

Agenda

Meeting of Board of Directors
Maryland Environmental Service

January 8, 1971

1. Proposed Resolution.
2. Thomas M. Downs, Special Assistant Attorney General -
Statutory Powers, Duties and Responsibilities of Board Members.
3. Thomas C. Andrews, Chief of Administrative Service - Personnel
and Administrative Matters.
4. Current and Planned Activities of the Service.
5. Other Business.

MARYLAND ENVIRONMENTAL SERVICE

The first meeting of the Board of Directors of the Maryland Environmental Service was held at the office of the Service in Annapolis, Maryland, on Friday, January 8, 1971, at two o'clock in the afternoon. There were present:

Thomas D. McKewen, Director; Evan Crossley, Secretary; Robert Chaney, Treasurer. Also present were Reed McDonagh, Deputy Director; Thomas Downs, Special Asst. Attorney General to MES; Thomas Andrews, Chief of Administrative Services, MES.

On motion duly made by Robert Chaney, seconded by Evan Crossley and carried, the following resolution was adopted:

WHEREAS, Article 33B of the Annotated Code of Maryland (1967 Replacement Volume, 1970 Cumulative Supplement) creates the Maryland Environmental Service as an instrumentality and body politic and corporate of the State of Maryland; and

WHEREAS, pursuant to the provisions of Article 33B the Secretary of Natural Resources, with the approval of the Governor, is responsible for the appointment of a Director, Secretary and Treasurer to comprise the Board of Directors of the Service; and

WHEREAS, the Secretary of Natural Resources has exercised the aforementioned statutory responsibility by appointing Thomas D. McKewen, Evan Crossley, and Robert L. Chaney as Director, Secretary and Treasurer, respectively, thereby creating the Board of Directors of the Maryland Environmental Service.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Maryland Environmental Service this 8th day of January, 1971, that the undersigned are duly appointed to their respective offices and accordingly are constituted as the Board of Directors of the Maryland Environmental Service with statutory responsibility for the exercise of all rights and powers and for performance of all duties conferred upon such Board by the provisions of Article 33B.

STATUTORY POWERS, DUTIES AND RESPONSIBILITIES OF BOARD MEMBERS:

Mr. Thomas Downs reviewed duties and responsibilities as set forth in Article 33B.

Treasurer, Mr. Chaney: Responsible for money of the Service, such as sale of bonds or notes, and revenues derived from projects. At present, funds are handled by the Comptroller's Office. When we get to a point where we will have revenues, we have the option to remain on the State system or go on our own. It was suggested that Mr. Chaney be given the opportunity of reviewing the State system and also that of the Washington Suburban Sanitary Commission, and possibly State Roads. Mr. Andrews will arrange this.

Secretary, Mr. Crossley: The law does not stipulate a great deal of detailed activity. The Secretary will attend Board meetings and mull over what has been discussed. Mr. Crossley's knowledge of county government will be very valuable in our approach to handling a problem.

The role of the Board and policy operations were discussed by Mr. McKewen. This is broken down into three elements: 1. Everyday operation; 2. Sale of bonds; 3. Board Meetings once a month.

Sale of bonds and signing of contracts: Under law there is no need for a formal Board action before a contract is signed. However, before we sign, we would need considerable confidence that the money would be available. There are many different kinds of contracts. The type of policy needed is the Board will in some manner approve all actions which will require subsequent formal Board action or approval.

Board Meetings: It was agreed to hold Board Meetings on the second Thursday of each month at 10:00 AM. Persons who will attend these meetings will be the Director, Secretary, Treasurer, Deputy Director, Legal Service,

Administrative Service, and occasionally members of the technical staff. Meetings are public, open to the press. Private meetings could be held to discuss bonds and monies.

PERSONNEL AND ADMINISTRATIVE MATTERS: Thomas C. Andrews, Chief of Administrative Service. Mr. Andrews had several forms to be completed by Secretary and Treasurer. Reviewed reimbursement of expenses and schedule for mailing salary checks.

CURRENT AND PLANNED ACTIVITIES OF THE SERVICE: Thomas McKewen, Director. The Service has two initial functions: 1. Develop river basin plans and solid waste plans. 2. Provision of physical services to provide sewer service and solid waste management to government and private concerns. Planning has begun with the existence of twenty-three counties and Baltimore City's water supply and sewerage plans (1966 legislation). These plans were adopted in 1970 and as a matter of law will serve as the base for river basin plans. We are also operating under a charge to comply with recently adopted Federal regulations which require each State develop interim river basin plans by January 1, 1971 and then fully developed plans to be available by middle of 1973. The responsibility for developing interim and fully developed plans was given to M.E.S. This is a function which is not reflected in our law. We will come up with plans that satisfy our needs and the demands of the Federal Government. Part of the Federal requirements is submitting a map marking boundaries of the plan. We will come up with a format which will present the plan on a map showing division of the State marking regions already recognized in the State. The Service has been through consultation with other State agencies and will begin consultations with local governments for their approval and acceptance of these boundaries.

When the plan is adopted, this is an agreement that they will function according to plan.

Where a need exists prior to the time for finalizing regional plans, the Service can proceed immediately independent of completion of plans.

At present there are two solid waste planning requirements: 1. County Solid Waste, and 2. Service development of regional solid waste planning.

There are suggested plans for carrying out MES responsibility without duplication: County governments contract with MES to develop their county plan as part of the regional plan. (We do not know what counties' reaction would be to this.) The other, a group of counties would engage services for planning jointly. The Service has the responsibility to plan disposal of waste only. Less money will be required if we coordinate our efforts. Contacts with local governments are being scheduled.

OTHER BUSINESS:

Mr. McKewen reviewed present and future staff of the Service.

Legislation for '71 General Assembly: The Service has proposed one piece of legislation. Nearly \$4,000,000 is restricted by authority to be used for river basin plans. We are suggesting that this money is adequate to permit us to develop not only river basin but solid waste planning if they will change the language. We are requesting such a change.

Legislation proposed by others is a bill presently filed on littering. The Legislative Council has approved this bill. It would require each county develop a comprehensive plan to control litter.

Another piece of legislation will be introduced concerning the Patuxent River Basin. This bill states that within the Patuxent River Basin, which contains parts of seven different Maryland counties, the Environmental

Service Act local veto power does not apply. This bill may reopen scars of last Assembly and we are afraid of resulting action. Mr. McKewen feels that we have a workable bill and one that will function. We have not had opportunity to show how it will work. Rather than change or add to the bill, leave it and work with it as it is until proven.

Meeting adjourned at 4:45 PM.

The role of the Board and policy operations were discussed by Mr. McKewen. This is broken down into three elements: (1) everyday operation; (2) sale of bonds; (3) Board meetings once a month.

Sale of bonds and signing of contracts: Under law there is no need for a formal Board action before a contract is signed. However, before we sign, we would need considerable confidence that the money would be available. There are many different kinds of contracts. The type of policy needed is the Board will in some manner approve all actions which will require subsequent formal Board action or approval.

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Personnel and Administrative Matters:

Thomas C. Andrews, Chief of Administrative Services, had several forms to be completed by the Secretary and Treasurer. Reviewed reimbursement of expenses and schedule for mailing salary checks.

Current and Planned Activities of the Service:

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EEC028

Other Business:

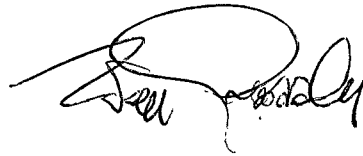
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Meeting adjourned at 4:45 p.m.



Secretary

RESOLUTION

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WHEREAS, pursuant to the provisions of Article 33B the Secretary of Natural Resources, with the approval of the Governor, is responsible for the appointment of a Director, Secretary and Treasurer to comprise the Board of Directors of the Service; and

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Thomas D. McKewen

Director

Evan Crossley

Secretary

Robert L. Chaney

Treasurer

State Office Building
Annapolis, Maryland
January 8, 1971
MES Resolution 71-1

EEC028

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Mr. Thomas Downs reviewed duties and responsibilities as set forth in Article 33B.

Treasurer, Mr. Chaney: Responsible for money of the Service, such as sale of bonds or notes, and revenues derived from projects. At present, funds are handled by the Comptroller's Office. When we get to a point where we will have revenues, we have the option to remain on the State system or go on our own. It was suggested that Mr. Chaney be given the opportunity of reviewing the State system and also that of the Washington Suburban Sanitary Commission, and possibly State Roads. Mr. Andrews will arrange this.

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Meeting adjourned at 4:45 PM.

Maryland Environmental Service - Board of Directors

February 10, 1971

The second meeting of the Board of Directors of the Maryland Environmental Service was held at the office of the Service in Annapolis, Maryland, on Wednesday, February 10, 1971, at 10 a.m. There were present:

Thomas D. McKewen, Director
Evan Crossley, Secretary
Robert Chaney, Treasurer

Also present were:

Reed McDonagh, Deputy Director
Thomas Downs, Special Assistant Attorney General
Thomas Andrews, Chief of Administrative Services

Minutes of the previous meeting (January 8, 1971) were approved.

Report of Director:

Financial Advisor and Bond Counsel -- Mr. McKewen reported that two proposals have been received from companies who would act as financial advisor to MES. (Eastman Dillon and Alex Brown). Selection of financial advisor and bond counsel and the proposals submitted were discussed.

A meeting with Governor Mandel is scheduled for tomorrow to discuss the financial status of MES. After an advisor and bond counsel are selected, it will take six months to clear legal aspects for them to act on our behalf. At present it would be desirable to have the ability to sell bonds or otherwise provide capital for project financing. The Governor's advice is needed regarding this matter. Also the transfer of responsibility for State-owned waste facilities to MES will be discussed at the meeting. There are 26 sewage treatment plants of significant size owned and operated by the State. Do not know of any refuse disposal sites. The role of MES in operating the Hampsted Plant was discussed. It was suggested by Mr. Crossley that consideration be given to taking over solid waste disposal plants, also. (Such as the solid waste problem at the penal institution in Hagerstown). Mr. McKewen pointed out that both matters would be considered. Also water treatment should be considered (operation of plant). It would be economically feasible to service water and sewage treatment plants on a regional basis.

Budget Hearing -- Budget Hearing was held before the House Appropriation Committee last week. This was a joint hearing with the State Health and Mental Hygiene in an attempt to look at all environmental budgets at one time to eliminate overlapping programs, especially in the planning area. There were no cuts in our budget as presented. In reviewing our budget with the Department of Budget & Fiscal Planning, two items were cut before presenting budget to legislature. (1) rental of space and (2) solid waste planning. As far as space is concerned, we have been assigned space in the new Natural Resources Building now under construction. The second item was cut because of our request to transfer \$4,000,000 to cover both wastewater and solid waste disposal planning. This is the only legislation sponsored by MES for this session. It has not, however, been introduced.

We had a meeting with the four Lower Eastern Shore counties. That meeting was initiated by Delmarva Advisory Council and held in their offices. Representatives of the Regional Planning Council and Comprehensive Health Planning have offices with the Delmarva Advisory Council. These representatives were not invited to our meeting. This could pose a problem. It is understandable that the planning agencies, Regional Planning Council, State Planning, and Comprehensive Health Planning, would want to be involved in any meetings regarding planning in which we are involved. It does not seem possible to ask for meetings with the counties and coordinate schedules of these three agencies. It appears that all we can do is to keep these agencies informed. This matter will be discussed at the Ad Hoc Advisory Group Meeting this afternoon. It was suggested that in order to fulfill our responsibility, we deal directly with the counties. It is then their responsibility to inform their consultants and representatives of planning agencies. It was also pointed out that when too many persons attend a meeting such as this, nothing is accomplished.

EEC028

Legislation -- As mentioned before, the only bill sponsored by MES is the request to transfer \$4,000,000 to the Service for use in planning wastewater and solid waste disposal. No problems are anticipated.

Mr. Crossley asked whether legislation would be required in regard to authority of the counties and municipalities to enter into long term contracts which are essential to our contracting for bonds. The Environmental Service Act covers this matter. It does give the counties this authority. It was felt that the Attorney General would give an opinion to this effect. The person who must be satisfied is the bond counsel. This will be discussed with our bond counsel.

MES Staff -- Mr. McKewen introduced new staff members and their program responsibility. Pete Eagen and Clarence Smith were introduced and remained for the balance of the meeting. Messrs. Pierce, Albrecht, Shields, Hall and Sloan were not present but their duties and responsibilities were reviewed. There is one opening for an engineer and this will be filled within the month. A Fiscal Officer has been selected and he will begin March 3rd. One engineering position, a public information officer, a secretary and a clerk typist were requested in '72 budget. This will complete our headquarters staff.

Advisory Committee -- An Ad Hoc Advisory Committee has been formed. Its members are Larry Fogelson, State Planning; Tony Abar, Natural Resources; Charles Kenealy, Health (Solid Waste) and Frank Hoot, Health (Sewage Disposal). The Committee's purpose is to meet with MES from time to time to help assure that other State agencies are informed as to what we are doing and also we are informed of their activities which affect us. It is an interagency coordinating committee. Three items will be discussed at the first meeting this afternoon: (1) Corps of Engineers Study on Patuxent; (2) regional agency representatives attending meetings; and (3) how to coordinate river basin planning and solid waste planning.

Projects Under Consideration at the Present Time:

(1) Pyrolysis Project for Baltimore City -- Mr. Shields met with Baltimore City Department of Public Works and at that meeting it was decided the City will submit a grant application for a pyrolysis system to handle waste from the City and possibly parts of Baltimore County and Anne Arundel County. The project

may include reclamation of iron, aluminum, carbon, and use of waste heat to generate electricity. In order to have reclamation added to the project, it will be necessary for MES to participate in the financing. The results of our meeting with the Governor and an attempt to rapidly raise funds will determine whether the City will request a reclamation process in addition to pyrolysis.

(2) Lower Eastern Shore Counties -- At our meeting with them, no decision was reached. There was general agreement toward the Environmental Service and the counties planning jointly with both contributing money. A committee was formed and they will send back to the counties their recommendations for solid waste planning and how these plans are to be carried out.

(3) Upper Eastern Shore Counties -- A similar meeting has been arranged for the Upper Eastern Shore Counties on the 19th of February. Chances are it will be an exploratory meeting with an exchange of views. Hopefully we will arrive at a decision to work a specific proposal.

(4) Tri-County Council -- A similar meeting is tentatively set with the Tri-County Council.

Contacts are being scheduled for meetings with the other counties.

Authority of Sanitary Commissions of the counties was discussed. Sanitary Commissions are responsible for the county and they in turn divide the county into districts. It was suggested that Pete Eagen provide the Service with a map showing the sanitary districts of each county.

Senate Bill 92, introduced by Senator Goodman, concerning the Patuxent River Basin was discussed. This bill has been withdrawn by Senator Goodman but may be reintroduced with additional sponsors. The intent of the bill is to remove local veto of the counties within the Patuxent Basin. This includes seven Maryland counties. Senator Goodman hoped that the Environmental Service could use the Patuxent Basin as an experimental project. In 1968, Senator Goodman introduced a bill regulating the treatment plants on the Patuxent River. He has not been pleased with the manner and expediency of the State and counties in carrying out the provisions of this bill. Therefore, he feels the Environmental Service could be successful in cleaning up the Patuxent River. Effects of Senate Bill 92 were discussed.

Meeting adjourned at 12:10 p.m.

Secretary

MARYLAND ENVIRONMENTAL SERVICE
BOARD OF DIRECTORS

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Meeting adjourned at 12:10.

Maryland Environmental Service - Board of Directors

March 11, 1971

The Board of Directors of the Maryland Environmental Service met on March 11, 1971, at 10 a.m. at the office of the Service in Annapolis, Maryland. There were present:

- Thomas D. McKewen, Director
- Evan Crossley, Secretary
- Robert Chaney, Treasurer

Also present were:

- Reed McDonagh, Deputy Director
- Thomas Downs, Special Assistant Attorney General
- Thomas Andrews, Chief of Administrative Services

Minutes of the previous meeting (February 10, 1971) were approved.

Reports:

T. McKewen reported on MES Financing. On February 11, 1971, Mr. James Coulter, Secretary J. Millard Tawes, and Mr. McKewen met with the Governor to apprise him of the necessity of being able to clarify ability to finance as rapidly as possible. The Governor asked that a letter be written to him posing the Service's problem, suggest any possible solution and send it to the attention of Jack Eldridge and Roger Redden. A letter was directed to the Governor listing twelve projects around the State which will require an estimated \$7.7 million in capital.

T. Downs reported on meetings with Eastman Dillon in New York to review Article 33B and determine the need for possible legislative amendment. Inconsistencies in wording were noted; however, no decisions on amendments were made. One provision missing from the law which Eastman Dillon recommends is a reserve fund clause. A statutory reserve fund from which a default could be paid quickly would give the Service a better rating for all bonds. In terms of marketing, it would be advantageous to have the same rating for all bonds rather than a rating determined by the credit of each municipality with whom a contract is executed. It was concluded that a statement was needed from Eastman Dillon regarding needed amendments to our law. This statement will be ready by Wednesday, March 17th. The underwriters expressed pleasure with the act in general and felt it was very well written. They did indicate we could raise funds immediately through the sale of notes.

Mr. McKewen noted that upon receipt of the statement a decision will be made on whether we should go to the General Assembly for amendments. The Baltimore City Pyrolysis System is of main concern at the moment. It is at the grant application stage; application must be filed with EPA by April 1, 1971. Subsequent contact with a bank by Mr. McDonagh seemed to assure the availability of interim funds.

Mr. McDonagh reported on meetings with the counties. On February 22 and 23, Messrs. McKewen, Downs, Crossley and McDonagh met with the Western Maryland Counties (Garrett, Allegany and Washington). Following the meetings a letter was sent to the county commissioners (11), individually, which included a draft contract. A suggested date of April 2nd was set for another meeting (subsequently held on March 31st in Hagerstown). Mr. Lem Kirk of Washington County wrote a letter to Mr. Joe Murnane

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of the Maryland Association of Counties regarding House Bill 99, which sets up separate planning legislation for litter. This letter is significant in that it stated House Bill 99 was not needed because the Maryland Environmental Service was capable of performing this service.

On March 3rd, Reed McDonagh and Robert Chaney met with the Tri-County Council of Southern Maryland. The Tri-County Council will support our efforts in the regional approach. There has been no follow-up as yet; however, Mr. McDonagh felt there would be a joint selection of a consultant for the three counties.

A dinner meeting is scheduled with the Upper Eastern Shore Counties. Mr. Ken Matthews of Delmarva Advisory Council has agreed to continue his role in advocating the regional approach.

There has been no further contact with the Lower Eastern Shore Counties since our meeting with them in February. After this meeting, an article appeared in the newspaper giving favorable comments regarding our meeting from the President of the Wicomico Commissioners.

Prince George's and Montgomery Counties have not been formally contacted. Frederick County Council of Governments is on the agenda for a meeting on Monday, May 10th. (A subsequent meeting with the Commissioners was scheduled for April 12.)

Mr. McKewen attended a meeting with six jurisdictions of the Baltimore Region on March 9th. The purpose was to discuss joint solid waste planning. It was the general consensus, with reservations from Howard and Anne Arundel, that there should be a regional solid waste plan. A steering committee, consisting of two representatives from each county--one from Public Works and one from Planning, a representative of the Environmental Service, State Health and State Planning, was formed. Its main purpose is to develop a proposal for a single contract agreeable to each individual jurisdiction. The Committee will be chaired by a member of the Regional Planning Council. Wil Shields will represent the Maryland Environmental Service and attend the committee's first meeting on March 23rd.

River Basin Plans:

The development of river basin plans will be undertaken very shortly. The counties are now revising their county water and sewerage plans. We are suggesting that the river basin plans and the review of the water and sewerage plans be a single effort. We also suggest that the counties and the Service agree on the character of river basin plans and that the planning effort address itself to any local problems the counties may wish to have reviewed.

The State Health Department has sent letters to the counties asking that revisions to their water and sewer plan be submitted by June 1, 1971. Overlapping of the Health Department requirements was discussed. Most counties are not planning any major changes in their plans and will extend them for another year in their present form. There will be a meeting of the MES Advisory Committee at which time the revision to the county water and sewer plan will be discussed in order that an agreement on a joint approach between the two agencies can be made.

Mr. Andrews pointed out that the Service needs to determine what a river basin plan should include. The Singer Information Service of Washington, D. C. has proposed to take a river basin region, of our choice, and contract to complete a model river basin plan in accordance with our law. They would determine what elements should be included in the plan. There are other groups interested in performing the same service, such as IBM and Omnigroup.

Three basic elements of a plan were determined by our staff after a meeting with SISCO:

(1) Physical -- what facilities are needed. Start with existing county water and sewerage plans and include any additions or needed improvements to existing systems.

(2) Economics -- after there has been analysis of physical need, the determination of costs and economics must be analyzed as well as maintenance and management programs.

(3) Political -- after physical and economic analyses, consultation with local jurisdictions must result in mutual acceptability of the plan including identification of responsibility for implementation.

It is recommended these basic elements occur simultaneously. The Service and the counties would choose a consultant to work in their particular region of the State to do engineering phase. In addition, there would be another consultant working State-wide on the economic analysis. We would have two consultants working at one time, and MES would provide the coordination.

Mr. Crossley raised the question whether or not the engineering consultant could go to the county's consultant who made the initial water and sewerage plan for any physical information rather than to the county. His main concern was with too many persons being involved and possibly conflicting information. A straight line approach would be better.

Mr. McKewen noted that if we take the simplest approach, it would be to hire a single firm to do all the solid waste and river basin planning so that everyone is dealing with one consultant. In most cases there would be no more than two consultants and in some cases one working with the counties. At State level, there would be one economic consultant plus the staff of MES providing statewide coordinating.

Service regions and river basin regions were discussed. Service regions are concerned with geographic areas and river basin boundaries are concerned with the hydrological units. Service regions must be approved by counties; river basin regions do not. A consultant working on the river basin plans must look at possible areas for treating waste in a given river basin. Technical calculations will be done on a hydrological basis, and the engineering firm will not be concerned with the service regions ultimately created.

An economic consultant will be concerned with counties. He will need to look at technical information and determine financing proposals on a political boundary basis.

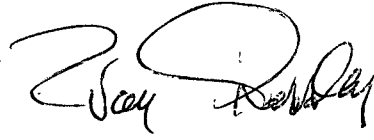
Decisions on river basin planning will be made by the end of March.

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Mr. Andrews supplied Messrs. Chaney and Crossley with a report form for their use in reporting MES activities.

The question was raised regarding Board Meetings being open to the public. Mr. Downs advised that regular Board Meetings are open to the public, especially those meetings where resolutions are acted upon.

Meeting adjourned at 12:15 p.m.



Secretary

Maryland Environmental Service - Board of Directors

April 7, 1971

The Board of Directors of the Maryland Environmental Service met on April 7, 1971, at 10:30 a.m. in the office of the Service, Annapolis, Maryland. Those present were:

- Thomas D. McKewen, Director
- Robert Chaney, Treasurer
- Evan Crossley, Secretary

Also present were:

- Reed McDonagh, Deputy Director
- Thomas Andrews, Chief of Administrative Services
- Thomas Downs, Special Assistant Attorney General

Minutes of the previous meeting (March 11, 1971) were approved.

Reports:

Legislation - 1971 -- Thomas Downs reported House Bill 1375, amending Article 33B, has passed the House and is presently before the Senate. These amendments relate generally to the financing of Service's projects, and will provide for the establishment and maintenance of one or more debt service reserve funds by MES, and will amend and clarify certain provisions relating to authority and procedures governing the issuance and payment of bonds and notes of the Service. Two amendments were made by the House - one spelling correction and the other requiring that MES get prior approval of the General Assembly before transferring any income or interest earned by a reserve fund to any other fund of the Service.

House Bill 1065, amending the \$4,000,000 portion of the Water Quality Loan Act of 1968 for solid waste management planning as well as liquid waste management, has also passed the House and is before the Senate.

Mr. Downs reviewed types of bonds, and reflection of the legislation on the Service's bond status.

State-owned Disposal Facilities -- Mr. McKewen reported that the Governor has not notified the heads of State agencies regarding the Service's taking over operation and management of State-owned sewage treatment plants. Clarification of Article 78, General Services Act, and Article 33B, Environmental Service Act, regarding authority to transfer this responsibility is needed.

Mr. Robert Pierce, MES Chief of Operations and Maintenance, gave a report to the Board on State-owned facilities. There are 27 State-owned plants; 18 have been inspected by MES staff. Ten plants have definite operation and maintenance problems; seven of the ten were completely bypassing treatment and discharging into State waters. Each plant has a different method of operation. Good operating reports are needed and will improve operations when provided. An inventory of spare parts is also needed. Twenty-one of the 27 were built before the water quality standards were adopted. A greater part of them will need expenditure of funds.

Mr. McKewen noted the one reason the Governor wanted the Service to operate and maintain these plants was greater efficiency. The Service can provide greater efficiency but not at a

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lesser cost. An evaluation of the facilities will be made, and a capital project prepared to upgrade these plants. Under present State law, funds are available from the Water Quality Loan Act of 1968. It will not be necessary for the Service to sell bonds. The Health Department should include in their next request for sewerage grant monies from the General Assembly a request for money to cover these expenditures. Also, the State of Maryland is entitled to Forty Million Dollars from the Federal government for this purpose with Six Million available at the present time. The amount the State will get next year depends on federal appropriations.

Project Development -- On April 1st, Mr. McKewen attended a meeting of the Baltimore City Board of Estimates. The Board of Estimates approved the submission of an application to EPA requesting a grant to construct a pyrolysis system for the Baltimore Region. After several changes, the Environmental Service was requested to provide financing. It is hoped that the Service will play a strong role in what is provided in physical facilities and their operation.

Mr. Robert Eagen, MES Engineer in charge of Project Development, reported that many contacts with municipal governments will be made. In setting priorities, Mr. Eagen will work with the State Health Department as they maintain a "needs" list for the entire State. After a general priority list has been set, contact with municipalities and consultants will be made. Target dates will be assigned to each project. Presently, a meeting is planned with the Manager of the City of Bowie to discuss the possibility of a study to investigate the feasibility of a regional plant to serve the Bowie area. Initially, this will be an informative type of service. Mr. Eagen reviewed the problems at Bowie.

It was suggested by Mr. Crossley that the City of Hagerstown be contacted. Mr. Eagen is aware of the problems existing in Hagerstown and has discussed them with a representative of the Interstate Commission on the Potomac River Basin. Contact with the City of Hagerstown will be made.

River Basin Plans -- Mr. Thomas Andrews reviewed the status of river basin planning. At the last meeting of the Board of Directors, river basin plans and the proposals of several consultants to draft the initial river basin plan were discussed. Since that time a decision has been made to have the MES staff develop the first river basin plan and not hire a consultant. The Monocacy Basin has been chosen, and the three steps outlined at the last meeting will be used. The objective will be to meet water quality standards. Also a solid waste plan will be developed for the Frederick Region. The staff will be looking at: (1) demand (who is generating wastes); (2) impact (what the waste is doing to the environment); (3) alternate ways to handle wastes; (4) cost; (5) selection of management scheme; and (6) construction.

Mr. McKewen added that the consultants who have approached us for river basin planning had no particular scheme of what should be done, and in some cases their scheme was not as good as the Service's. Many were more theoretical than pragmatic. Some individual consultants will be used for a particular task as the need arises. Problems that may be encountered in developing a river basin plan for the Monocacy and a solid waste plan for Frederick County were discussed.

Meetings with Counties -- Messrs. McDonagh, Downs, Shields and Crossley met with representatives of the Western Maryland Counties on March 31st in Hagerstown to discuss a proposed draft agreement between MES and Washington, Garrett and Allegany Counties for a solid waste planning. Nothing definite has developed from this meeting with the Western Counties, and Mr. McDonagh asked for suggestions on a better approach.

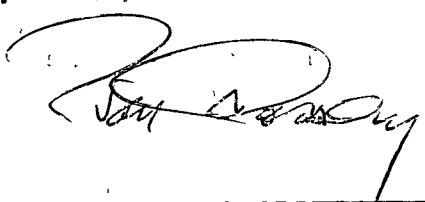
The decision to hire a consultant or consultants to do the planning is one of the difficulties. In the case of Western Maryland, if all three counties decided to have individual consultants, it would be necessary for the Service to seek approval of each county to enter into an agreement with their consultants to make a regional plan. Many of the commissioners of the counties are not convinced a consultant is needed for the entire plan. Past history indicates that the counties can supply much of the information needed.

It was suggested that the MES staff put into writing what is required by the Service. Visual support is also needed listing categories of solid waste disposal, such as tires, waste oil, refrigerators, etc. This will lead to a voluntary application approach. It will also be necessary to show the counties what MES feels about specific problems, such as practicality of transfer stations. It is necessary to know what kinds of solid waste can be handled locally or on a regional basis.

It was agreed that the MES staff will come up with data that is necessary for the beginning of the planning process. After a river basin plan has been developed for the Monocacy and a solid waste plan for Frederick County, this can be used as an example for other counties.

The Service will be in a much better position to approach the counties for a decision when they have presented a State of the Art.

Meeting adjourned at 12:30 p.m.



Secretary

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MARYLAND ENVIRONMENTAL SERVICE

The Board of Directors of the Maryland Environmental Service met on April 7, 1971, at 10:30 AM in the office of the Service, Annapolis, Maryland. Those present were:

Thomas D. McKewen, Director
Robert Chaney, Treasurer
Evan Crossley, Secretary

Also present were:

Reed McDonagh, Deputy Director
Thomas Andrews, Chief of Administrative Services
Thomas Downs, Special Asst. Attorney General

REPORTS:

Legislation - 1971: Thomas Downs reported House Bill 1375, amending Article 33B, has passed the House and is presently before the Senate. These amendments relate generally to the financing of Service's projects, and will provide for the establishment and maintenance of one or more debt service reserve funds by MES, and will amend and clarify certain provisions relating to authority and procedures governing the issuance and payment of bonds and notes of the Service. Two amendments were made by the House - one spelling correction and the other requiring that MES get prior approval of the General Assembly before transferring any income or interest earned by a reserve fund to any other fund of the Service.

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Mr. Robert Pierce, MES Chief of Operations and Maintenance, gave a report to the Board on State-owned facilities. There are 27 State-owned plants; 18 have been inspected by MES staff. Ten plants have definite operation and maintenance problems; seven of the ten were completely bypassing treatment and discharging into State waters. Each plant has a different method of operation. Good operating reports are needed and will improve operations when provided. An inventory of spare parts is also needed. Twenty-one of the 27 were built before the water quality standards were adopted. A greater part of them will need expenditure of funds.

Mr. McKewen noted the one reason the Governor wanted the Service to operate and maintain these plants was greater efficiency. The Service can provide greater efficiency but not at a lesser cost. An evaluation of the facilities will be made, and a capital project prepared to upgrade these plants. Under present State law, funds

are available from the Water Quality Loan Act of 1968. It will not be necessary for the Service to sell bonds. The Health Department should include in their next request for sewerage grant monies from the General Assembly a request for money to cover these expenditures. Also, the State of Maryland is entitled to Forty Million Dollars from the federal government for this purpose with Six Million available at the present time. The amount the State will get next year depends on federal appropriations.

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investigate the feasibility of a regional plant to serve the Bowie area. Initially, this will be an informative type of service.

Mr. Eagen reviewed the problems at Bowie.

It was suggested by Mr. Crossley that the City of Hagerstown be contacted. Mr. Eagen is aware of the problems existing in Hagerstown and has discussed them with a representative of the Interstate Commission on the Potomac River Basin. Contact with the City of Hagerstown will be made.

Minutes of the Board of Directors' Meeting, March 11, 1971:

Minutes were approved with two corrections:

1. Page 5, paragraph 5, first sentence - wording should be changed to, "It is recommended these basic elements occur simultaneously."
2. Page 3, paragraph 4 - date should be May 10th, not May 1st.

River Basin Plans: Mr. Thomas Andrews reviewed the status of river basin planning. At the last meeting of the Board of Directors, river basin plans and the proposals of several consultants to draft the initial river basin plan were discussed. Since that time a decision has been made to have the MES staff develop the first river basin plan and not hire a consultant. The Monocacy Basin has been chosen, and the three steps outlined at the last meeting will be used. The objective will be to meet water quality standards. Also a solid waste plan will be developed for the Frederick Region. The staff will be looking at 1. Demand (who is generating wastes);

2. Impact (what the waste is doing to the environment);
3. Alternate ways to handle wastes; 4. Cost; 5. Selection of management scheme; 6. Construction.

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The decision to hire a consultant or consultants to do the planning is one of the difficulties. In the case of Western Maryland, if all three counties decided to have individual consultants, it would be necessary for the Service to seek approval of each county to enter into an agreement with their consultants

to make a regional plan. Many of the commissioners of the counties are not convinced a consultant is needed for the entire plan. Past history indicates that the counties can supply much of the information needed.

It was suggested that the MES staff put into writing what is required by the Service. Visual support is also needed listing categories of solid waste disposal, such as tires, waste oil, refrigerators, etc. This will lead to a voluntary application approach. It will also be necessary to show the counties what MES feels about specific problems, such as practicality of transfer stations. It is necessary to know what kinds of solid waste can be handled locally or on a regional basis.

It was agreed that the MES staff will come up with data that is necessary for the beginning of the planning process. After a river basin plan has been developed for the Monocacy and a solid waste plan for Frederick County, this can be used as an example for other counties.

The Service will be in a much better position to approach the counties for a decision when they have presented a State of the Art.

Meeting adjourned at 12:30 PM.

Maryland Environmental Service - Board of Directors

May 13, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, May 13, 1971, at 10 a.m. in the office of the Service, Annapolis, Maryland. Those present were:

Thomas D. McKewen, Director
 Robert Chaney, Treasurer
 Evan Crossley, Secretary

Also present were:

Reed McDonagh, Deputy Director
 Thomas Andrews, Chief of Administrative Services
 Robert Pierce, Chief, Operations & Maintenance

Minutes of the April 7th meeting were approved as presented.

Items Discussed:

Legislation -- House Bill 1375 and House Bill 1065 were passed by the General Assembly and have gone to the Governor for signature.

State-owned Facilities -- The Governor will issue an order in the near future transferring responsibility of operating sewage treatment plants and solid waste disposal facilities at State-owned institutions to the Maryland Environmental Service. As soon as this order is issued, a series of meetings will be arranged with the agencies involved. A draft of the order was reviewed.

Conference with Eastman Dillon -- Messrs. Andrews, Downs and McKewen visited the offices of Eastman Dillon, New York, on May 11th and met with representatives of Standard and Poor regarding a bond rating. The purpose of the meeting was to brief Standard and Poor on the provisions of MES law and to meet the managerial staff. They were impressed with the legislative backing of the agency and its approach. Jim Lopp of Eastman Dillon is confident MES will get a AA rating. A rating will be given when the Governor has signed the bill amending the law. A request was made that the rating be published in Standard and Poor's rating publication.

Mr. Crossley questioned if the effect on the local bonding situation on long term contracts with MES was discussed. The matter did not come up before Standard and Poor. However, it was agreed with Eastman Dillon to prepare drafts of two letters-- one to industry and the other to local government-- spelling out the advantages and consequences of MES financing a project on behalf of industry and local government. When these letters are received, it will be determined if there are any legal hang-ups.

The State of Ohio started as a similar organization but as it now stands their sole activity is in financing liquid waste projects. This would be carrying out only a part of the intent of our law.

Solid Waste Planning -- Mr. McDonagh reported the following:

Upper Eastern Shore - there will probably be two consultants representing five counties, one of whom we would employ to do our regional plan.

Lower Eastern Shore - things are developing fairly well. A meeting was held on May 11th with Worcester and Somerset Counties, and they agreed to participate in a joint effort to meet and evaluate the advantages of regional planning with one consultant for the Lower Shore. One of the four counties, Dorchester, has a solid waste plan developed several years ago which needs updating. A meeting is scheduled for May 18th with Dorchester, and we are making good progress there.

Southern Maryland - The Commissioners of the three counties were visited and they have agreed to join together in a community effort to make a selection of one consultant who would be responsible for doing individual county plans. We in turn must hire the same consultant for a regional plan.

Frederick - The Frederick Region represents no real problem. Pete Eagen and Mr. McDonagh met with the Council of Governments in Frederick on May 10th for a luncheon meeting and had the opportunity to expound the virtues of MES to municipal governments (11), including the county commissioners.

Western Maryland - The last contact with the Western Maryland Counties was the meeting in Hagerstown on March 31st. Mr. Crossley reported that Mr. Kirk of Washington County feels they should join the other counties, and he further feels in view of their experience with one consultant, Baker & Wibberly, it would be helpful to all of the counties in that area if this firm were selected to do their planning. Mr. Crossley met with Baker & Wibberly and gave them a general idea of what MES is requiring. At this point, nothing can be done until the "State of the Art" is presented by MES. When it is supplied, the situation will move faster.

Montgomery County - The best approach to Montgomery County is to write a letter to Mr. Gleason stating that it is MES' responsibility to develop solid waste plans. Since this is a matter of mutual interest, MES would like to get together with them to jointly pursue the development of that plan. A similar letter would be written to the County Council with a copy to Mr. Gleason. The Service's interest in joint planning was expressed to Mr. Gleason and hopefully they will extend an invitation to us to meet and go over a broad range of issues.

Prince George's County - The same arrangements as Montgomery County should be used for Prince George's. The Executive is responsible for planning with review by County Council.

Regional Planning Council - RPC has interviewed five consultants for solid waste planning. They selected Bivens and Associates to prepare a proposal. Mr. McKewen met with representatives of Bevin and Company and went over with them an outline for the proposal they will submit. They are quite concerned about having several clients for one project. They would like to contract with MES. RPC will propose this at the next meeting. The Service would be the contractor. It was noted that this problem would arise with other regions.

State Institutions -- Bob Pierce reported on the Service operating State-owned sewage treatment plants. Carroll County is planning a sewerage system in the area of Sykesville, Freedom District (nine million gallons per day). At the present time,

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they are utilizing a one million gpd plant. In the same district, the State has two institutions, Springfield and Henryton. There is the feasibility of doing several things:

(1) Connect the Henryton State Hospital to the system.

(2) Connect part of Springfield State Hospital.

(3) Expand the Freedom District Plant and connect all of Springfield.

It is a matter of cost and condition of plant and what is needed at both. MES will submit a proposal to the Carroll County Sanitary Commission.

The area is large for one plant and the project will be costly; however, with two State institutions, it is more feasible. The people of Sykesville will be paying a high rate but the town needs sewerage badly. The Service is making a very difficult and almost impossible situation more feasible.

The Sanitary Commission has a plant at Hampstead. Plans for operating the Hampstead Plant in the future as a regional plant include other State institutions. The Service believes they could offer operation at a lower rate than the Sanitary Commission could provide and provide more reliable operation, such as emergency equipment, lab support, regional supervisory personnel which you cannot do on a community basis.

Monocacy River Basin Plan -- As mentioned at the last meeting, the Service will undertake a model river basin plan of the Monocacy River. Contact was made with Frederick County Commissioners and a meeting will be arranged with the Carroll County Commissioners. Preparations are being made to undertake this river basin plan. A canoe trip down the Monocacy to the Potomac, about 50 miles, is planned in order to get a better feel of the land. The trip will take one or two days.

Baltimore City Pyrolysis Project -- This project may not materialize. The Solid Waste Office of EPA needs additional funds to approve the grant request from Baltimore City. Prospects of the project proceeding are fair over the next two years. Prospects for this year are poor.

MES' Participation in a Project as a Financing Agency -- Mr. Chaney questioned whether or not the Act sanctioned the Service to participate in a project as a financing agency only.

The Board reviewed Article 33B relating to this question and determined that it was too complex to settle at this meeting. It was suggested that the matter be referred to Thomas Downs for clarification.

Financing -- Mr. McDonagh and Mr. McKewen met with Mr. Harry Weitzel and Mr. Bob Worthington of the Maryland National Bank. The primary purpose was to discuss the possibility of interim financing. They indicated a willingness to participate in terms of bond anticipation notes - temporary financing. It was a useful meeting but did not resolve anything immediately. Further contact will be made when our needs are apparent.

Meeting adjourned at 12:20 p.m.



Secretary

Maryland Environmental Service - Board of Directors

June 24, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, June 24, 1971 at 10 a.m. in Annapolis, Maryland. Those present were:

- Thomas D. McKewen, Director
- Evan Crossley, Secretary
- Robert Chaney, Treasurer

Also present were:

- Reed McDonagh, Deputy Director
- Thomas Andrews, Chief of Administrative Services
- Thomas Downs, Special Assistant Attorney General

Minutes of the previous meeting (May 13, 1971) were approved as presented.

Items Discussed:

Legislation -- House Bill 1375, effective June 1, 1971, and House Bill 1065, effective July 1, 1971 were signed by the Governor.

State-owned Facilities -- The Executive Order transferring responsibility of operating and maintaining sewage treatment plants and solid waste disposal facilities at State-owned institutions to the Maryland Environmental Service was signed by the Governor on May 27, 1971. The Service has been in contact with each agency concerned.

Tom Andrews attended a meeting on June 18, 1971 in Baltimore, with representatives of the Budget Bureau, the Department of Health and Mental Hygiene, and the Correctional Institutions. These three individuals were most anxious to assist the Service in phasing over the institutions. They will supply the Service with cost information and the Service will prepare by July 22nd as many budgets for each of the facilities as possible for inclusion in the '73 budget request. The Service should be prepared to operate all facilities by July 1, 1972. There will be continuous meetings of this type with the three representatives to work out details.

The question of transfer of personnel was discussed. The greatest interest is in the half-man situation. Many of the institutions have one man handling water and sewage facilities. If the Service operates and maintains sewage facilities only, the cost will be greater than it is now. The institutions would like the Service to take over operation and maintenance of water facilities also. In terms of the number of people, the consultant will report on needed personnel. For the '72 budget during phasing-in, not all items will be covered in the budget; however, the Budget Bureau will give backing to go to the Emergency Fund. For 1973, budgets will be in good shape.

Eastman Dillon -- The Environmental Service has been given a rating of AA high grade by Standard and Poor. In the near future MES will ask for a rating from Moody.

Planning -- Reed McDonagh reported that the situation is the same for solid waste planning as reported at the last Board Meeting, except for the Upper Eastern Shore. Talbot County has been given a price from an engineering company from Pennsylvania

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which is 50% less than prices quoted by consultants in the area. This could fragment the Upper Eastern Shore Counties.

Letters were not sent to Montgomery County as reported at the last Board meeting as a meeting was held with the Department of Program Coordination, Office of the Executive, Montgomery County. This group is primarily interested in solid waste management. A subsequent meeting is scheduled with them for Friday, June 25th.

Mr. McKewen and Mr. Pierce attended a meeting of the Carroll County Sanitary Commission on June 1, 1971. This meeting was open to the public, and the county proposal for a new Freedom District Sewage Treatment Plant was presented. The plan received local support, and the Commissioners have decided to continue to organize this project. In the meantime, they are aware of the fact that MES is preparing a proposal to submit to them which will be more economical and desirable. The State institutions will be included. The engineers employed by Carroll County to do their work are also employed by MES to do a cost comparison. Within the next month, the Service will present to the Sanitary Commission a cost differential. Hopefully, the County will accept this proposal as it will be to the State and County's advantage, and it will be superior in terms of waste management to have a single project.

Central Patuxent - Since the last Board meeting, a consultant, Engineering Sciences, Inc., has been hired to do a cost comparison of projects planned by the City of Bowie, WSSC, Fort Meade and Anne Arundel County and construction of a regional plant to handle all or most of the existing plants concerned. Again the Service is confident the alternate of a regional plant will be desirable. There may be some problems - local political problems. Some local jurisdictions may be hesitant about putting fate into someone else's hands. By the middle of August, a report should be in hand and circulated to jurisdictions. There has been more interest on the part of jurisdictions involved since the initial meeting. Mr. Jones of Howard County was contacted to advise him the Savage Plant in Howard County would be included as a part of the Central Patuxent regional plant.

The discontinuance of the existing facilities was discussed. In contracting for participation in a regional plant, the Service must take into consideration the existing plant and what the jurisdiction has invested. Credit cannot be given to the community for the cost of a plant. This seems to be the greatest problem in proposing a regional plant to replace existing facilities.

The overall regional benefits will be to the local jurisdictions' advantage as profit and loss will be shared.

Monocacy - The Service will review the western part of Carroll County which offers the same opportunities for regional planning as the Central Patuxent. There are a number of small communities in the Westminster area which could be included in a new sewage treatment plant being constructed at Westminster.

The canoe trip of the Monocacy mentioned at the last meeting will be scheduled in the near future by Pete Eagen. Those participating will be T. McKewen, C. Hall, E. Crossley, and P. Eagen. The Canoe Club of the Monocacy will provide the equipment.

Frederick Region - Mr. Shields and Mr. Albrecht have discussed with the Frederick County officials solid waste management for Frederick County. A draft contract has been prepared for Beavin & Co. Basically, the Service will take the

already done for Frederick County by Beavin as part of Frederick County's contribution and go from there. This will probably be a model for subsequent projects.

Mr. McDonagh reported that a letter will be sent to all municipalities, jurisdictions and interested groups regarding the establishment of regions within the State of Maryland. This is required by Article 33B. The Service has requested that they comment by August 1st.

Also, a newspaper article stated that Carroll County has sold bonds in the amount of \$6 million at 5.2938% interest. It was noted that Carroll County has a AA rating.

At the last legislative session, Cecil County was granted authority to establish a Department of Public Works. The Sanitary Commission will be phased out as of July 1, and according to an article in the newspaper on June 22nd, Mr. R. J. Hyzjeck has been appointed Director.

Mr. Downs reported that a summer student is going over all enacted legislation of the last session to determine the effect on MES.

Audit of MES Books -- A department audit will not be necessary as the Service is operating on appropriated funds for this year. It was requested that a formal opinion be given by Mr. Downs to this effect.

Financing -- Mr. McKewen gave a brief background of the Service. In the middle 1960's under the old Waste Acceptance Service, the original thinking was the "Waste Acceptance Service" would eventually become the owner and operator of all solid waste and sewage treatment facilities in the State. The powers were put in the law to permit the Service to construct, operate and maintain and finance these facilities. At that point in developing the concept, the question did not arise whether the Service could solely finance a project for a municipality or community. When the law was drafted, the thinking was in terms of financing its own projects and not financing someone else's projects. The law was amended. After the Service was organized, several sessions were held to go over the Act and prepare the staff for its operation. One of the first questions raised was, "Were the powers inseparable or could any one be executed without the other?" It was agreed that the powers were separable and anyone could be used solely or could be used in combination.

Last week at the annual program review in the Secretary's Office, it was mentioned that interest had been displayed by Queenstown in using the financing ability of the Service solely, not necessarily excluding everything else but just financing was discussed. At this meeting, it was felt that the Service did not have the ability to finance independent of operating and maintenance. The danger in our ability to finance solely was pointed out, using the State of Ohio as an example. Ohio has a staff of three or four people who negotiate with industry and local government on financing on their behalf and take care of the mechanics of issuing bonds. Ohio has become solely a financing agency. It was never the intent of the staff of this agency or of those who drafted it or the General Assembly or the Governor that the Service become a financing agency. They intended we should be an operating sanitary authority. Financing was one of the powers needed. In discussing this matter with staff members and legal counsel, it was agreed that the Service would have to prepare itself to utilize that power with constraints and that the constraints on ourselves and other remained within the intent of the law and within the language of

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of the law. The intent and language indicate the Service is set up as an agency to provide environmental pollution control effectively, efficiently and reliably. If the Service's only part of a project were financing, there would have to be assurance that it not only meets regulatory requirements but that it is in addition an effective, efficient and reliable system.

Some questions considered by the Board were:

(1) Would it be proper to require as part of a contract the right to provide some kind of supervisory service and charge for a routine inspection of the project?

(2) Is the ability to finance solely a bad thing to have? Will it be an albatross around our necks or would it be better off not to be able to finance independently?

(3) What kind of constraints can be imposed in keeping with the law?

The legality of financing solely needs to be clarified by the Attorney General and the Bond Counsel. An opinion can be given by the Attorney General; however, the bond counsel will not give an opinion without a bond sale on the horizon. Presently, the summer students are doing research on some bond questions.

The power to finance gives the Service a great deal more ability to work toward its overall objective. It gives the opportunity to come in on an original request to finance and gradually indicate the extent of the services available and their feasibility to the community.

It was noted that there is little difference between the power to finance, and power to construct, or the power to operate. The Board of Directors must decide whether or not a project is feasible.

An example was given of a project that could possibly raise questions on legality. The project is for a small sewage treatment plant on a small stream. It meets all the State's requirements for this plant; however, if the municipality approached the Service to finance, it may not be the most effective, efficient and reliable answer. The site may be doubtful; the plant may not meet technical requirements; the plant would be maintained by part-time personnel with no experience. From the standpoint of a regulatory agency, the project is approved. From the standpoint of MES, it would not be approved. On paper it may be effective; yet it is doubtful whether it could be operated efficiently and with reliability. It would then be proper for the Service to insist that if we are to finance only, we be protected as much as possible by checking the plant with close scrutiny. This would cost money. The Service would finance provided the municipality agreed to pay for regular inspections of the plant by the Service's regional supervisor. Should the municipality want the financing available through MES but do not want any restrictions, can the Service legally place these constraints on the municipality?

Another question raised was what is the nature of an agreement with the local government on financing? Is the Service lending money or do we say it in different words? How would such a contract fit into a county's charter? How does this all fit in with getting bond ratings for different groups? If we are borrowing money to lend to them, presumably we have to add something in terms of reliability that they do not have.

The nature of the agreement would be a contract for services. The latest amendment to the law gives this additional reliability. There would be backing of the debt service reserve fund and the General Assembly.

The Board has to look at the credit restrictions of the municipality and the affordability. The bond service will look to MES for payment. The Board is the judgment body. It must decide:

- (1) Amount of financial risk involved.
- (2) Is it a well-conceived project? What other kinds of projects could accomplish the same thing in a better manner.

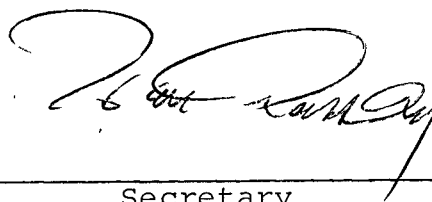
Rules and regulations may need to be adopted to indicate the kinds of considerations to be given to projects. These rules and regulations would be adopted by the Director and not the Board of Directors.

It was suggested that it would be detrimental to have too many specifics as to when we would finance and when we would not. It is ill-advised to set rigid regulations.

A question was raised regarding five year plans. Does this commit us to a system of gradualism that tends to preclude judgments based upon 25 year projects or 30 year projects? The law requires a schedule for the first five years. We can look into the future as far as we can.

It was suggested that the Service adopt guidelines which would be available to the staff of the Service so that there will be a common approach. These guidelines can be revised as investment situations change. It was agreed to have Mr. McKewen draft guidelines on acceptance of financing that would give sufficient area for change. Basically, effectiveness, efficiency and reliability would govern these guidelines.

Meeting was adjourned at 12:40 p.m.



Secretary

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Maryland Environmental Service - Board of Directors

July 15, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, July 15, 1971 at 10 a.m. in Annapolis, Maryland. Those present were:

Thomas D. McKewen, Director
Evan Crossley, Secretary
Robert Chaney, Treasurer

Also present were:

Reed McDonagh, Deputy Director
Thomas Andrews, Chief of Administrative Services
Thomas Downs, Special Assistant Attorney General

Minutes of the June 24th meeting were approved as presented.

State-owned Facilities:

Budgets for State Health Department facilities have been completed and must be submitted by July 22nd. The charging of overhead expenses was discussed. It was suggested that a memorandum outlining State facility charges be worked up and then translate this outline to local and industrial situations. This matter will be taken up at the MES Staff Meeting.

Planning:

Lower Eastern Shore -- At a meeting in Salisbury on July 9th, proposals were presented by two consultants, Roy F. Weston and Greenhorne & O'Mara, to the four-county group. Dorchester was not quoted a price as they had not requested one. Dorchester has requested Rummel Klepper and Kahl submit a proposal to update their present plan. Three counties, Somerset, Wicomico and Worcester, agreed to one consultant, Roy F. Weston, for the Lower Shore. It is hoped that Dorchester will also become a part of that group.

Upper Eastern Shore -- Talbot County has employed a Pennsylvania firm, Nassau Hemsley. This same firm has given Queen Anne's County a proposal, and it is very likely that Queen Anne's will accept. If that occurs, there will be three consultants in five counties, RK&K, Greenhorne & O'Mara and Nassau Hemsley.

Tri-County Council of Southern Maryland will meet on Monday, July 19th, to select a consultant.

There has been no further action in the Western Maryland Counties.

Montgomery County -- T. McKewen, Wil Shields and Mr. McDonagh met with the Public Works Department staff concerning solid waste planning. Montgomery County seems favorable toward the planning functions of the Council of Governments. The county proposed to set up two committees, one consisting of their staff and the other, a committee of citizens. They will request the Environmental Service submit a proposal to develop a solid waste plan and also appoint someone to serve on the committee.

A letter was sent on June 25th to the counties, municipalities, sanitary commissions and other interested agencies

asking for consultation on the establishment of regions in the State. Fifteen replies have been received, all favorable except two, the Allegany Commissioners and the Allegany Sanitary Commission. It will be decided after August 1st, the date given for reply, what course of action should be taken on these letters.

The statutory requirements are to develop regions and then solid waste plans for these regions. At the same time the Service was created, there was a mandate to each county to develop a solid waste plan. The Service's approach is to go to the counties with the designated regions and ask their cooperation and participation in a planning effort. The county's fundamental obligation is to develop a county plan. The contractual arrangements are between the county and its consultant. The Health Department requirements for an ultimate plan include the necessity for each individual county to look at the extent to which the border situations could be handled and the extent to which a number of intercounty or interareas' approach would be beneficial or would not be beneficial. The Service in effect supplies a resource for identifying these intercounty or interarea approaches. If the Service should see an opportunity for counties to do a better job by intercounty projects, the Service is obligated under regional planning requirements to bring this out whether the Service is a part of the contract or not.

River Basin Planning -- The Monocacy River Canoe Trip is planned for the latter part of August.

Financing:

A policy statement on financing will be available at the next Board Meeting.

Projects:

Mr. Robert Eagen, Engineer in charge of Project Development for MES, was asked to review the Service's current projects. They are:

Patuxent -- This is the most active project MES is involved in. The Service has engaged the firm of Engineering Sciences, Inc. to make a study of a possible regional treatment plant to combine four different areas. They should complete a report in five weeks which will give firm information as to whether or not a regional plant is economically feasible. (Fort Meade, City of Bowie, Anne Arundel County and WSSC).

Sykesville -- Matz Childs & Associates have been hired to make a direct cost comparison between the project they designed for Carroll County's New Freedom District and the cost of a combined project of two State institutions and the Freedom District in a single plant. This report will indicate whether or not the Service will proceed with a proposal to Carroll County.

Cambridge -- The City of Cambridge has a new plant under construction. They have asked MES to submit a proposal to finance this plant. The Service would agree to submit a proposal covering conversion of the Cambridge plant to an MES plant and would include financing, operation, maintenance and ownership. A proposal has not been drafted.

It was noted that a standard problem in seeking projects with the counties is the county's feeling of being a captive of the State when MES owns and operates a plant. Another problem encountered is the number and kind of people you need to operate a plant and the lab facilities. The Service may determine a certain number and the Mayor and Council another. If

regulatory agencies had guidelines indicating a plant needs a certain amount of people for enforcement purposes, then the plant would be operated under standards and not someone's opinion of needs. This request for standards has been passed along to the Departments of Health and Mental Hygiene and Water Resources.

Hagerstown -- A comparison of costs has been prepared by the Service to sewer the area north of Hagerstown and other areas eventually involved in a regional system. These alternatives are:

(1) Separate Treatment. Under this plan the county would assume responsibility for treating wastewater flows from Fountain Head, Leitersburg and Chewsville at a secondary sewage treatment plant on the Antietam Creek approximately six miles above the present Hagerstown sewage treatment plant. Hagerstown would expand to meet its own needs together with those of Funkstown. Williamsport's sewage treatment facility would be phased out as soon as possible with its flow being sent to the present plant of Sanitary Subdistrict Nos. 1 and 5 (Halfway) on the Potomac River. This latter plant would accept all future flows from the Conococheague, Cedar Lawn, Halfway and Williamsport election districts.

(2) Hagerstown Expanded. Under this plan the City of Hagerstown would expand its present sewage treatment plant to accept the flows of the Fountain Head, Leitersburg and Chewsville areas. The plant operated by Sanitary Subdistrict Nos. 1 and 5 on the Potomac would carry out the same function as under Plan I.

(3) Entirely Combined at Halfway. This plan would eliminate the present sewage treatment plant at Hagerstown. The flows from Fountain Head, Leitersburg and Chewsville would be transported to the area of the present Hagerstown sewage treatment plant where they, along with the Hagerstown flow, would be pumped into the Halfway sewerage system. The present facilities of Sanitary Subdistrict Nos. 1 and 5 would be expanded to take these flows along with those projected under Plan I.

(4) Excess Flows Regionalized. This plan would send all future additional flows of Fountain Head, Leitersburg, Chewsville, Hagerstown and Funkstown to a regional plant at the present Halfway sewage treatment plant site.

The above four plans are very preliminary type comparisons and the Service would not rely on them without additional detailed study. In reviewing these plans, Nos. 1, 2 and 4 are roughly the same. No. 3 would be most acceptable for water quality standards. Regionalization would be the most desirable but costly. Plan 4 should be considered; next Plan 1.

The following questions were raised concerning the above plans: Did MES staff consider the terrain of Washington County, especially the area of the Halfway plant? The Halfway Plant is built on a cliff, and sewage must be pumped to it. This could affect the costs projected by the Service in implementing the above plans. What about pumping stations from the standpoint of jurisdiction and authority? Who has jurisdiction? Mr. Bingley of the Health Department has a legal opinion that the Sanitary Commission has jurisdiction. The Hagerstown Charter states that for development purposes, the municipality shall have power in an area one mile outside city limits. This section has been checked for constitutionality; however, it has never been tested. It was suggested that a copy of the legal opinion be obtained from Mr. Bingley and determine whether or not this has changed.

The City of Hagerstown has prepared a proposal to expend the Hagerstown plant in order to provide sewer service to the area in question. There will be a public hearing on this proposal on July 22nd. A representative of MES will attend.

Snow Hill -- Mayor Sturgiss of Snow Hill has talked with Mr. Eagen regarding two problems:

(1) A solid waste problem. Snow Hill owns 20 acres of land adjacent to the city but outside the city limits which they are now using for a dump. This is not a satisfactory arrangement, and something must be done. It would probably tie in with a regional solid waste study. Snow Hill will request a proposal from the Service.

(2) Snow Hill owns two sewage treatment plants, a primary serving the municipality and another serving an industrial plant, a chicken processing company. The plant is owned by the town but there is some confusion regarding operating responsibility. The plant has been overloaded in the past and has not performed adequately. The Department of Water Resources put them under order. In response to this order, Dr. Wrenn of Johns Hopkins made a study and wrote a report recommending immediate action. Flows have been reduced so that the plant is performing in a satisfactory manner. The reason the town is so concerned is the Federal government is holding a final 10% of their grant because it has not performed adequately. They want us to assist them in getting this 10% from the Feds.

Crisfield -- The Town of Crisfield is presently upgrading their treatment plant from primary to secondary and expanding it. They are pursuing an agreement with the County Sanitary Commission which would result in the town treating some of the waste created in the county. The Mayor was not especially interested in MES taking over total operation but was interested in some sort of supervisory service.

Joppatowne -- The Service will submit a proposal to operate and maintain the treatment plant within one week.

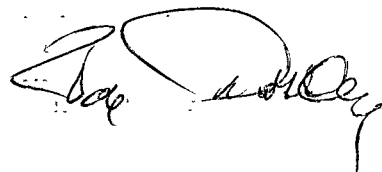
West Ocean City -- There has been a health problem here for many years. George, Miles & Buhr have done most of the work for Worcester County Sanitary Commission. They are presently working up an amendment to the County Water and Sewerage Plan which will result in a regional treatment plant serving the main-land areas west of Ocean City and a large area extending to Assateague State Park. The plant will be located near Assateague with an ocean outfall. The George, Miles & Buhr concept is just that--a concept. The county has asked the Service to make a feasibility study.

The subject of presenting a proposal covering a detailed plan was discussed. The following suggestions were considered: In a situation where there is no crucial crisis to be resolved, it would be better to do a study. However, in a case such as Hagerstown, it would be necessary to present a plan in sufficient detail to close a contract. An exact amount would not be stated but the cost estimates available would be of sufficient reliability to enter such a contract. This information should be available from a river basin plan, which is a detailed and broadened comprehensive water and sewerage plan. In most areas, such as Antietam, the basic information for planning sewage disposal is available.

Wesvaco -- Wesvaco is interested in a sludge project.

C. R. Daniels -- Ellicott City, interested in a sewerage project.

Meeting adjourned at 1 p.m.



Secretary

EEC028

Maryland Environmental Service - Board of Directors

August 12, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, August 12, 1971 at 10 a.m. in Annapolis, Maryland. Those present were:

Thomas D. McKewen, Director
 Evan Crossley, Secretary
 Robert Chaney, Treasurer

Also present were:

Reed McDonagh, Deputy Director
 Thomas Andrews, Chief of Administrative Services
 Thomas Downs, Special Assistant Attorney General

Minutes of the July 15th meeting were approved as presented.

Old Business:

Hagerstown -- A public hearing was held on July 22nd in Hagerstown, Maryland at which time the Sanitary Commission's proposal for a sewage treatment plant on the Antietam was presented. This is in addition to the City Plant and County Plant some distance upstream. The figures indicated it would be fairly high in cost. The Chairman of the Hagerstown Sanitary Steering Committee reported at this hearing that the City has a detailed plan, one which had been approved by the Federal government and a copy of it had been submitted to the State Health Department. It is about half the price of the Sanitary Commission's proposal. The Chairman of the Sanitary Commission indicated the purpose of the hearing was to review the Sanitary Commission's proposal, and to the best of his knowledge the City's Plan had not received approval of the Council or the Health Department or the Federal government. Mr. Bingley of the State Health Department said the plan had not been formally submitted to the Health Department. Since the Public Hearing, the County Commissioners sent a letter to the City stating that as far as the Commissioners were concerned, they are interested in a plan that will provide service to the full area on a time table basis, and one that would be the least expensive for the full period. The intent is to look carefully at all plans that are available and requested the City to present their plan to the Commissioners for consideration. The Commissioners will make a final decision about which plan will be used. The deadline of August 26th was given for a response to this letter.

It was agreed that the Service would meet with the Commissioners and offer their services as a third party. This meeting will be arranged after August 26th. The Service would probably be asked to review this plan in any case to determine the effect of the proposed plan on river basin planning. Mr. Bingley was asked to send to the Service a copy of the City's plan.

State Institutions -- All agencies have been contacted and budgets have been accepted by the Department of Health and Mental Hygiene. A time table is being worked up for assuming operations with most of the plants under the Service's operation by the end of this coming winter. One of the mechanics to be worked out is availability of money. If upgrading will be a capital expenditure, then we would get funds from sewer grant program. If upgrading is considered to be repair rather than capital, then this would have to come out of appropriated funds from the budget of the owning agency, and this money should be readily available to purchase equipment, etc.

Patuxent Study -- A meeting was held on Monday, August 9, with Engineering Sciences, Inc. to review the progress of the study. They are confident they will confirm our original thoughts, a single plant will be less expensive than four or five, as proposed. They are not certain how it will effect each individual jurisdiction. They are presently studying the breakdown of costs and expect a complete report in three weeks.

Freedom District -- Matz Childs and Associates are preparing a cost comparison which will demonstrate to the Sanitary Commission that joining with MES is the cheapest way to provide sewage disposal for the Freedom District. A letter is being drafted to Secretary Solomon suggesting that he agree to abandoning the plants at Springfield and Henryton and enter into a contract with MES and the Sanitary Commission for a Freedom District plant. A letter is also being sent to Mr. George Lewis informing him of the Service's proposal.

Joppatowne -- The Fidelity Mutual Insurance Company, owner of the Joppatowne plant, has asked MES for a proposal to either purchase and operate the plant or just operate and maintain the plant. The Service will not purchase the plant but will accept it if the Insurance Company gives it to them. The Harford Sanitary Commission may replace the plant in the near future or relieve the plant of 1/3 or 1/2 the present load. With this uncertain future, it would be unwise to invest money in this plant. Looking at the financial aspects, this is one matter the Board needs to make a decision on but further information is needed before the decision can be made. The Service has reviewed statements on file with the Public Service Commission regarding items reported in the Utilities' Financial Statement of 1970. In addition, indications are that the water system should be part of the contract. No firm decision has been made to seek amendments to the MES law to authorize involvement with water companies. This would require about 72 amendments to the law.

Messrs. Pierce, Albrecht and McDonagh attended a meeting on August 2nd in Bel Air regarding the moratorium which curtailed sewerage connections in Joppatowne area since March, 1971. There is no evidence at this time that the owners of the land have any connection with the Insurance Company. There may have been some kind of agreement between the prior owners of the sewage treatment plant and the builders to provide additional connections. Since that time there has been a change in ownership and a change in that commitment. The Health Department was represented at this meeting and indicated before connections could be made, improvements would have to be made to the plant, costing 100 to 150 thousand dollars. Mr. Ritter, representing the Insurance Company, indicated that if the plan to enlarge the plant is agreed upon, they would go to the Public Service Commission to get a rate increase to offset complete outlay. The Service needs to look at all conditions before becoming involved with the operation.

It was agreed by the Board that a close review would be made of the financial status of Joppatowne Utility, what revenues they receive and what is happening before entering into a contract with them. Messrs. McDonagh and Chaney will meet with Admiral Ross of the Public Service Commission on August 16th.

AENCO -- MES invited representatives of the Public Works Departments of Prince George's, Montgomery and Baltimore Counties, Baltimore City and Washington, D. C. to a meeting on Wednesday, July 28th, in the Assembly Room of the State Office Building, Annapolis, for the purpose of presenting a plan for solid waste reclamation at Fordwick, near Craigsville, Virginia, by AENCO. The meeting was successful and a great deal of interest expressed.

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The proposal, made by All American Environmental Control Corp., of Delaware (AENCO), would form a partnership with the municipalities in Maryland, Virginia and D. C. The cities and counties would ship their baled wastes to the plant at Fordwick, an abandoned cement plant, at their own expense and divide 30% of the profits from the sale of products made from the waste material. These would include magnetite for washing coal and mushrooms grown in the pastuerized material produced from the waste.

The counties will need to determine the number of tons per year over a minimum of 10 years. The City of Craigsville agrees with the project, and the Virginia Governor and Virginia State Health Department have approved. The B & O and C & O Railroads are also in agreement. MES is also endorsing the plan.

Pyrolysis Project for Baltimore City -- The application submitted to EPA to fund the pyrolysis project for Baltimore City is still being held. An article appeared in the EPA Newsletter that the Solid Waste Office has two projects that look promising when money is available. One of these is the Baltimore project.

Federal Aid for Salaries -- A review has been made of the Federal Aid Catalog by MES staff and letters written to all agencies where possible arrangement for aid could be made. The President's recent ruling on aid for salaries is being handled by Mr. W. Fornos, State Manpower Administrator. It was suggested that it might be useful to contact Mr. Fornos.

New Business:

Salisbury -- The Service has had an inquiry from the City of Salisbury on the Service's taking over the City's incinerator and landfill. The Service will meet with the County and City in the near future.

Use of Water Quality Loan Act for Salaries -- A meeting was held on August 11th with Mr. Louis Goldstein to discuss using the Water Quality Loan Act of 1968 to establish positions for planning as well as purchasing equipment. Alternate plans were suggested by Mr. Goldstein to raise revenue to cover salaries. These plans are being considered and the Service is compiling information which Mr. Goldstein requested.

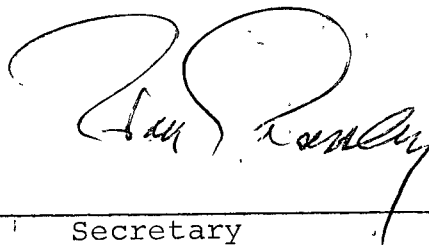
Frederick Region -- Basic information has been received from Frederick County and plans should be ready by the end of September. Funds are available for this inhouse planning; however, the Service will need to go to the Board of Public Works for funding the remaining river basin planning for the '71 fiscal year (Patuxent).

Regional Solid Waste Planning -- The question was raised whether the Service would pay one-half the county's cost if more than one consultant was involved in a region.

Four of the regions will probably have one consultant per region, Southern Region, Baltimore Region, Frederick Region, and Lower Shore. The Upper Shore, with five counties involved, will have three. Cecil County contracted with RK&K before the Service became involved. Caroline and Kent have contracted with Greenhorne & O'Mara. Talbot and Queen Anne's will probably contract with Nassau Hemsley of Pennsylvania. In the interest of improved liaison with the counties, the Service felt the counties acted in good faith and the Service would still offer to assume half local costs.

In the Western Maryland Region, Allegany County, in response to the Service's letter of June 25th, has taken the position that they could be involved with Garrett County but for geographic barriers, it was not logical to be combined with Washington. Washington County at this time is ready to think along the lines of solid waste planning and may have some influence on other two counties if they were told that. MES is willing to participate to some extent financially even if there is more than one consultant.

Meeting adjourned at 12:35 p.m.



Secretary

EEC028

Maryland Environmental Service - Board of Directors

September 9, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, September 9, 1971 at 10 a.m. in Annapolis, Maryland. Those present were:

Thomas D. McKewen, Director
Evan Crossley, Secretary
Robert Chaney, Treasurer

Also present were:

Reed McDonagh, Deputy Director
Thomas Andrews, Chief of Administrative Services
Thomas Downs, Special Assistant Attorney General

Minutes of the August 12th meeting were approved as presented.

Freedom District: The Service is preparing a proposal to construct, operate and maintain a sewage treatment plant in Carroll County to serve the Freedom District and two State facilities, Springfield State Hospital and Henryton State Hospital. This proposal will be ready the beginning of next week. A meeting was held with Mr. Greg Hickock of Eastman Dillon and Mr. Jim Cavanaugh of Alex Brown regarding financing the Freedom District project with MES as opposed to the County's financing. Interim financing was discussed at this meeting. Advantages to Carroll County on MES becoming totally involved in the whole package are administrative costs of handling debt service and actual disbursement of funds, paying of interest, and relieving Carroll County of extending its debt which would have an effect on its subsequent bond offers. There will be subsequent economies in operation when there are additional plants in that area to operate. This proposal will be presented to Carroll County in the near future. (Presented October 4, 1971.)

City of Cambridge: The present sewage treatment plant for the City of Cambridge is inadequate and needs enlargement. There are two options open for MES becoming involved:

- (1) Own the plant and provide services.
- (2) Finance with the City retaining ownership, and MES operate and maintain the plant with the option that the Service will acquire ownership if and when a regional plant is needed.

The City of Cambridge will make a decision by September 27 regarding this matter. (Presentation of a proposal made Sept. 27.)

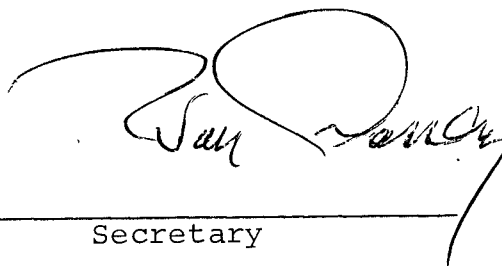
Joppatowne: The proposal preferred for this project is to operate and maintain the sewage treatment plant. There would be a lesser cost for operation and maintenance if MES were to provide services. The question was raised whether or not these savings would be reflected in lower rates to the residents of Joppatowne. The Service cannot set rates; this is the responsibility of the Public Service Commission. They would determine whether rates for Joppatowne would be increased after considering the costs for improvements to the plant. Improvements to the plant are needed in order to connect an additional 100 homes to the system.

MES Projects: It is hoped that the Service will have several signed contracts by January 1, 1972. It was suggested that programs in the solid waste area, such as oil, tires, chemicals, large appliances, automobiles, be set up. At the present time, MES is developing a grant application to EPA to establish a statewide solid waste management utility system. Also, MES has discussed with EPA a grant application to make a feasibility study of a waste oil collection and reprocessing system. A preliminary report on such a system has been completed. A detailed engineering study is needed. This project looks promising.

MES is preparing a budget to get money for special studies to handle tires, hazardous waste, institutional waste, fly ash and sludge. As far as abandoned automobiles are concerned, it is doubtful whether the system presently used by salvage operators could be improved without extensive study which would require capital and time. Two to three years would be needed to study and implement such a project.

Annual Report: An annual report is being prepared by MES and should be completed in the near future.

Meeting adjourned at 11:20 a.m.


Secretary

EEC028

Maryland Environmental Service - Board of Directors

November 11, 1971

The Board of Directors of the Maryland Environmental Service met on Thursday, November 11, 1971, at 10 a.m. in Annapolis, Maryland. Those present were:

Evan Crossley, Secretary
Robert Chaney, Treasurer

Also present were:

Reed McDonagh, Deputy Director
Thomas Andrews, Chief of Administrative Services

Mr. McDonagh acted for Mr. McKewen as Chairman of the Board.

Minutes of the last meeting (September 9, 1971) were approved as presented.

Items Discussed:

Freedom District Project -- The Acting Chairman reported that an Agreement was signed between the Service and the Carroll County Sanitary Commission with the sanction of the County Commissioners of Carroll County on November 2, 1971. This Agreement was based on a formal proposal presented to the Sanitary Commission on October 4, 1971, in Westminster, Maryland. The Agreement, the first contract signed by the Service, employs the Service to construct, operate and maintain a 1.9 mgd wastewater treatment plant to provide service to the Freedom District of Carroll County and two State facilities--Springfield and Henryton State Hospitals. The plant is planned to be located on State-owned property presently under the management of the Department of Forests and Parks.

The matter of interim financing was discussed. It was the opinion of the staff that the Commission wished to utilize Carroll County Banks and that this feeling was strongly supported by the County Commissioners. Even though the Agreement provides that MES would immediately arrange interim financing, a meeting has been scheduled with Mr. Edwin Schauk, Secretary-Treasurer of the Commission to pursue fulfillment of local desires.

A discussion ensued concerning the options accorded CCSC with regard to permanent financing (bond sales). It was pointed out that our proposal provided several options which could be exercised by CCSC when construction was completed and the time came to retire funds obtained by interim arrangements. It was explained that CCSC would be required to make a capital contribution equal to one-half (1/2) the cost of the treatment facility since they would utilize 0.9 mgd--or one-half (1/2) of the initial capacity. CCSC could do this by providing its own cash through the sale of its bonds or by asking the Service to sell its bonds on behalf of CCSC. In any event, the Service would own the facility. CCSC would own the right to use 0.9 mgd of the capacity provided by the plant. The two State Hospitals would utilize the remaining 0.9 mgd capacity and share in the capital cost the same as CCSC. MES would own, operate and maintain the completed facility.

At the suggestion of the Acting Chairman, Mr. Crossley made a motion that the Board of Directors formally confirm the action of the Director in the execution of the Agreement with

the Carroll County Sanitary Commission; that it sanction the advisability and need for the project as outlined in discussions at prior Board meetings and that specific approval be given the proposal made to CCSC on October 4, 1971 as amplified by the formal Agreement signed on November 2, 1971, by the Director, Thomas D. McKewen. The motion was seconded by Mr. Chaney and carried.

Comprehensive Water and Sewer Plans -- A comparison sheet showing total costs of comprehensive water and sewer plans was reviewed by the Board. Clarence Smith of MES compiled this sheet with information from the Department of Health and Mental Hygiene, the FHA and HUD. The purpose was to determine the total cost of the planning effort and to compile information which will be needed to demonstrate that \$250,000 allocated to the Health Department to update these plans should be transferred to the Service. These plans will automatically be updated when the river basin plans are complete. It was felt that with the solid waste plans, the Service has brought about some discipline in excessive amounts of money being spent for these plans.

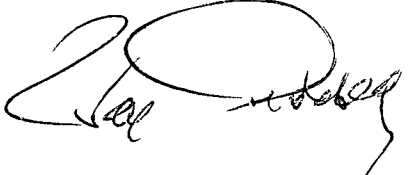
Solid Waste Planning for Montgomery County was discussed. In a meeting with Messrs. Gleason, Sobers and Dunn of Montgomery County, Messrs. McKewen and Eagen discussed not only solid waste planning, but river basin planning as well. This was a useful meeting; however, Montgomery County has some internal problems regarding solid waste. Several members of the Council want the Service to pursue the AENCO proposal and the County Executive favors use of a landfill.

Cambridge Proposal -- A letter is being drafted to the Mayor and Council offering to examine the details of the Service's proposal. At the present time, Cambridge is in a position to sell its own bonds. If this happens, the Service would not be involved as this was the initial purpose of MES involvement. One of the questions raised by Cambridge was ownership of the land if MES owns the plant. It is not necessary to own the land but the Service would require a long-term lease.

Western Maryland Counties Solid Waste Planning -- At the present time, it is not possible to get two counties to agree on the same consultant. Washington County is amenable to any reasonable act. Allegany and Garrett are not interested beyond their own county borders. The result is that Washington County has signed a contract with Baker Wibberly Associates, Garrett has contracted with Rummel Klepper & Kahl, and Allegany is going to use their own engineer. It has been suggested to Washington County that a coordinating committee be set up consisting of representatives from each of the two consulting firms, the county engineer from Allegany, a representative from each County Board, and a representative of MES. It was suggested that the Service write a letter to the counties explaining what the Service is prepared to do, especially pointing out their willingness to contribute 50% of the planning costs. Efforts are being made to organize this coordinating committee.

Establishment of Regions -- The Service, by letter, has counselled with the Secretaries of the Department of Health and Mental Hygiene, Natural Resources, and State Planning regarding the designation of regions. The contents of two letters to the Secretaries, dated December 28, 1970, and October 14, 1971, were reviewed. Mr. Coulter's and Mr. Wahbe's reply to the letter of October 14th were read. The Service's position will be to maintain regions as designated and demonstrate the advantages of these regions.

Meeting adjourned at 1:10 p.m.


Secretary

EEC028

Maryland Environmental Service - Board of Directors

December 9, 1971

The Board of Directors of the Maryland Environmental Service was called to order at 10 a.m. on Thursday, December 9, 1971, by Acting Chairman, Reed W. McDonagh. Those present were:

Evan Crossley, Secretary
Robert Chaney, Treasurer
Thomas D. McKewen, Director (late)

Also present were:

Reed W. McDonagh, Deputy Director
Thomas Downs, Special Assistant Attorney General
Thomas Andrews, Chief of Administrative Services

Minutes of the November 11th meeting of the Board of Directors were approved.

The Acting Chairman read a letter from Dr. Neil Solomon, Secretary, Health and Mental Hygiene, commenting on the proposed regional organization required by the Maryland Environmental Service law. At the request of Mr. Chaney, the Board reviewed the comments contained in a letter from Secretary James Coulter regarding the regional organization.

Mr. Crossley made the motion that to fulfill the statute under which MES operates and for the administrative aspects of the conduct of the corporation's services and to aid in complying with federal, State or other requirements for area consideration on matters directly affecting the responsibilities of our corporation, and the services that our corporation is designed to provide, that we establish regions as set forth on a map designating proposed regions and dated July 1, 1971.

Mr. Chaney seconded the motion. Motion carried.

Mr. McDonagh read a letter from the City of Cambridge declining MES participation in providing wastewater treatment services as embodied in a proposal presented on September 27, 1971.

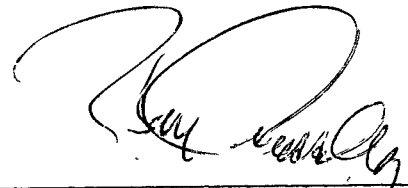
Mr. Thomas Andrews, Chief of Administrative Services, explained the recent reorganization of the Department of Natural Resources.

The Acting Chairman reviewed a meeting with Mr. Edwin Shauck of the Carroll County Sanitary Commission with regard to interim financing arrangement and indicated that there was on file a formal memorandum covering this matter.

Mr. McKewen, who had been attending another meeting, arrived and assumed the Chair, whereupon he advised the Board that the Attorney for Maryland Environmental Service, Mr. Thomas Downs, had rendered an opinion facilitating the total use of State funds for State facilities in connection with the Freedom District Project.

Some time was spent in discussion regarding MES financing and operating waste treatment facilities for private industry. A case in point involved an industry in Frederick City that is seeking financial aid from the Service. This is to be investigated in the coming weeks with some degree of urgency since the industry in question is under orders from the Department of Water Resources for discharging improperly treated liquids. Mr. McDonagh and Mr. Chaney will provide the effort.

The meeting was adjourned at 11:30 a.m. with the Directors inviting "departing" Thomas Andrews to be their guest for lunch.



Secretary

EEC028