



**MARYLAND
ENVIRONMENTAL
SERVICE**

**BOARD OF DIRECTORS
MINUTES**

**MEETING 88-1
JANUARY 14, 1988**

LOCATION MES Headquarters Office

TIME 10 00 AM

DIRECTORS PRESENT R Kenneth Barnes
Edward A Griffith
Robert W Pierce
Michael J Scibinico, II
Lawrence D Shubnell

OTHERS PRESENT Kenneth A Howarth
Sean L Coleman

▲
2020 Industrial Drive
Annapolis MD 21401
(301) 974 3281

APPROVAL OF MINUTES

The Board unanimously approved the Minutes of Meeting 87-9, December 2, 1987

▲
An Agency of
the Department of
Natural Resources

RESIGNATION OF JOHN SEYFFERT

John Seyffert has tendered his resignation as the Director of the Service, effective January 8, 1988. The Secretary of Natural Resources has indicated his intention to appoint a new Director as soon as possible. In the interim, he has indicated that the Deputy Director will be appointed as the Acting Director of the Service.

MES STATE ORGANIZATION

By memorandum dated December 30, 1987, the Secretary of the Department of Budget and Fiscal Planning advised Governor Schaefer of his recommendation that the Maryland Environmental Service not be transferred to the Maryland Department of the Environment. A copy of the memorandum is attached to these Minutes. In general, the memo is very favorable in its discussion of the current effectiveness of the Service.

▲
Director
John D Seyffert

▲
Edward A Griffith
Corporate Treasurer

▲
Dr R Kenneth Barnes
Corporate Secretary

FINANCIAL REPORT

Ken Howarth reported on the current financial status of the Service, including the provisions of the "Treaty of Tuckahoe" According to a trial financial statement prepared for the first five months of Fiscal Year 1988, the Service is operating within budget, and has a retained earnings balance of approximately \$475,000 This is after a correction of about \$290,000 to the results of the FY '87 audit by Touche Ross We are continuing to discuss with Touche Ross exactly what action will be taken to correct or re-state the FY '87 audit report

BANK SIGNATURE CARD

The Board approved a change in the signature card for the Service to require the signatures of both Michael Scibinico and Ken Howarth on the MES Corporate accounts

PROJECT REPORT

A general discussion was held on the following MES Projects and Activities

I MID-SHORE PROJECT

The Board engaged in considerable discussion on the status of the Mid-Shore Project The Deputy Director reported that the proposed contract under which the Service would proceed to do all of the permit work for the landfill has yet to be signed by the participating counties There is considerable concern that the proposal by Allied Signal Corporation to construct a large-scale mass burn resource recovery facility in Kent County may derail the Mid-Shore Counties' plans for a regional landfill It is very difficult to obtain any good information on the status of the Allied Signal proposal The posture of the Service will continue to be to press for a regional landfill to be owned and operated by the Service on behalf of the participating counties

II MONTROSE

Sean Coleman reported that MES has settled the Sierra Club suit on the Montrose Facility The settlement agreement requires that MES bring the plant into compliance or eliminate the discharge altogether by June 30, 1988 The Service paid the filing costs of the Sierra Club in the amount of \$120 at the time of the settlement agreement The agreement has not yet been signed by the Judge, but this is expected in the next few

BOARD OF DIRECTORS MINUTES
MEETING 88-1
January 14, 1988
Page 3

days Since the State appears to be proceeding expeditiously with the closure of the Montrose School, the Service should be able to comply with the settlement agreement If necessary, the discharge can be entirely eliminated

III SOMERSET/ECI INCINERATOR

The Deputy Director reported that the Board of Public Works approved a grant of \$100,000 from the Solid Waste Facilities Loan Act of 1986 to proceed with a trash incinerator at the Eastern Correctional Institute in Somerset County Given the well-publicized problems with the existing boiler set-up at the prison, there was a lot of discussion by the Board as to the responsibilities of the Service At present, the Department of General Services retains full responsibility for making corrections to the existing system At one point, there was some talk of the Service stepping in and taking over responsibility for the entire system However, it was felt that the magnitude of the problems there represented more than we could handle while simultaneously attempting to add a boiler for trash We may, at the end of all of this, accept responsibility for operation and maintenance of the entire facility

IV. JOPPA SAND & GRAVEL


It appears that we may be able to perform corrective action at the Joppa Sand & Gravel property with a combination of disposal of flyash at a nearby BG&E flyash disposal site, and importation of clean fill dirt from an adjoining excavation under the control of the Department of Natural Resources/Program Open Space If so, we should be able to complete the work and take down the fence by the fall of this year within the funds already appropriated for the project

ADJOURNMENT

The meeting adjourned at 1 30 PM The next meeting of the Board of Directors is scheduled for Thursday, February 4, 1988 at 4 00 PM at the MES Headquarters

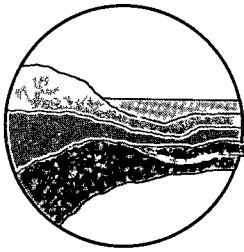


Dr R Kenneth Barnes
Secretary



Michael J Scibinico, II
Deputy Director

SEAL



Maryland Department of Natural Resources



Maryland Environmental Service
2020 Industrial Drive
Annapolis Maryland 21401
(301) 974 7281

William Donald Schaefer
Governor

Torrey C Brown MD
Secretary

BOARD OF DIRECTORS MINUTES

George G Perdikakis
Director

**MEETING 88-2
JUNE 2, 1988**

LOCATION	MES HEADQUARTERS OFFICE
TIME	10 00 AM
DIRECTORS PRESENT	R KENNETH BARNES EDWARD A GRIFFITH ROBERT W PIERCE GEORGE G PERDIKAKIS EDWIN G RICHARDS
OTHERS PRESENT	KENNETH A HOWARTH NANCY VOORHEES BALENSKE SEAN L. COLEMAN

OPENING REMARKS

George G Perdikakis greeted the Board as the new Director of the Maryland Environmental Service. He emphasized his intention to work closely with the Board and to hold regularly-scheduled meetings.

RESIGNATIONS

Michael J Scibinico resigned from the Agency, effective May 31, 1988. Mr Perdikakis is delaying naming a new Deputy Director until he has had time to evaluate the position. Mr Allan P Jensen, Chief of Administrative Services, has also resigned, effective May 31, 1988. Mr Perdikakis is actively seeking his replacement and expects to fill the position shortly.

REORGANIZATION

Mr Perdikakis reviewed the Agency's reorganization with the Board. There will be 3 Divisions, Administration and Finance, Engineering, and Operations and Maintenance. Employees within Marketing and Technical Services will be transferred to these Divisions.

BOARD OF DIRECTORS MINUTES
MEETING 88-2
JUNE 2, 1988
Page 2

FINANCIAL REPORT

Mr Perdikakis reviewed with the Board some problems he discovered upon his arrival in terms of the Agency's fiscal condition and goals he has established for the Accounting Division and the Agency

The Board unanimously approved a \$30,000 expenditure for computer software to enhance the current program and also the preparation of a request for proposal for financial service from the banking industry

Discussion was also held about the responses to the audit request for proposal It was agreed to award the contract to Touche Ross, the lowest responsive bidder

PROJECT REPORT

A general discussion was held on the following MES Projects and activities

I NATIONAL ECOLOGY

There was a second explosion at the Facility A meeting is scheduled between Mr Perdikakis, Mr Coleman, and Mr Charles Simms to discuss MES's role in that Project and future action to be taken

II SIERRA CLUB

The Agency heard that the Sierra Club will be submitting a 60-day Notice Letter to the Department of the Environment regarding permit violations at six wastewater treatment facilities owned by the State and operated by MES A response to the Notice has been prepared stating the status of improvements currently underway Discussion was held about setting up a meeting with the Sierra Club

III MID-SHORE

MES has signed an Agreement with the 3 participating Counties Work is proceeding under that Agreement Mr Coleman is working with Piper and Marbury

IV ECI

MES is going to be the manager of the Facility An Agreement is being prepared between MES, the Department of General Services, Department of Public Safety and Correctional Services, and United Co-Generators The Board unanimously approved the concept of MES pursuing the responsibility of providing additional services

V HART-MILLER

MES has assumed additional responsibilities for the Project These responsibilities include specific design and construction services An amendment has been prepared for signature by MES and MPA

NEW BUSINESS

The Town of Delmar and City of Elkton are new customers There is also the possibility MES will assume responsibility for remainder of water and wastewater treatment facilities being run by the Department of Public Safety and Correctional Services Garrett and Somerset Counties are also interested in services MES can provide

CHECK AUTHORIZATION

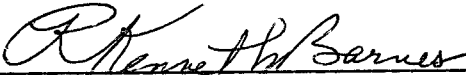
Paperwork was given to Mr Perdikakis authorizing him to sign checks

BOARD MEETINGS

It was agreed upon by all Members to schedule Board Meetings for the second Thursday of each month

ADJOURNMENT

The meeting adjourned at 12 45 PM The next meeting of the Board of Directors is scheduled for July 14, 1988 at 10 00 AM at the MES Headquarters

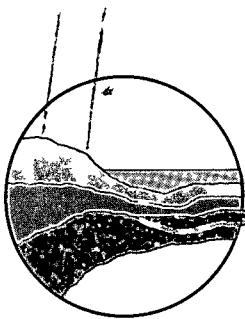


Dr R Kenneth Barnes
Secretary



George G Perdikakis
Director

SEAL



Maryland Department of Natural Resources



Maryland Environmental Service

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Annapolis Maryland 21401
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William Donald Schaefer
Governor

Torrey C Brown MD
Secretary

BOARD OF DIRECTORS MINUTES

George G Perdikakis
Director

MEETING 88-3
JULY 14, 1988

LOCATION	MES HEADQUARTERS OFFICE
TIME	10 00 AM
DIRECTORS PRESENT	R Kenneth Barnes Edward A Griffith Robert W Pierce George G Perdikakis Edwin G Richards Lawrence D Shubnell
OTHERS PRESENT	James A Vroonland Kenneth A Howarth Sean Coleman Nancy Voorhees Balenske Donald R Vogt

INTRODUCTION

George G Perdikakis opened the meeting with the introduction of James Vroonland as the new Chief of Administration and Finance

REORGANIZATION

Mr Perdikakis brought the Board up-to-date on the reorganization of the Agency Mr Perdikakis is delaying naming a Deputy Director until he has resolved the issue of the necessity of having a Deputy Director Discussion was held about where various responsibilities have been transferred and personnel changes An organizational chart was passed out to the attendees The Board unanimously approved the Agency's reorganization The Board also unanimously approved the establishment of a committee to oversee the 401(K) Plan Mr Vroonland will manage the Plan with the advice of three Corporate employees to be named

PROJECT REPORT

A general discussion was held on the following projects and activities

I GARRETT COUNTY

The County has signed a \$50,000 contract with MES to provide technical assistance to develop a landfill

II BOND ISSUANCES

Mr Vroonland will begin looking at the financing for the Mid-Shore, Garrett County, and other projects

III OVERHEAD ASSESSMENT

Mr Perdikakis discussed the overhead evaluation performed by Accounting and the Agency's goal to continue to reduce the overhead Mr Vroonland will be reviewing the evaluation

IV TOWN OF ELKTON

Work is proceeding under the Agreement for design and construction management services

V BCRRF

Mr Perdikakis reviewed the negotiations and discussions held with National Ecology and Baltimore County since the second explosion MES will be taking a more active role in this project

BOARD MEETINGS

Suggestions were made about the Board Meetings These included receiving Minutes a week ahead of time, having a written agenda, receiving a bi-monthly report from the Division Chiefs, putting a coffee pot in the Conference Room accompanied by doughnuts It was also suggested that the meetings begin at 10 00 and attempt to adjourn at 12 30

MACO

The MACO meeting is being held August 18th, 19th, and 20th. Mr. Perdikakis, the Division Chiefs, Jewel White, and Judith Ridgely will be attending. Some members of the Board will be attending through their other associations or at their own expense.

NEW BUSINESS

MES's involvement in the recycling issue was discussed. It was suggested that MES could provide consulting services to the Counties to prepare their regional plans.

Discussion was also held about MES's role with the Maryland Water Quality Revolving Loan Fund.

Mr. Perdikakis informed the Board that administrative orders are expected from MDE for approximately 10 facilities. The possibility exists for MES to "float" its own bonds to rehabilitate these types of facilities.

ASSISTANT TREASURER

A motion was made and unanimously passed by the Board to name James Vroonland the Assistant Treasurer in place of Kenneth Howarth. This change is a result of the reorganization of the Agency.

LEGAL UPDATE

Sean Coleman reviewed with the Board the status of projects under negotiation.

National Ecology - MES has agreed to handle the second explosion claim. However, National Ecology has begun seeking their own insurance.

Royalty Claim - Mr. Shubnell urged that this claim be made a priority and acted upon as soon as possible.

Crownsville - Negotiations are underway with the construction contractor to settle the \$650,000 claim by the contractor.

ECI - The Department of Public Safety and Correctional Services has extended the operations contract for four months. At the end of the four months, it is anticipated that MES will become the overseer of the project.

BOARD OF DIRECTORS MINUTES
MEETING 88-3
JULY 14, 1988
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ADJOURNMENT

The meeting adjourned at 12 40 PM The next meeting of
the Board of Directors is scheduled for August 11, 1988 at 10 00
AM at the MES Headquarters

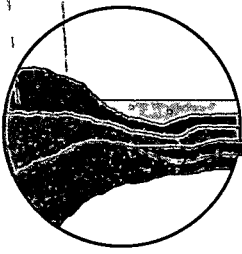


R-- Kenneth Barnes
Secretary



George G Perdikakis
Director

SEAL



Maryland Department of Natural Resources



Maryland Environmental Service

2020 Industrial Drive
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William Donald Schaefer
Governor

Torrey C Brown MD
Secretary

**BOARD OF DIRECTORS
MINUTES**

George G Perdikakis
Director

**MEETING 88-4
AUGUST 16, 1988**

LOCATION MES HEADQUARTERS OFFICE

TIME 2 00 PM

DIRECTORS PRESENT R Kenneth Barnes
Edward A Griffith
Robert W Pierce
George G Perdikakis
Edwin G Richards
Lawrence D Shubnell

OTHERS PRESENT James A Vroonland
Kenneth A Howarth
Sean Coleman
Nancy Voorhees Balenske
Donald R Vogt

APPROVAL OF MINUTES

A motion was made to approve the Minutes of the June 2, 1988 and July 14, 1988 Board Meetings Motion was passed

SIERRA CLUB

An agreement has been reached with the Sierra Club concerning the permit violations Mr Perdikakis for the record praised Sean Coleman's performance in resolving the issues raised by the Sierra Club at minimal expense and no litigation to MES

The Department of General Services, MES, and the consultants will be holding sixty day meetings to ensure full cooperation and coordination with each other in order to expedite the projects for the facilities

FISCAL YEAR 1990 BUDGET

The budget was submitted to the Department on August 12th Nine enhancements have been requested A corporate budget is being developed and the Board will be presented both budgets for approval before November 1st

**BOARD OF DIRECTORS MINUTES
MEETING 88-4
AUGUST 16, 1988**

PROJECT STATUS

City of Oakland - An analysis of their facility is being performed by Engineering and Operations & Maintenance

Maryland Rural Development Corp - A contract will be signed with this entity for \$20,000 to provide water grant assistance

ECI - MES is close to signing the agreement to operate the woodburning plant

Hart-Miller - A \$1 9 million amendment has been signed

EEO

Jewel White has been appointed as MES's EEO representative Hiring procedures are being reviewed and we will be working with institutions to interest minorities in the environmental field

MACO

Mr Perdikakis, Jewel White, Judith Ridgely, Ann Reilly, and two Division Chiefs will be attending MES is not speaking but will be meeting with a group to talk about leaf composting The booth will be manned by all attendees

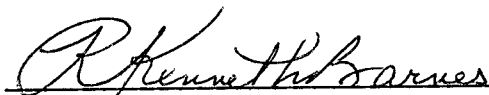
GENERAL DISCUSSION

There was limited general discussion A meeting was held with Johns Hopkins University about developing a research program

The auditor's report is due September 15th This will be presented to the Board at the next meeting

ADJOURNMENT

The meeting adjourned at 3 30 The next meeting of the Board of Directors is scheduled for September 21, 1988 at 10 00 AM at the MES Headquarters

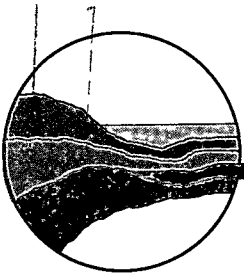


Dr R Kenneth Barnes
Secretary



George G Perdikakis
Director

SEAL



Maryland Department of Natural Resources



Maryland Environmental Service

2020 Industrial Drive
Annapolis Maryland 21401
(301) 974 7281

William Donald Schaefer
Governor

BOARD OF DIRECTORS MINUTES (Unofficial)

Torrey C Brown MD
Secretary

George G Perdikakis
Director

Meeting 88-5
September 21, 1988

LOCATION	MES Headquarters Office
TIME	10 00 AM
DIRECTORS PRESENT	R Kenneth Barnes George G Perdikakis Edwin G Richards
OTHERS PRESENTS	James A Vroonland Kenneth A Howarth Sean Coleman Nancy Voorhees Balenske Donald R Vogt

OPENING

A quorum was not in attendance for the transaction of business or any action to be taken by the Board. The meeting held was unofficial and informative in nature. These Minutes are a record of the meeting.

CHAIRMAN'S REPORT

Mr Perdikakis announced the resignation of Robert Menke, Division Chief of Operations and Maintenance. A replacement will be named by October 7, 1988.

Mr Perdikakis also asked Sean Coleman to look into legislation deleting the Deputy Director as a member of the Board.

PROJECT STATUS

Town of Oakland - A two-year contract has been signed with the Agency providing supervisory services.

MACO - MES's participation was successful. Mr Perdikakis has been invited to attend their legislative committee meeting on October 9th to discuss our role in the State.

BOARD OF DIRECTORS MINUTES
Meeting 88-5
September 21, 1988
Page 2

Prince George's County - A meeting was held with County Executive Parris Glendening

Mid-Shore - Town of Easton has agreed to the landfill concept proposed

Hart-Miller - The Agency is doing the concrete work involved in the dike raising and is subcontracting the steel installation Phase II will be completed by December and will be submitted to MDE

Garrett County - Consultant has refused to continue work under their contract with the County MES has submitted a proposal to take over the work Indications are it will be approved

NEW PROJECT

We are working with a company to look into processing used oil

AUDIT REPORT

Ken Howarth reviewed the report with those members in attendance Further questions will be answered and the report voted upon at the next Board Meeting

ADMINISTRATION AND FINANCE

A report will be prepared by Jim Vroonland and Ken Howarth on the possibility of rebating money to the Agency's customers They will also look into the money sitting in the Prince George's Methane Project

A Policy and Procedures Manual has been prepared and will be reviewed by the Division Chiefs, then will be presented to the Board at a later date

Heavy equipment is being procured for the Hart-Miller Project and the equipment will be used in the future at other Projects A finance package will be developed Also, consideration is being given to replacing vehicles using the Corporate side of the Agency

Discussion was held about the Agency's need to purchase a mid-size automobile using Corporate procurement It was suggested that a policy be developed for purchasing cars for Division Chiefs The insurance liability will be reviewed on transporting guests in Corporate vehicles

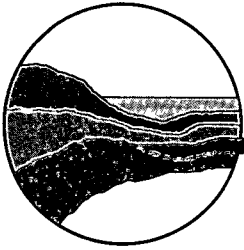
BOARD OF DIRECTORS MINUTES
Meeting 88-5
September 21, 1988
Page 3

GENERAL DISCUSSION

Mr Richards, on behalf of the Mid-Shore County Administrators, complimented Mr Perdikakis, Sean Coleman, and Jim Vroonland on their report to them on the Mid-Shore Project

ADJOURNMENT

The meeting adjourned at 12 05 PM The next meeting of the Board is tentatively scheduled for October 18, 1988 at 10 00 AM at the MES Headquarters



Maryland Department of Natural Resources



Maryland Environmental Service

2020 Industrial Drive
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(301) 974 7281

William Donald Schaefer
Governor

BOARD OF DIRECTORS MINUTES

Torrey C Brown MD
Secretary

George G Perdikakis
Director

Meeting 88-6
October 18, 1988

LOCATION	MES Headquarters Office
TIME	10 00 AM
DIRECTORS PRESENT	George G Perdikakis R Kenneth Barnes Edward A Griffith Robert W Pierce Edwin G Richards Lawrence D Shubnell
OTHERS PRESENT	Sean Coleman James A Vroonland James Haywood Nancy Voorhees Balenske

APPROVAL OF MINUTES

A motion was made to approve the Minutes of the August 16, 1988 Board Meeting Motion was passed and the Minutes were signed

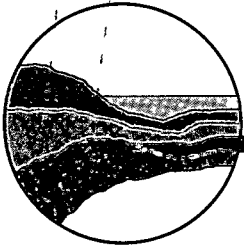
CHAIRMAN'S REPORT

Mr Perdikakis announced the appointment of Thomas Sprehe as Chief of Operations and Maintenance He also announced the resignation of Donald Vogt, Chief of Engineering He is currently interviewing for a replacement as head of Solid Waste/Hazardous Waste/Special Projects Programs 03 and 04 are being reorganized to improve the working relationship between Operations and Engineering This reorganization will be presented at the next Board Meeting

Discussion was also held about eliminating the position of Deputy Director

AUDIT REPORT

The Audit Report was reviewed in brief for those members not present at the last meeting



Maryland Department of Natural Resources



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William Donald Schaefer
Governor

Torrey C Brown MD
Secretary

George G Perdikakis
Director

BOARD OF DIRECTORS MINUTES (Unofficial)

Meeting 88-7
November 10, 1988

LOCATION	MES Headquarters Office
TIME	10 00 AM
DIRECTORS PRESENT	George G Perdikakis R Kenneth Barnes Edward A Griffith Lawrence D Shubnell
OTHERS PRESENT	Sean Coleman James A Vroonland Nancy Voorhees Balenske

OPENING

A quorum was not in attendance for the transaction of business or any action to be taken by the Board. The meeting held was unofficial and informative in nature. These Minutes are a record of the meeting.

CHAIRMAN'S REPORT

Mr Perdikakis has submitted to the Department the reorganization chart and a request to name James Vroonland as Deputy Director. He is awaiting approval by Dr Brown and Governor Schaefer.

ACCOUNTING AND BOOKKEEPING

The Board was briefed on steps being taken to improve the Agency's accounting system.

Mr Vroonland is establishing an account to purchase equipment.

BOARD OF DIRECTORS MEETING MINUTES
MEETING 88-7
November 10, 1988
Page 2

Discussion was held about the current Harris software program and typewriter and personal computer purchases

A Chart of Accounts and breakout will be shown to the Board

ADJOURNMENT

The meeting adjourned at 12 00 PM The next scheduled meeting is December 16, 1988 at 10 00 AM at the MES Headquarters

BOARD OF DIRECTORS MEETING MINUTES
MEETING 88-6
October 18, 1988
Page 2

FINANCE

The Agency is pursuing its ability to finance projects
In the next sixty days, the public will be made aware of its
capability

MID-SHORE

Ed Richards briefed the Board on the status of the
Project

GENERAL DISCUSSION

Ned Griffith suggested MES send an observer to the
monthly Regional Planning Council Meetings

Further discussion was held about the purchase of a
mid-size automobile using Corporate procurement and funds State
specifications were used and the automobile will be purchased
from Norris Ford The automobile is a Ford Taurus A motion
was made by Ken Barnes to approve the purchase and was seconded
by Robert Pierce The motion was passed

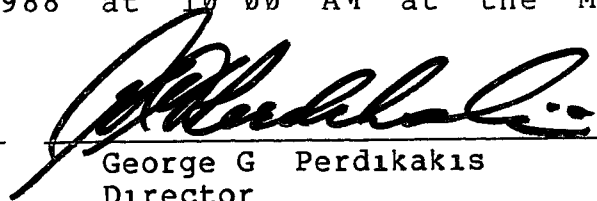
Thomas Sprehe and Dane Bauer were introduced to the
Board by Mr Perdikakis

ADJOURNMENT

The meeting adjourned at 12 00 PM The next scheduled
meeting is November 10, 1988 at 10 00 AM at the MES
Headquarters



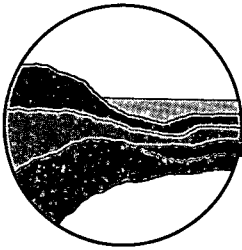
Dr R Kenneth Barnes
Secretary



George G Perdikakis
Director

SEAL





Maryland Department of Natural Resources



Maryland Environmental Service

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William Donald Schaefer
Governor

BOARD OF DIRECTORS MINUTES

Torrey C Brown MD
Secretary

George G Perdikakis
Director

Meeting 88-8
December 16 1988

LOCATION MES Headquarters Office
 (Mr Perdikakis Office)

TIME 10 00 a m (scheduled)
 (10 30 a m meeting convened)

DIRECTORS PRESENT George G Perdikakis
 R Kenneth Barnes
 Edward A Griffith
 Robert W Pierce
 Edwin G Richards

OTHERS PRESENT Sean Coleman
 James A Vroonland
 Kenneth Howarth
 Bob Tenanty
 Tom Sprehe
 Dane Bauer

APPROVAL OF MINUTES

A motion was made to approve the Minutes of October 18 1988 Board Meeting Motion was made by Mr Barnes and seconded by Mr Griffith The motion was passed and the Minutes were signed

CHAIRMAN S REPORT

Mr Perdikakis announced the purchase of new car for the Director The approximate purchase price was \$10 800 compared to the sticker price of approximately \$14 700 Mr Perdikakis also announced that he had had discussions with Secretary Benton of the Department of Budget and Fiscal Planning regarding the system which MES purchases vehicles

Mr Perdikakis also announced that MES has signed a contract with the representative of a major seafood processing company MES has been hired to do preliminary studies for siting a plant in Princess Anne and Somerset County If the project should go forward then it is likely that MES will also build operate and finance a water and wastewater facility The Department of Economic and Community Development is also involved

Mr Perdikakis also announced the hiring of a new employee in the Water and Wastewater Section Duane Wilding a former employee of EPA who helped write the Clean Water Act started last week

DNR TTY for Deaf 301 974 3683

EPA EMPLOYEE

Mr Perdikakis announced that he is attempting to obtain the services of an EPA employee through a special EPA program. Mr Perdikakis requested a resolution from the Board authorizing him to proceed. A motion was made by Mr Pierce and seconded by Mr Griffith. The motion was approved to authorize Mr Perdikakis to pursue hiring of this employee. The employee would be temporarily assigned to MES but would still be employed by EPA.

NPDES VIOLATIONS

Mr Perdikakis announced that NPDES Violations at state wastewater treatment plants had been reduced from 188 in February of 1988 to 18 in October of 1988. He also announced that NPDES Violations at corporate projects had been reduced from 187 to 143 for the same time period. These numbers may not be exact as Mr Perdikakis did not have the actual reports in front of him.

MID-SHORE REGIONAL LANDFILL

Mr Perdikakis announced that a draft agreement has been sent to the Town of Easton for site acquisition.

LEGISLATION

Mr Perdikakis informed the Board that MES will need legislation to update its statute. The Board was advised that they will be requested to approve the legislation before submission to the General Assembly. A special meeting will be called to seek this approval.

FINANCE

Mr Perdikakis announced that he is personally signing every check (except payroll checks) issued by MES for the next 90 days.

Mr Perdikakis requested a resolution to add Mr Vroonland's name to the authorized signatures on MES bank accounts. A motion was made by Mr Barnes and seconded by Mr Griffith. Motion was approved by all.

RESERVED FUNDS

Mr Perdikakis requested the Board to approve the formation of an EPA Project Reserve Fund and a Sick Leave Reserve Fund with retained earnings of MES. It was proposed that \$250,000 be deposited into the Sick Leave Reserve Fund and a \$150,000 to the EPA Reserve Fund. Purpose of the EPA Project Reserve Fund would be to provide a source of funds in the event MES is required to reimburse EPA for grants made to it in prior years. The Fund would also be used in the event EPA does not provide grant funds for costs already incurred by MES in implementing EPA Grant Construction Projects. The purpose of the Sick Leave Reserve Fund would be to provide a source of funds other than overhead for the payment of sick leave.

Mr Barnes asked if the Board would have authority to shift funds from one reserve fund to another. Mr Perdikakis answered yes. Mr Richards expressed

concern that the EPA Project Reserve Fund should contain a greater amount Mr Richards also stated that he believe that the amount being placed in the Sick Leave Reserve Fund was greater than is actually needed because it was based on accounting principles not management principles Mr Perdikakis suggested that a cap could be put on the Sick Leave Reserve Fund Mr Richards suggested that MES should seek legislation to exempt it from having to provide the same sick leave holiday and vacation benefits as are provided to State employees Mr Richards expressed the view that since MES may be potentially liable to EPA for \$650 000 then the EPA Project Reserve Fund should be of primary concern Mr Vroonland then suggested that \$175 000 be put in both of the Reserve Funds Mr Richards then made a motion to establish two funds of \$175 000 each The Sick Leave Reserve Fund would be created on the contingency that MES management would report back to the Board of Directors before the next financial statement is issued as to the appropriate policy for handling the Sick Leave Reserve Fund The motion was seconded by Mr Griffith and approved by the members

REBATE TO MES CUSTOMERS

Mr Perdikakis asked for approval to rebate approximately \$150 000 to both State and Corporate customers of MES A draft letter with an accompanying breakdown was distributed Mr Griffith suggested that MES should keep this amount and instead reduce the proposed overhead rate from 44 5- to 44- He expressed the view that it was premature to give the cash back to customers in lieu of the potential EPA Liability He suggested that MES keep the funds until the end of the fiscal year

Mr Barnes also expressed concern that the amount to be returned was too high given the potential liabilities to EPA Mr Pierce asked if the rebate was for payments made by customers only in fiscal year 88 Mr Perdikakis answered yes Mr Richards stated that there has been dissatisfaction by MES customers over its billing practices and amount of charges He proffered that the rebate would help the image of MES with local government

Mr Richards also pointed out that it should be made clear to the customers that a rebate was being given because MES has improved its administration and overhead accounting practices not because the customers were initially overcharged

Mr Barnes then made a motion to authorize a rebate in the total amount of \$133 641 contingent on the concurrence of the Governor and the Board of Public Works Mr Pierce seconded the motion and it was approved by all

CORPORATE RETIREMENT PLAN

Mr Perdikakis stated that under the present 401(K) Retirement Plan Corporate employees can pull out of the plan and receive all MES contributions after six months membership in the plan He further stated that he is to establish a committee to look at limiting this benefit to those employees who have five years tenure with the Agency The Committee will be composed of James Vroonland Bob Tenanty and one other person who will represent mid-level personnel

EASTERN CORRECTIONAL INSTITUTE

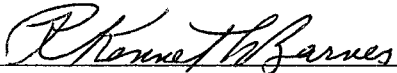
Mr Perdikakis announced that an agreement with the Department of Corrections for MES to operate the ECI Power Plant is ready to be signed. MES will co-manage the plant for approximately 6 months or 1 year. He further proposed that MES buy a machine to clean the wood chips that are used at the plant. Mr Perdikakis further stated that wood chips would be acquired through the competitive bid process. Finally Mr Perdikakis stated that he will propose to Department of Corrections that a standby boiler be established at ECI.

OFFICE EQUIPMENT

A motion was made by Mr Griffith to approve the purchase of typewriters and computers for office use. Motion was seconded by Mr Pierce and approved by all.

ADJOURNMENT

The meeting adjourned at 12 30 p m. The next meeting was not scheduled as a special meeting will be called to approve proposed MES Legislation.



Mr R Kenneth Barnes
Secretary



George G Perdikakis
Director

SEAJ