams was out of the room, Mr. Harkins handed out LeafGRO product order forms, financial disclosure forms and information about MES' food drive.

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MINUTES

Mr. Harkins requested approval of the minutes of March 22, 2010. Mr. Addison made the motion to approve the minutes and Mr. Simons seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins reported the following: Management and supervisory training for employees has been re-initiated.

On March 15th, Mr. Harkins and Ms. Wojton met with Congressman Ruppberger on the Aberdeen-Edgewood proposal to provide background on the project. Questions were addressed.

Mr. Harkins has been appointed to the Governor's Green Jobs & Industry Task Force. The task force is made up of government and private sector members. One meeting has been held to date. A report is due June 1st.

The agency is working on tours for the Board in the next few months. Possible sites are Baltimore-Washington International Airport and a single stream recycling plant in Manassas, Virginia. Ms. Downs will contact the members about dates.

BUSINESS DEVELOPMENT

Mr. O'Neil on behalf of Ms. Wojton reported that MES met with the company, Energy Answers. They are interested in constructing a waste to energy facility using shredded trash in the Curtis Bay area. A question was addressed and Mr. Adams added comments.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Key Operating Results ending February 28, 2010. He noted labor sales continue to be flat, overhead and fringe are as expected and costs continue to be contained. Payments from Major Accounts Over 120 days are picking up and occurring within a shorter time period. American Container is a Midshore hauler account. Rosewood is closed, but MES is operating a pumping station and expects payment. Mr. Zimmerman turned the Board's attention to the Plan v. Actual Report. MES expects the sales target to be exceeded. Overhead variances are above the target projection and the 2 days of Administrative Leave granted during the winter storm affected the fringe. Mr. Zimmerman will bring to the Board in May a request to increase the contingency reserve.

Mr. Zimmerman has no news regarding the Governor's budget.

Payments to Prince George's County have been resolved to the County's satisfaction. Questions were addressed.

Mr. Coleman introduced Resolution 10-03-01R. The Resolution is the intent to reimburse MES expenditures for the possible single stream recycling facility and other modifications to the Baltimore County Resource Recovery Facility. Implementation of the project is being worked through with the County. The estimated cost of the entire project is \$20 million. Mr. Snee made the motion to approve the Resolution. Mr. Addison seconded. The motion passed. Mr. Adams abstained from the vote.

HUMAN RESOURCES

Mr. O'Neill reported that the vacancy rate drops to .97% with 1 new hire and 1 pending this month. The number of positions remains at 725.

Mr. O'Neill introduced Resolution 10-03-2R. This Resolution amends the Leave Buy-Back Program, Resolution 09-04-2R approved by the Board in April 2009 and confirms the previous changes to the Program and temporarily increases the number of hours of leave for which employees may receive payment. A question was addressed. Ms. Jenkins made the motion to approve the Resolution. Mr. Simons seconded. The motion passed unanimously.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Questions were addressed. Ms. Jenkins made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Questions were addressed. Mr. Simons made the motion to approve the Item. Mr. Snee seconded. Questions were addressed. The motion passed unanimously. Mr. Harkins introduced item 3. Mr. Snee made the motion to approve the Item. Mr. Simons seconded. The motion passed unanimously. Mr. Harkins introduced Item 4. A question was addressed. Mr. Addison made the motion to approve the Item. Ms. Jenkins seconded. The motion passed unanimously.

NOTIFICATIONS

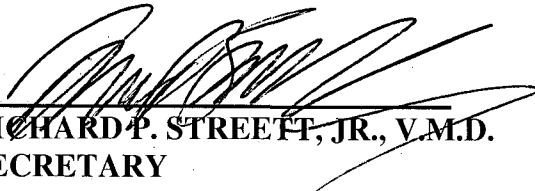
The Notifications are contained in the Board's notebooks. A question was addressed.

LEGAL REPORT

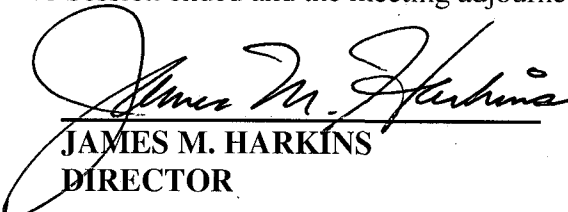
Mr. Coleman's Report was given during Executive Session.

EXECUTIVE SESSION

At 11:06 a.m., upon motion of Mr. Addison, second by Ms. Jenkins, the members of the Board went into executive session to discuss a personnel matter and an investigative proceeding, as permitted under State Government Article §10-508(a)(1) and (12). Also present during the executive session were Mr. Coleman and Ms. Voorhees Balenske. Upon motion by Mr. Snee, seconded by Ms. Jenkins, at 11:19 a.m. the Executive Session ended and the meeting adjourned.



RICHARD P. STREETT, JR., V.M.D.
SECRETARY



JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

**BOARD OF DIRECTORS
MINUTES
MEETING 10-4
April 26, 2010**

James M. Harkins, Director

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:**

James M. Harkins, Director
John O'Neill, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary
Joseph Zimmerman, Treasurer
William B.C. Addison
Talmadge E. Simons
Leslie Jackson Jenkins, Esq.

DIRECTORS PARTICIPATING

BY TELEPHONE : Joseph F. Snee, Esq.
Edward Adams

OTHERS PRESENT: Sean Coleman, Esq.

Henry Cook
Doug Conaway
Steve Tomczewski
Charles Madison
Chris Garrigan
Beth Wojton
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:30 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of March 22, 2010. Dr. Streett made the motion to approve the minutes and Mr. Addison seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins reported the following:

A meeting was held March 23rd with John Griffin, Secretary of the Department of Natural Resources to explore further work MES can provide to DNR. Additional meetings will be scheduled.

Mr. Harkins has been attending the Governor's Green Jobs & Industry Task Force. The task force is made up of government and private sector members. MES recently gave a presentation of our apprenticeship program.

The Legislative session ended April 12th. MES will be impacted by Senate Bill 141, which prohibits bonuses, merit increases or cost-of-living adjustments in Fiscal Year 2011 for all employees. A copy of that section of the bill was handed out.

Spring Flings have begun around the State and at Headquarters. A video is also being posted on the Internet to provide additional opportunities to view the briefings. This year the emphasis is health care enrollment and environmental compliance, specifically reporting spills.

MES recently hosted Ted Dallas, the Governor's new Deputy Chief of Staff. Mr. Dallas was briefed on MES and given a tour of the building and grounds.

The Aberdeen-Edgewood presentation to the Army procurement staff is April 28th at Fort Belvoir. A question was addressed.

BUSINESS DEVELOPMENT

Ms. Wojton reported that the primary focus right now is Aberdeen-Edgewood project and upcoming presentation. The contract with Energy Answers has been signed. This is the company interested in constructing a waste to energy facility using shredded trash in the Curtis Bay area. Mr. Tomczewski provided a brief overview of possible services. Questions were addressed. A meeting is scheduled with Department of Public Safety and Correctional Services to discuss a power plant at the Maryland Correctional Institute, Hagerstown.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Key Operating Results ending March 31, 2010. He highlighted Key Operating Results with TES continuing to perform well. Overhead and fringe are as expected and costs continue to be contained. Project variance is lagging slightly. A couple of accounts have been written off. Mr. Coleman's office filed a garnishment on American Container's account. Rosewood is slowly paying. Mr. Zimmerman turned the Board's attention

to the Plan v. Actual Report. MES expects the sales target to be exceeded. Overhead variances are above the target projection. There has been a slight reduction in GIS services. Mr. Zimmerman will bring to the Board in May a request to increase the contingency reserve.

A meeting will be held with Eloise Foster, Secretary of Budget and Management to address the issue of possible furloughs and salary reductions in FY 2011. A question was addressed.

Mr. Cook introduced Resolution 10-04-01R. The Resolution is to allow a one time discretionary employer profit sharing contribution to the 401K retirement plan. Ms. Jenkins made the motion to approve the Resolution. Mr. Simons seconded. The motion passed unanimously.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 2.07% with 1 new hire and 1 pending this month. The number of positions remains at 725.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Mr. Simons made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Madison provided additional information. Ms. Jenkins made the motion to approve the Item. Dr. Street seconded.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. A question was asked about the roll out bucket for Baltimore County Resource Recovery Facility and information provided to Mr. Simons. Another question was asked about construction status of Midshore II. Mr. Tomczewski provided an update.

LEGAL REPORT

Mr. Coleman reminded Board members that Ethics Disclosure forms are due the end of April. The office received back up information on the Somerset County claim. A response is being prepared. The office has been assisting Human Resources with employee issues.

OLD BUSINESS

Discussion was held about the April 27th tour of the single stream recycling plant in Manassas, Virginia. The decision was made to request a later date with more advanced notice. The tour of BWI is scheduled for June 1st.

EXECUTIVE SESSION

At 10:25 a.m., upon motion of Dr. Streett, second by Mr. Addison, the members of the Board went into executive session to consult with counsel about potential litigation, as permitted under State Government Article §10-508(d)(8). Also present during the executive session were Mr. Coleman, Ms. Voorhees Balenske, Mr. Conaway, and Ms. Garrigan. Upon motion by Mr. Addison, seconded by Ms. Jenkins, at 10:45 a.m. the Executive Session ended and the meeting adjourned.



**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**



**JAMES M. HARKINS
DIRECTOR**



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-05
May 24, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 10:30 a.m.

James M. Harkins, Director
John O'Neill, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary
Joseph Zimmerman, Treasurer
William B.C. Addison
Talmadge E. Simons
Leslie Jackson Jenkins, Esq.
Joseph F. Snee, Esq.
Edward Adams

OTHERS PRESENT: William J. Selle, Esq.
Henry Cook
Jerry Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Beth Wojton
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 10:30 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of April 26, 2010. Mr. Addison made the motion to approve the minutes and Dr. Streett seconded. The minutes were approved.

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phone 410-729-8200 • fax 410-729-8220 • www.menv.com

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins reported the following:

Mr. Harkins has been attending the Governor's Green Jobs & Industry Task Force. A draft report was given to the members. The Task Force recently met with a company based in Ireland regarding their membrane technology.

The Aberdeen-Edgewood presentation to the Army procurement staff was April 28th at Fort Belvoir. As a result of the presentation revisions are being made to the proposal. A question was addressed and comments made. Contract award is expected in September.

Spring Flings around the State and at Headquarters have been completed. A lunch was held on April 28th for Administrative Professionals Day. MES has had a series of meetings with the Maryland Municipal League. Their summer conference is June 28th-30th. Mr. Harkins will participate with Cabinet Secretaries in table sessions at the conference. Upcoming meetings are scheduled with Eloise Foster, Secretary of Budget & Management regarding FY 11 furloughs and Malcolm Woolf, Director, Maryland Energy Administration. Ms. Robin Davidov, Director of Northeast Maryland Waste Disposal Authority is on extended leave. Mr. Charles Skaggs has been named acting director in her absence. A Baltimore Sun article about the Maryland ash bore beetle was passed out to the members. MES tub grinders are participating in activities to grind infested trees.

BUSINESS DEVELOPMENT

Ms. Wojton reported that the primary focus is Aberdeen-Edgewood project specifically providing a standard operation plan for each function.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Financial Statements ending May 20, 2010. He highlighted Key Operating Results that year to date are good and equal with last year's. Overhead and fringe are as expected and costs continue to be contained. Net Assets are stronger than projected. The Anne Arundel County Public School account over 120 days is expected to be paid. Emanuel is being sent a revised invoice. The tire facility now operated by Emanuel at MES's former facility is currently not operating. Legal is working with South Carroll Swim Club. Mr. Zimmerman turned the Board's attention to the Plan v. Actual Report. MES expects the sales target to be exceeded. Overhead variances are above the target projection. There has been a slight reduction in GIS services due to SHA reductions. A meeting will be held with Eloise Foster, Secretary of Budget and Management to address the issue of possible furloughs and salary reductions in FY 2011. A question was addressed.

Mr. Zimmerman introduced Resolution 10-05-01R with Mr. O'Neill providing additional information. The Resolution authorizes the transfer of funds to the project reserve fund and authorizes the use of the funds by MES. Questions were addressed. Mr. Addison made the motion to approve the Resolution. Mr. Simons seconded. The motion passed with 1 dissenting vote from Mr. Snee.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 3.86% with 2 new hires and 6 pending this month. The number of positions remains at 725.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Mr. Tomczewski provided additional information. Questions were addressed. Mr. Addison made the motion to approve the Item. Dr. Street seconded. The motion passed with Ms. Jenkins abstention. Mr. Harkins introduced Item 2. Mr. Tomczewski provided additional information. A question was addressed. Mr. Simons made the motion to approve the Item. Dr. Street seconded. The motion passed unanimously. Mr. Harkins introduced Item 3 with Mr. Tomczewski providing additional information. A question was addressed. Mr. Simons made the motion to approve the item. Mr. Adams seconded. The motion passed unanimously. The final item, Item 4 was introduced by Mr. Harkins. Mr. Tomczewski provided additional information and photos. Questions were addressed. Ms. Jenkins made the motion to approved the item. Mr. Addison seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. A question was asked about Midshore I and II. Mr. Tomczewski provided an update.

LEGAL REPORT

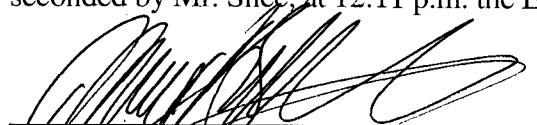
Mr. Selle advised the Board the office has been working on the RFP for bond counsel. The procurement is being handled through the Attorney Generals office. Staff has also been assisting on general contract and Human Resources issues.

OLD BUSINESS

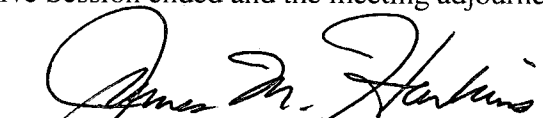
A question was asked about Harford County's single stream project. There is no MES involvement at this time.

EXECUTIVE SESSION

At 11:26 a.m., upon motion of Ms. Jenkins, second by Mr. Addison, the members of the Board went into executive session to discuss a personnel matter, as permitted under State Government Article §10-508(a)(8) (1) and to discuss the potential acquisition of real estate as permitted under State government Article 10-508 (a) (3). Also present during the executive session were Mr. Selle, Ms. Voorhees Balenske, and Ms. Wojton. Upon motion by Mr. Addison, seconded by Mr. Snee, at 12:11 p.m. the Executive Session ended and the meeting adjourned.



RICHARD P. STREETT, JR., V.M.D.
SECRETARY



JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-06
June 21, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:**

James M. Harkins, Director
John O'Neill, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary
Joseph Zimmerman, Treasurer
William B.C. Addison
Talmadge E. Simons
Joseph F. Snee, Esq.

DIRECTOR BY PHONE : Edward Adams (*left meeting at 10:51 a.m.*)

DIRECTOR ABSENT : Leslie Jackson Jenkins, Esq.

OTHERS PRESENT: Sean Coleman, Esq.
Jerry Wheeler
Steve Tomczewski
Cece Donovan
Chris Garrigan
Beth Wojton
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:31 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of May 24, 2010. Dr. Streett made the motion to approve the minutes and Mr. Addison seconded. Mr. Simons noted a correction on page 3, line 3, "Mr. Addison made the motion to approve the Resolution. Mr. Simons seconded." The minutes were approved with the correction.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins provided a brief Director's Report:

The Service Awards luncheon was held June 7th for those employees receiving 5, 10, 15, 20, 25, 30 and 35 year awards.

A meeting with Eloise Foster, Secretary of Budget and Management to discuss the Governor's new executive order on furloughs has not been scheduled to date.

MES management supervisory training was recently completed. Participating employees included new and possible future supervisors. An awards ceremony was held the previous Friday.

The Maryland Municipal League summer conference is June 27th-30th. MES will have a display and presence at the conference.

PROJECT REPORTS

Each Executive Director gave a capital project report. Ms. Donovan representing Technical and Environmental Services provided handouts and an overview of Poplar Island, Poplar Island Landbase, and Masonville. Questions were addressed. Mr. Wheeler, Water and Wastewater, reported on Eastern Correctional Institution Water Supply and Wastewater Treatment Upgrades. Information was given to the Board and questions were addressed. Mr. Tomczewski of Environmental Operations gave an overview of the Midshore II Regional Landfill project. A handout was provided and sample liner material passed around. Questions were addressed. Mr. Zimmerman addressed the financial details.

Mr. O'Neill advised the Board of the recent fire at the Eastern Correctional Institution Co-Generation plant. No steam is currently being produced. Two (2) temporary boilers have been brought to the facility. There was a tremendous coordinated effort by all parties involved in abating the fire as well as bringing the facility back up again. The Department of Public Safety and Correctional Services is pleased with the response.

BUSINESS DEVELOPMENT

Ms. Wojton reported that a conference call is scheduled with partners in the Aberdeen-Edgewood project to discuss strategy and upcoming questions. Another site visit has been scheduled. There will be meeting with the CEO of Middlesex to discuss possible partnering projects. Mr. Jim Stonesifer has been hired by MES to provide customer service outreach.

HUMAN RESOURCES

Ms. Wojton reported there are 18 vacancies. The agency is beginning to lose good employees because of the limits on pay increases, but the pool of applicants continues to be strong. A question was addressed. Ms. Wojton introduced and reviewed two (2) policy revisions. The first revision to Overtime/Compensatory Time Policy complies with an approved regulation. The second revised policy is to Leave & Time Off, Section III. D. It was noted that a correction needs to be made to the date; "June 31" should be "June 30". Mr. Snee made the motion to approve the Policy Revisions. Dr. Streett seconded. The motion passed unanimously.

FINANCIAL REPORT

Mr. Zimmerman reviewed the Financial Statements ending May 31, 2010. Labor is slightly above plan. Overhead and fringe are strong and overhead variances are recovering more than expected. A payment was received from Anne Arundel County Board of Education. American Container has made small payments. A revised invoice was sent to Emanuel. Legal is working with South Carroll Swim Club regarding its debt. Mr. Zimmerman turned the Board's attention to the Plan v. Actual Report. The results are better than projected with overhead variances above the target projection. There has been a slight reduction in GIS services due to SHA reductions. Interest earning is negligible. A question was addressed. Mr. Zimmerman reviewed the 2011 Financial Plan. Estimates are conservative. Mr. Adams excused himself from the meeting at this time. A question was addressed.

Mr. Zimmerman introduced Resolution 10-06-01R to amend the 401 (k) Adoption Agreement. Mr. Addison made the motion to approve the Resolution. Mr. Simons seconded. The motion passed unanimously.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Mr. Snee made the motion to approve the Item. Mr. Addison seconded. Mr. Harkins introduced Item 2. Mr. Tomczewski provided additional information. Questions were addressed. Dr. Streett made the motion to approve the Item. Mr. Snee seconded. The motion passed unanimously. Mr. Harkins introduced Item 3. Mr. Simons made the motion to approve the item. Mr. Addison seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. A question was asked about use of the backhoe at BWI.

LEGAL REPORT

Mr. Coleman advised the Board the contract for bond counsel has been awarded by the Attorney General's office. A question was addressed.

EXECUTIVE SESSION

At 11:03 a.m., upon motion of Mr. Addison, second by Dr. Streett, the members of the Board went into executive session to discuss an investigate proceeding on actual or possible criminal conduct, as permitted under State Government Article §10-508(a)(12). Also present during the executive session were Mr. Coleman, and Ms. Voorhees Balenske. Upon motion by Mr. Snee at 11:14ap.m. the Executive Session ended and the meeting adjourned.


RICHARD P. STREETT, JR., V.M.D.
SECRETARY


JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-07A
July 6, 2010**

LOCATION: MES Headquarters, and by telephone
259 Najoles Road
Millersville, Maryland

TIME: 2:00 p.m.

DIRECTOR PRESENT: James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer

DIRECTORS PARTICIPATING BY PHONE :
William B.C. Addison
Joseph F. Snee, Esq.
Talmadge E. Simons
Edward Adams

DIRECTORS ABSENT: Richard P. Streett, Jr., V.M.D., Secretary
Leslie Jackson Jenkins, Esq.

OTHERS PRESENT: Sean Coleman, Esq.
Henry Cook
Chris Garrigan
Beth Wojton
Charles Madison
Jerald Wheeler
Nancy Voorhees Balenske

CALL TO ORDER

The meeting was called to order at 2:00 p.m

HUMAN RESOURCES

Mr. Harkins opened the Board meeting by summarizing a recent meeting he and Mr. O'Neill had with the Secretary of Budget and Management. Mr. O'Neill and Mr. Zimmerman then reviewed the four (4) major directives of the Governor's Executive Order establishing a FY 2011 State Employees' Furlough and Temporary Salary Reduction Plan and the calculations prepared by Mr. Cook. Mr. Harkins then summarized his conversation with Mr. Ted Dallas, Governor's Deputy Chief of Staff and Mr. Matt Gallagher, Chief of Staff. The purpose of the meetings was to present information to the Secretary and Governor's Staff describing how MES would be adversely and substantially affected by implementation of the Executive Order. In particular, Mr. Harkins pointed out that a furlough program would significantly reduce MES revenues, but save the State almost no appropriated funds.


As a result of subsequent negotiations with the Secretary, MES will transfer to the State of Maryland the amount of \$1,075,000.00, and the Secretary will agree to exempt all employees of MES from all the provisions of Executive Order 01.01.2010.11, including, without limitation, the provisions of paragraphs "C", "J", "L" and "M" of the Executive Order.

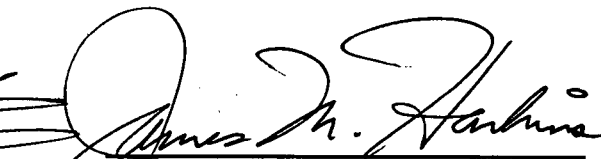
In order to memorialize the understandings between MES and DBM, Mr. Coleman and the counsel to DBM drafted the attached Memorandum of Understanding.

A question was addressed.

Mr. Addison then moved to approve the MOU as presented to the Board. Mr. Simons seconded the motion, and it was unanimously approved by the members participating in the meeting.

The Board meeting adjourned at 2:15 p.m.


**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**


**JAMES M. HARKINS
DIRECTOR**



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-7
July 26, 2010**

LOCATION: Conference Call
259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:** James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer

DIRECTORS PARTICIPATING BY CONFERENCE CALL: Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph F. Snee, Esq.
Leslie Jackson Jenkins, Esq.
Talmadge E. Simons

DIRECTOR ABSENT : Edward Adams

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Henry Cook
Jerald Wheeler
Steve Tomczewski
Charles Madison
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:32 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of June 21, 2010 and July 6, 2010. Dr. Streett made the motion to approve the minutes and Mr. Simons seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins and Mr. Zimmerman met with Neil Pedersen, State Highway Administration regarding auditors' questions pertaining to overhead rates for water and wastewater clients. A follow up email was received advising MES the SHA will not contest the rates as audited.

Mr. Harkins participated in the Governor's Green Economic Development Forum held at the Department of Agriculture on July 14th. A summation of the Green Jobs & Industry Task Force was given.

Proposed regulations for the Chesapeake Bay are being issued by the Environmental Protection Agency. The State will prepare a response. Listening sessions are being scheduled with several interest groups, local entities, municipalities and counties. MES will provide input on those regulations pertaining to water and sewer.

MES staff and Mr. David Bezanson, Assistant Secretary, Department of Public Safety & Correctional Services toured Somerset County site locations for the anaerobic digester project.

If anyone is interested in playing in the MACO golf tournament on Wednesday, August 18th, please advise Beryle.

A question was asked about the anaerobic digester project. Mr. Harkins and Mr. Madison provided an update. Ms. Jenkins requested to go on record that MES only move forward if the project is sustainable. Mr. Harkins advised that MES would not move forward with the project unless it was cost effective to do so.

BUSINESS DEVELOPMENT

Ms. Wojton reported that MES is expecting a second set of questions on the Aberdeen-Edgewood project. Work has already begun to address the anticipated questions. Speculation is the Patuxent Naval Base RFP for utilities privatization will be issued in October. MES met with a developer building homes in southern Anne Arundel County regarding MES capability to

provide stormwater and water and wastewater services. Mr. Jim Stonesifer, MES customer service representative has visited MES clients in most state regions and is providing input and feedback.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 3.86% once the 2 new hires and 7 potential new hires are processed. There are 34 vacancies. The current number of positions is 725. A question was addressed.

FINANCIAL REPORT

Mr. Zimmerman informed the Board the year-end close out is still being completed. A complete financial report will be provided next month.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Questions were addressed. Mr. Simons made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Snee made the motion to approve the Item. Dr. Streett seconded. The motion passed unanimously. Item 3 was introduced. Dr. Streett made the motion to approve the Item. Mr. Snee seconded. The motion passed unanimously. Mr. Tomczewski introduced Item 4. He referred to the photos and diagrams sent to the Board. Questions were addressed and financial information was provided by Mr. Zimmerman. Mr. Snee made the motion to approve the Item. Ms. Jenkins seconded. The item was approved unanimously. Mr. Harkins introduced the last Item 5. Mr. Tomczewski and Mr. O'Neill provided additional information. Mr. Addison made the motion to approve Item 5. Dr. Streett seconded. The item was approved unanimously. Mr. O'Neill at this time reminded the Board a barbecue will be held at ECI on the afternoon of the MACO Board meeting to thank the parties involved in abating the fire as well as bringing the facility back up again

NOTIFICATIONS

The Notifications are contained in the Board's notebooks.

LEGAL REPORT

Mr. Coleman's Legal Report was made during the Executive Session.

EXECUTIVE SESSION

At 10:14 a.m., upon motion of Ms. Jenkins, second by Mr. Addison, the members of the Board went into executive session to consult with counsel about potential litigation, as permitted under State Government Article §10-508(a)(8) and discuss matters relating to the acquisition of real property for a public purpose, as permitted under State Government Article §10-508(a)(3). Also present during the executive session were Mr. Coleman and Ms. Voorhees Balenske. Upon motion by Dr. Streett, seconded by Mr. Simons, at 10:36 a.m. the Executive Session ended and the meeting adjourned.



**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**



**JAMES M. HARKINS
DIRECTOR**



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-8
August 19, 2010**

LOCATION: The Grand Hotel
2100 Baltimore Ave.
Ocean City, Maryland

TIME: 8:30 a.m.

DIRECTORS PRESENT: James M. Harkins, Director
John O'Neill, Deputy Director
Joseph Zimmerman, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph F. Snee, Esq.
Leslie Jackson Jenkins, Esq.
Talmadge E. Simons
Edward Adams

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Henry Cook
Douglas Conaway
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs
Jim Waltman

CALL TO ORDER

The meeting was called to order at 8:30 a.m. following breakfast that began at 7:45 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of July 26, 2010. Mr. Simons made the motion to approve the minutes and Dr. Streett seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins met with Abby Hooper, the Governor's Energy Advisor. An MES overview was presented during the meeting.

Proposed regulations for the Chesapeake Bay are being issued by the Environmental Protection Agency. The State is in the process of preparing a response. Mr. Harkins participated as a panel member during listening sessions with several interest groups, local entities, municipalities and counties. MES will provide input on those regulations pertaining to water and sewer. MES will share the written document when it has been completed.

Chris Garrigan reviewed the MES Customer Service Survey conducted by phone and email. Questions were addressed and additional comments provided by Doug Conaway. Ms. Wojton described Mr. Jim Stonesifer's (MES customer service representative) visits to MES clients throughout the state regions. Feedback is brought back to the Groups and Executive Staff. Additional comments & questions were addressed. Mr. Zimmerman described MES' invoice. Examples will be provided at September's meeting.

To celebrate MES' 40th anniversary, the Board and Staff were given wind jackets and baseball caps. Ms. Garrigan also has the members' MACO registration information and additional tickets are available from Beryle Downs.

BUSINESS DEVELOPMENT

Ms. Wojton reported that MES anticipates revising the proposal submitted for the Aberdeen-Edgewood project. Approval has been received from Talbot County for a transfer station and drop off facility to be established at Midshore I. Mr. Tomczewski provided additional information. The Villas at Cattail Creek HOA has hired MES to operate its rebuilt wastewater facility. Mr. Harkins complimented Mr. Conaway on his efforts with assisting Cattail Creek. Ms. Wojton noted that TES continues to grow particularly with increased work from DNR. Additional information was provided by Mr. Madison. Eighteen people were hired last fiscal year and expect to add approximately 26 more positions. A question was addressed. Mr. Zimmerman also informed the Board at this time that bonds will be sold for Midshore II in October/November. A Board conference call will be scheduled. Questions were addressed.

FINANCIAL REPORT

Mr. Zimmerman reviewed the preliminary results of the Plan v. Actual for twelve months ending June 30, 2010. GIS Services is a little under prediction. There is a decrease in net assets as a result of payment to the Department of Budget & Management. There is a dramatic decrease in unrestricted net assets. The audit is underway and will be presented next month. Board members expressed their appreciation for employees' hard work and emphasized the need to reward them once legislative restraints are lifted. Mr. Adams added a comment about the future of county budgets. Ms. Wojton informed the Board that The Singer Group continues to perform salary comparisons. Mr. Snee requested the agency go back two (2) years and determine the BEST and BEST Plus numbers for those years.

Mr. Zimmerman introduced Resolution 10-08-1R. This is an amendment to Installment Financing and Security Agreement between MES and Bank of America for the purpose of extending the maturity of the Service's Revenue Bond Anticipation Note for Midshore II. The extension is for 90 days until bonds are issued and reimburse costs. A copy of the amendment with Bank of America was included for the Board's information. Mr. Addison made the motion to approve the Resolution. Mr. Adams seconded. The motion passed unanimously.

Mr. Zimmerman announced his retirement from State service and MES. He has been named Secretary/Treasurer of Maryland National Capital Parks & Planning Commission. A question was addressed. Mr. Harkins lauded his work and Mr. Zimmerman praised his team of employees. Mr. Cook will be taking Mr. Zimmerman's place and working closely with Mr. O'Neill. A luncheon is scheduled for August 24th at Café Mezzanotte in Severna Park.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 2.76% once the 3 new hires and 5 potential new hires are processed. There are 20 vacancies. The current number of positions is 725. A question was addressed and comment made. Mr. Cook addressed the leave buy back program and high level of participation.

Ms. Wojton reviewed the minor correction to the Overtime/Compensatory Time Policy revision. Mr. Adams made the motion to approve the revised Policy. Dr. Streett seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. A question was addressed and correction noted.

LEGAL REPORT

Mr. Coleman's reported that to date the Somerset County Sanitary Commission has not filed suit. The Attorney General's Office has been heavily involved in the ARRA grants for the Port of Baltimore. A question was addressed.

ANNOUNCEMENTS

The Board was informed that directions are available from Ms. Downs for travel to ECI for tour and employee barbecue. A tour of the facility begins at 3:00 p.m. with the barbecue celebration beginning at 4:00 p.m. Mr. Madison also announced that MES received the 2010 National Environmental Excellence Award for outreach at Masonville DMCF. Prior to September's meeting the Board will be given at tour of the building.

EXECUTIVE SESSION

At 9:54 a.m., upon motion of Mr. Snee, second by Dr. Streett, the members of the Board went into executive session to consult with counsel about potential litigation, as permitted under State Government Article §10-508(a)(8) and discuss matters relating to the acquisition of real property for a public purpose, as permitted under State Government Article §10-508(a)(3). Also present during the executive session were Ms. Wojton, Mr. Coleman and Ms. Voorhees Balenske. Upon motion by Dr. Streett, seconded by Mr. Adams, at 10:28 a.m. the Executive Session ended and the meeting adjourned.



**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**



**JAMES M. HARKINS
DIRECTOR**

**BOARD OF DIRECTORS
MINUTES
MEETING 10-9
September 27, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 10:30 a.m.

DIRECTORS PRESENT: James M. Harkins, Director
John O'Neill, Deputy Director (via conference call for opening of meeting)
Richard P. Streett, Jr., V.M.D., Secretary
Henry Cook, Acting Treasurer
William B.C. Addison
Talmadge E. Simons
Edward Adams
Joseph F. Snee, Esq. (via conference call after headquarters tour)

DIRECTOR ABSENT : Leslie Jackson Jenkins, Esq.

OTHERS PRESENT: Sean L. Coleman, Esq.
Beth Wojton
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs
Attended a portion of the meeting :
Hament Patel
Kim Washington
Maria Bowman
Graylin Smith
Remi Omisore

CALL TO ORDER

The meeting was called to order at 10:31 a.m. followed by a tour of Headquarters. The tour ended at 11:01 a.m. and the meeting reconvened. An Audit Committee meeting preceded the Board meeting.

AUDIT REPORT

Mr. Cook introduced Graylin Smith, Engagement Partner and Mr. Remi Omisore, auditor from the accounting firm of SB & Company, LLC, the audit firm under contract with MES. Mr. Smith noted the draft audit report has been issued and the Board has the preliminary audit reports. The auditor will be issuing an unqualified opinion on MES' overall financial reports, an unqualified Federal single audit opinion, and an unqualified opinion on MES' OPEB status. A detailed report was provided to the Audit Committee prior to this meeting. A thorough risk assessment was performed. Mr. Cook thanked the Finance staff, Hament Patel, Kimberly Washington and Maria Bowman who were instrumental in assisting throughout the audit process. A question was addressed.

MINUTES

Mr. Harkins requested approval of the minutes of August 19, 2010. Mr. Addison made the motion to approve the minutes and Mr. Adams seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins noted the Environmental Operations Group is particularly busy with various projects, including Midshore I and II, the proposed Baltimore County Single Stream Recycling Project, and other potential solid waste projects.

The Midshore II bond sale is scheduled for October 19th. MES will be making a trip to New York City on October 4th. Mr. Tomczewski gave an update on the project. Questions were addressed. {Note, bond sale now tentatively scheduled for mid-November}

On September 29th, a meeting with the president of Energy Answers is scheduled to discuss their proposed waste-to-energy project. If the project moves forward MES may have the opportunity to enter into an MOU to provide service assistance. Questions were addressed. MES will be touring a similar facility in the New England region.

In conjunction with the Governor's Office, MES will be meeting with Perdue officials and touring their chicken litter pelletization plant on October 7th.

Mr. Harkins announced the appointment of Mr. Henry Cook as Treasurer of MES. The appointment has been approved by the Governor and he will be sworn in this week in Howard County. Ms. Jenkins and Mr. Simons have also been reappointed to the Board.

FINANCIAL REPORT

Mr. Coleman introduced and reviewed Resolution 10-09-1R. He gave a history of the project, purpose and reviewed each section of the Resolution. The Indenture of Trust and Preliminary Official Statement were sent to the members by email last week. Mr. Cook advised the latest estimate for the amount of the bond issue is \$19.3 million. Questions were addressed. Mr. Coleman also added there will be a future loan agreement with the Maryland Department of the Environment for the closure of the Hobbs Road Landfill. Mr. Snee made the motion to approve the Resolution. Mr. Addison seconded. The motion passed unanimously.

Mr. Coleman introduced Resolution 10-09-2R. This Resolution modifies the 401(k) Plan to bring in compliance with federal law. Mr. Addison made the motion to approve the Resolution. Mr. Adams seconded. The motion passed unanimously.

Mr. Cook provided examples of invoices sent to MES customers. This is in response to a request made at the August meeting. Copies will be emailed to Mr. Snee.

Mr. Cook provided highlights of year end results. He directed the Board's attention to certain pages within the report regarding Unrestricted Net Assets and Undesignated Unrestricted Net Assets. First quarter results for FY 2011 will be provided at October's meeting.

BUSINESS DEVELOPMENT

Ms. Wojton reported that MES received notification from our partner in the Aberdeen-Edgewood project, Middlesex Water, that the final proposal is due October 22nd. A question was addressed.

HUMAN RESOURCES

At Ms. Wojton's request, Mr. Tomczewski reported that three MES employees attended the annual SWANA equipment rodeo. Mark Wheeler earned first place in the front end loader competition.

Ms. Wojton reviewed the BEST results for 2010. The 2011 BEST committee has been established. Mr. Tim Ford, Environmental Operations is chair. The Board will be advised of the goals at October's meeting. A question was addressed.

Ms. Wojton reviewed the revision to the Reasonable Accommodation Policy (MES HR Policy 1.21). The provision is in keeping with the State's policy. Dr. Street made the motion to approve the revised Policy. Mr. Simons seconded. The motion passed unanimously.

Ms. Wojton reported that the vacancy rate will be 3.31% once the 13 new hires and 2 potential new hires are processed. There are 26 vacancies.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Mr. Adams made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Madison provided additional information. Mr. Simons made the motion to approve the Item. Mr. Addison seconded. The motion passed unanimously. Item 3 was introduced. Mr. Madison provided additional information. Dr. Streett made the motion to approve the Item. Mr. Simons seconded. The motion passed unanimously. Mr. Harkins introduced Item 4. Mr. Addison made the motion to approve the Item. Dr. Streett seconded. The item was approved unanimously. Mr. Harkins introduced the last Item 5. Mr. Wheeler provided additional information. Mr. Adams made the motion to approve Item 5. Mr. Addison seconded. The item was approved unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks.

LEGAL REPORT

Mr. Coleman's reported that his office has been working with bond counsel on Midshore financing. He is also working with Talbot County's County Attorney on proposed operation of a Homeowners Drop-off and transfer station at Midshore I. The County Council is scheduled to approve the agreement on September 28th. The office is also assisting Cecil County with an outstanding bond issue that will provide final payment to MES. Assistance is also being provided to Water and Wastewater on an MDE issued draft permit for Freedom District. The permit presents problems due to scheduled time frame for improvements to the facility.

Upon motion by Mr. Adams, seconded by Mr. Addison at 12:08 p.m the meeting adjourned.



**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**



**JAMES M. HARKINS
DIRECTOR**



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-10
October 25, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

DIRECTORS PRESENT: James M. Harkins, Director
John O'Neill, Deputy Director (via conference call)
Richard P. Streett, Jr., V.M.D., Secretary
Henry Cook, Treasurer
William B.C. Addison
Leslie Jackson Jenkins, Esq.
Joseph F. Snee, Esq. (via conference call)
Talmadge E. Simons (via conference call)
Edward Adams

OTHERS PRESENT: Sean L. Coleman, Esq.
Beth Wojton
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:33 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of September 27, 2010. Mr. Adams made the motion to approve the minutes and Dr. Streett seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Following the Board meeting, the Executive Staff and those Board members who are able will tour Energy Answers.

MES officials traveled to New York City on October 4th and 5th for meetings with bond rating agencies with respect to the upcoming Midshore bond issuance.

MES staff met with Perdue officials and toured their chicken litter pelletization plant on October 7th.

An Open House was held at the Poplar Island Landbase on October 13th for the community. MES employees have significantly renovated the house, and the improvements have been well-received by the neighboring residents.

BUSINESS DEVELOPMENT

Ms. Wojton reported the final proposal containing final remarks for the Aberdeen-Edgewood utilities privatization procurement was submitted.

MES has been contacted by AmeriWaste, a Virginia company that operates a waste transfer station in Elkton regarding operational issues.

FINANCIAL REPORT

Mr. Cook reviewed the Key Operating Results ending September 30, 2010. He noted Direct Labor is flat, revenues are down and the fringe benefit recovery has significantly dropped due to reduced rates established in 2009. Interest rates on MES accounts also continue to decline. Mr. Cook also noted the equipment fund, contribution to the State, and Major Accounts over 120 Days. He turned his attention to The Plan v. Actual Report for the three months ending September 30, 2010. We are currently on target.

Mr. Cook reported on the presentation to the bond rating agencies. Work is underway on the preliminary official statement for the Midshore bond issuance. Issuance will be for approximately \$19.4 million dollars with an additional \$3 million to come from MDE's Water Quality Loan Program. Bond sale is tentatively scheduled to be conducted on November 9th with closing on December 2nd.

Mr. O'Neill noted he attended the Oracle Open World Conference in September. We are currently in the process of procuring an upgrade to the JDE software. The current system is no longer capable of supporting issuance of W-2 forms. This task will be outsourced until a new package is in place.

Mr. Tomczewski in addition to Mr. Cook's summary of bond activities provided an update on Midshore II project. The landfill is now taking residential soft trash. Commercial operations are expected to begin January 3, 2011. MES recently entered into an agreement with Talbot County to operate a homeowner drop off and transfer station at Midshore I. A question was addressed.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 2.67% once the 2 new hires and 5 potential new hires are processed. There are 19 vacancies.

Ms. Wojton reviewed the revision to the Mobile Communication Device Use and Texting Policy (MES HR Policy 7.03). Ms. Jenkins made the motion to approve the revised Policy. Mr. Addison seconded. The motion passed unanimously.

Ms. Wojton presented the Environmentally Preferable Purchasing Policy. This policy is being issued as a requirement for all LEEDS certifications. Mr. O'Neill provided additional comments. Dr. Streett made the motion to approve the Policy. Mr. Adams seconded. The motion passed unanimously.

The fiscal year 2011 BEST goals were handed out and reviewed by Ms. Wojton. Questions were addressed. Dr. Street made the motion to adopt the 2011 Best Goals as proposed. Mr. Addison seconded. The motion passed unanimously.

Ms. Wojton introduced Resolution 10-10-1R allowing for the close of MES' offices the day after Thanksgiving, November 26, 2010. Mr. Harkins provided additional remarks. Mr. Simon made the motion to approve the Resolution. Mr. Snee seconded. The Resolution was approved unanimously.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Comments were made and questions addressed. Mr. Snee made the motion to approve the Item. Dr. Street seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Questions were addressed. Mr. Addison made the motion to approve the Item. Dr. Streett seconded. The motion passed unanimously. Item 3 was introduced. Mr. Madison provided additional information. Questions were addressed. Mr. Adams made the motion to approve the Item. Dr. Streett seconded. The motion passed. Ms. Jenkins abstained. Mr. Harkins introduced Item 4. Mr. Addison made the motion to approve the Item. Mr. Simons seconded. The item was approved unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks.

Prior to ending his participation by conference call at 10:18 a.m., Mr. O'Neill thanked the Board for their get well wishes and the plant.

LEGAL REPORT

Mr. Coleman's reported that his office has been working on the Power Purchase Agreement with EcoCorp. He informed the Board he will be accompanying the Attorney General on a river audit of the Gunpowder River watershed on October 27. The office has also been also assisting Cecil County with an outstanding bond issue that will provide final payment to MES. They also continue to work with bond counsel on Midshore financing. Assistance continues to be provided to Water and Wastewater on an MDE issued draft permit for Freedom District. The permit presents problems due to scheduled time frame for improvements to the facility.

OLD BUSINESS

The necessity for a November meeting was discussed. No decision was reached.

NEW BUSINESS

The proposed 2011 meeting schedule was reviewed. No changes or preferences were made at this time and will be reviewed again in December.

EXECUTIVE SESSION

At 10:43 a.m., upon motion of Mr. Addison, second by Dr. Streett, the members of the Board went into executive session about a matter that concerns a proposal for a business to locate in the State, as permitted under State Government Article §10-508(a)(4). Also present during the executive session were Ms. Wojton, Mr. Coleman, Ms. Voorhees Balenske, Mr. Wheeler, Mr. Tomczewski and Mr. Madison. Upon motion by Mr. Addison, seconded by Dr. Streett, at 11:00 a.m. the Executive Session ended and the meeting adjourned.



**RICHARD P. STREETT, JR., V.M.D.
SECRETARY**



**JAMES M. HARKINS
DIRECTOR**



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-11
November 15, 2010**

LOCATION: Conference Call
259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

**DIRECTORS PRESENT
AT HEADQUARTERS:** James M. Harkins, Director
Henry Cook, Treasurer

DIRECTORS PARTICIPATING BY CONFERENCE CALL: Richard P. Streett, Jr., V.M.D., Secretary
Talmadge E. Simons
Edward Adams
Joseph F. Snee, Esq. (joined the meeting at 9:45)

DIRECTOR ABSENT : John O'Neill, Deputy Director
Leslie Jackson Jenkins, Esq.
William B.C. Addison

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Henry Cook
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:36 a.m.

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MINUTES

Mr. Harkins requested approval of the minutes of October 25, 2010. Dr. Streett made the motion to approve the minutes and Mr. Simons seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

Mr. Harkins announced it is America Recycles Day. MES arranged for collection of electronics and paper recycling for employees to clean out files.

Mr. Harkins provided a brief update of the Midshore II bond sale. MES has had numerous meetings with Energy Answers. On October 28th, MES met with municipal leaders from the northeast Maryland region and will be following up.

BUSINESS DEVELOPMENT

Ms. Wojton reported that Congress has passed a bill to fund utilities privatization of military installations. MES will continue to watch for the Patuxent Naval Base RFP. MES met with Middlesex regarding two potential partnership water and wastewater projects. A question was addressed.

FINANCIAL REPORT

Mr. Cook reviewed the Midshore II bond sale status and talks with the rating agencies, which has delayed the schedule. Issuance will be for approximately \$18.9 million dollars with an additional \$3.4 million to come from MDE's Water Quality Loan Program. A Request for Proposals for underwriting services was issued and is due November 22nd. The preliminary official statement for the Midshore bond issuance will be December 8th. The sale is expected to occur around December 12th or 13th with closing following the 22nd or 23rd.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 2.67% once the new hires are processed. The number of positions is 712.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1. Questions Mr. Snee made the motion to approve the Item. Dr. Streett seconded. The motion passed unanimously. Mr. Harkins introduced Item 2. Mr. Madison provided additional information. Mr. Simons made the motion to approve the Item. Dr. Streett seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks.

LEGAL REPORT

Mr. Coleman reported his office has been spending time on the Midshore financing.

ADJOURNMENT

Upon motion by Mr. Adams, seconded by Dr. Streett, the meeting adjourned at 9:49 a.m.


RICHARD P. STREETT, JR., V.M.D.
SECRETARY


JAMES M. HARKINS
DIRECTOR



Martin O'Malley, Governor

James M. Harkins, Director

**BOARD OF DIRECTORS
MINUTES
MEETING 10-12
December 13, 2010**

LOCATION: 259 Najoles Road
Millersville, Maryland

TIME: 9:30 a.m.

DIRECTORS PRESENT: James M. Harkins, Director
John O'Neill, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary
Henry Cook, Treasurer
William B.C. Addison
Joseph F. Snee, Esq.
Talmadge E. Simons
Edward Adams
Leslie Jackson Jenkins, Esq. (arrived at 9:54 a.m.)

OTHERS PRESENT: Sean L. Coleman, Esq.
Beth Wojton
Jerald Wheeler
Steve Tomczewski
Charles Madison
Chris Garrigan
Nancy Voorhees Balenske
Beryle T. Downs

CALL TO ORDER

The meeting was called to order at 9:46 a.m.

MINUTES

Mr. Harkins requested approval of the minutes of November 15, 2010. Dr. Streett made the motion to approve the minutes and Mr. Snee seconded. The minutes were approved.

DIRECTOR'S REPORT & AGENCY ACTIVITY REPORT

MES attended EPA and USDA workshops on anaerobic digestion. Participants toured the Oregon Dairy Farm in Lititz, PA. The dairy farm is a collaborative composting project outlet for locally-generated manure, leaves and food waste. The farm receives grants from the Chesapeake Bay Foundation, Environmental Defense Fund, and Fish & Wildlife.

Mr. Harkins attended the Economic Alliance of Baltimore annual meeting. During a conversation with Neil Pedersen, State Highway Administrator, Mr. Pedersen complimented MES on its great work on the GIS projects.

MES is continuing to work with Baltimore County to implement a single stream recycling project.

Mr. Harkins will be visiting the Energy Answers SE Mass project on Wednesday.

MES will be meeting with Harford County Council on December 14th.

BUSINESS DEVELOPMENT

Ms. Wojton reported there is no news regarding the APG Aberdeen-Edgewood utilities privatization project. A decision is expected by end of the year.

FINANCIAL REPORT

Mr. Cook introduced Resolution 10-12-1R. The Resolution extends the termination date of the Bond Anticipation Note to finance a portion of the Midshore II Regional Landfill. The extension is due to delays with obtaining ratings for the bond sale. Mr. Simons made the motion to approve the Resolution. Mr. Addison seconded. The motion passed unanimously, except that Ms. Jenkins was not yet present for the vote. Mr. Cook provided a further update on the bond sale. The sale is now expected to occur later in January. The Request for Proposals for underwriting services was issued and MES expects to award to 2 companies. A question was addressed. Mr. Tomczewski provided an update of the project. Full operations of Midshore II will begin January 1st. The services to operate Talbot County's Homeowner Drop-off and Transfer Station at Midshore I begin January 3rd.

October's Financial Statements were emailed to the Board. MES is on target with the Plan. November's financials will be available and emailed next week.

HUMAN RESOURCES

Ms. Wojton reported that the vacancy rate will be 2.67% once the new hires are processed. The number of positions is 721.

PROCUREMENT ITEMS

Mr. Harkins introduced Item 1 with additional information provided by Mr. O'Neill and Mr. Wheeler. Questions were addressed. Mr. Snee made the motion to approve the Item. Dr. Streett seconded. The motion passed unanimously.

NOTIFICATIONS

The Notifications are contained in the Board's notebooks. Questions were addressed about Masonville and federal budget cuts of dredging projects. The next potential restoration projects will be at James and Barren Islands. The projects have been approved and are in the queue for funding.

LEGAL REPORT

Mr. Coleman accompanied Attorney General Gansler on the Port Tobacco River Audit. This watershed serves the Town of La Plata and Mr. Coleman spoke with the Mayor of La Plata. A question was addressed. He also mentioned his office continues to spend time on the Midshore financing. An agreement has been reached with the Comptroller's Office establishing formal procedures for the Comptroller to redirect tax revenues from local governments to MES if the local governments fail to pay MES for projects provided by the agency.

OLD BUSINESS

Mr. Harkins referred the Board to the proposed Board Schedule for 2011 that was first submitted to the Board in October. The members decided on the February 28th meeting date.

EXECUTIVE SESSION

At 10:19 a.m., upon motion of Mr. Snee, second by Dr. Streett, the members of the Board went into executive session to discuss matters relating to the acquisition of real property for a public purpose, as permitted under State Government Article §10-508(a)(3). Mr. Adams excused himself from the meeting at 10:20 a.m. Also present during the executive session were Mr. Coleman and Ms. Voorhees Balenske. Upon motion by Ms. Jenkins, seconded by Mr. Snee, at 10:41 a.m. the Executive Session ended and the meeting adjourned.


RICHARD P. STREETT, JR., V.M.D.
SECRETARY


JAMES M. HARKINS
DIRECTOR