



**BOARD OF DIRECTORS
MINUTES
MEETING 99-1
January 28, 1999**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:04 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Kenneth A. Howarth, Treasurer
William B.C. Addison (left at 9:45 a.m.)
Leslie Jackson Jenkins
Daniel F. McMullen (left at 10:42 a.m.)
Joseph F. Snee (arrived at 10:07 a.m.)
- DIRECTORS ABSENT:** Lawrence D. Shubnell
- OTHERS PRESENT:** Sean Coleman, Esq.
Beth Wojton
Robert Miller
Nancy Voorhees Balenske
Henry Cook
Lee Zeni
Mike Wojton
Mike Addison (left at 9:15 a.m.)
Sherman Carter (left at 9:15 a.m.)
Karen Lehr (arrived at 10:45 a.m.)

MINUTES

The Motion to approve the Minutes of December's meeting was made by Mr. Addison and seconded by Ms. Jenkins. The Minutes were approved.

INSPIRE AWARD

Mr. Peck presented Inspire Awards to Messrs. Mike Addison and Sherman Carter for Extraordinary Service.



**BOARD OF DIRECTORS MINUTES
MEETING 99-1
JANUARY 28, 1999
PAGE 2**

Mr. Peck presented Inspire Awards to Messrs. Mike Addison and Sherman Carter for Extraordinary Service.

AGENCY ACTIVITY REPORT

Mr. Peck briefed the members on the following projects:

Governor's Solid Waste Task Force - The Task Force's report with recommendations has been submitted to the Governor.

Environmental Matters Committee - The Committee was briefed on the pfisteria issue. There will be a presentation on burning chicken litter at ECI. The report is due to MES next week.

Brown Station - Operations are going smoothly. The agency will be making recommendations to the County which will help reduce operating costs.

Midshore Regional Landfill Transfer Station - The transfer operation by Waste Management has started from the landfill.

Site 102 - WSSC has voted to close the site on February 1st. MES is exploring options.

Bel Air - A meeting is scheduled to discuss their water and wastewater operations.

Site 104 - Mr. Peck briefed the Board on the events surrounding this project. The Queen Anne's County and the Chesapeake Bay Foundation are opposing the project. The draft environmental impact statement will be ready in mid-February.

PROCUREMENT

Mr. Peck reviewed Procurement Agenda Items 1 - 3. Questions were addressed. Mr. Addison made the motion to approve the Items and Mr. McMullen seconded. The Board approved the Items unanimously.

The Board notebook contained the items for notification.

HUMAN RESOURCES

Ms. Wojton reviewed an amendment to the Personnel Policy for Leave Without Pay. Mr. Addison made the motion to approve the amendment and Mr. Snee seconded. The Board approved the amendment unanimously.

LEGAL REPORT

Mr. Coleman reported on the following:

The Don Young trial date has been postponed.

The extensive settlement discussions in the Cambridge case have broken down. MES is moving forward with the motion to dismiss.

The Midshore Landfill bond issuance will occur next month and attendance by members is important.

The bond counsel contract is expiring. A new procurement of services will be done.

FINANCIAL REPORT

Mr. Howarth reviewed the operating results ending December 31, 1998. Questions were addressed.

Mr. Peck introduced Resolution 99-01-1R revising the agency's overhead methodology. Mr. McMullen made the motion to approve the Resolution and Mr. Snee seconded. The motion passed unanimously.

The Y2K update will be postponed until next month.

NEW BUSINESS

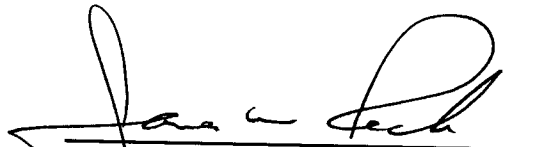
Mr. Peck introduced Ms. Karen Lehr of The Singer Group. She will be meeting with the Board and Program Directors to discuss executive compensation.

ADJOURNMENT

The meeting adjourned at 10:46 a.m. The next meeting is February 25th.



**CATHERINE PIEPER STEVENSON
DEPUTY DIRECTOR**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-2
February 25, 1999**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:05 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Kenneth A. Howarth, Treasurer
William B.C. Addison (left at 9:52 a.m.)
Leslie Jackson Jenkins
Lawrence D. Shubnell
- DIRECTORS ABSENT:** Daniel F. McMullen
Joseph F. Snee
- OTHERS PRESENT:** Sean Coleman, Esq.
Beth Wojton
Robert Miller
Nancy Voorhees Balenske
Henry Cook
Lee Zeni
Mike Wojton
Mack McLellan (left at 9:38 a.m.)
Tarsem Thohan (arrived at 9:14 a.m.; left at 9:40 a.m.)

MINUTES

The Motion to approve the Minutes of January's meeting was made by Mr. Shubnell and seconded by Mr. Addison. The Minutes were approved.

FINANCIAL REPORT

Mr. Peck introduced Resolution 99-02-1R approving the sale of the Midshore Regional Landfill Revenue and Refunding Bonds, and approving and authorizing other matters related to



**BOARD OF DIRECTORS MINUTES
MEETING 99-2
FEBRUARY 25, 1999
PAGE 2**

the bonds. Mr. Coleman reviewed the contents of the Resolution. He advised that the four counties were briefed and all four adopted resolutions approving this debt issuance. Questions were addressed. Mr. Addison made the motion to approve the Resolution and Ms. Jenkins seconded. The motion passed unanimously. Mr. Shubnell did not participate in the discussion and abstained from the vote.

Mr. Shubnell complimented the agency for its ability to obtain bond insurance for the bonds. This reflects confidence in MES' management of the landfill.

Mr. Howarth reviewed the operating results ending January 31, 1999. Questions were addressed.

A Y2K update was included in the Board's notebook.

INSPIRE AWARD

Mr. Peck presented an Inspire Award to Mr. Tarsem Thohan for Extraordinary Service.

PROJECT STATUS REPORT

Mr. Peck briefed the members on the following projects:

Site 104 - Mr. Peck updated the Board on the latest events surrounding this project and the released draft of the environmental impact statement. Mr. Peck also briefly described some of the bills which have been introduced banning disposal of dredged material. A hearing was held in the Legislature. Mr. Peck testified with the Secretary of the Department of Transportation. Questions were addressed.

ECI - The final report on the conversion of the incinerator at ECI to burn chicken litter will be out in a couple of weeks. If funding becomes available, the conversion can begin immediately. MES is holding discussions with other companies interested in coming into Maryland to pelletize the chicken litter. Questions were answered.

Prospective private client - The agency has been approached by a private client to operate a C & D debris facility in Prince George's County.

Site 102 - WSSC has voted to close the site on February 1st. Discussions are being held regarding future use of the ComPRO® trademark, which is owned by MES.

Harford County - Discussions were held with the County regarding closing their landfill. Mr. Snee has sent a letter to the County recommending the County use the services MES can provide.

**BOARD OF DIRECTORS MINUTES
MEETING 99-2
FEBRUARY 25, 1999
PAGE 3**

Prince William County, Virginia - MES met with the County and they expressed interest in receiving a proposal for yard waste composting services.

SHA - We submitted a proposal to develop a bio-retention and low impact development design manual.

LEGAL REPORT

Mr. Coleman reported on the following:

Cambridge - The motion to dismiss is pending and possible settlement is back on track because the City and MDE have entered into a Consent Order. The citizens are not willing to compromise on attorneys fees. MES is continuing to oppose any attempt by it to pay attorneys fees.

An individual who hauls trash into the Midshore has filed suit against MES and an employee due to an alleged injury he received from another hauler. MES is seeking to be dismissed from the suit.

PROCUREMENT

There were no Procurement Agenda Items for approval. The notebook contained the Notifications.

OLD BUSINESS

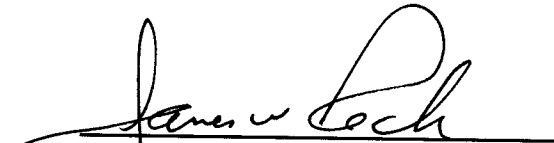
The Governor's office has approved the appointment of Mr. Michael H. Davis as Secretary of the agency. The reappointment of Mr. McMullen and Mr. Snee to the Board have been sent to the Senate for approval.

ADJOURNMENT

The meeting adjourned at 10:26 a.m. The next meeting is March 25th.



**CATHERINE PIEPER STEVENSON
DEPUTY DIRECTOR**



**JAMES W. PECK
DIRECTOR**



MARYLAND
ENVIRONMENTAL
SERVICE

Parris N. Glendening
Governor

James W. Peck
Director

**BOARD OF DIRECTORS
MINUTES
MEETING 99-3
March 25, 1999**

LOCATION: 2011 Commerce Park Drive
Annapolis, Maryland

TIME: 9:00 a.m. (Meeting scheduled)
9:00 a.m. (Meeting convened)

DIRECTORS PRESENT: James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Daniel F. McMullen
Joseph F. Snee (arrived at 9:28 a.m.)

DIRECTORS ABSENT: William B.C. Addison

OTHERS PRESENT: Sean Coleman, Esq.
Beth Wojton
Robert Miller
Nancy Voorhees Balenske
Henry Cook
Mike Wojton
Charlie Bangert (left at 10:29 a.m.)
Nick Kuba (left at 10:29 a.m.)
Sandi Weinreich (left at 10:29 a.m.)
Richard Pollack (left at 10:29 a.m.)
Robert Munroe, Esq. (arrived at 9:20 a.m., left at 10:29 a.m.)

WELCOME

Mr. Peck welcomed Mr. Davis as Secretary of the Board of Directors of the Maryland Environmental Service.



MINUTES

The Motion to approve the Minutes of February's meeting was made by Mr. McMullen and seconded by Mr. Shubnell. The Minutes were approved.

AGENCY ACTIVITY REPORT

Mr. Peck briefed the members on the following projects:

Site 104 - The draft environmental impact statement was released by the Corps of Engineers and a public workshop was held last week.

Prince William County, Virginia - MES submitted a proposal for yard waste composting services. Questions were addressed.

Chicken Litter - The engineering study for the conversion of the incinerator at ECI is near completion. MES staff has also met with chicken pelletizing manufacturers to discuss their efforts on the Eastern Shore. Mr. Peck will be on a Maryland Public Television panel next week in a segment on chicken litter.

Site 2 - Montgomery County - Due to the closing of this site by WSSC, MES is investigating alternative sites to compost sewage sludge. MES met with a company that pelletizes biosolids for the agricultural fertilizer market.

BFI - MES has received a Public Information Act request regarding information on the Baltimore County Eastern Sanitary Landfill and Transfer Station.

Harford County - Mr. Snee had further discussions with members of the new County Administration and the services MES can provide. Mr. Peck will be briefing the County.

Modern Landfill - In response to a question, Mr. Peck updated the Board on the Service's bid to acquire the Modern Landfill. The bid was unsuccessful. All assets were sold to Republic Waste Industries. MES has advised Republic of its ability to operate the landfill.

Y2K UPDATE

Mr. Howarth introduced Mr. Bangert, Coordinator of the agency's Y2K compliance effort, and Mr. Pollack, Ms. Weinreich, and Mr. Kuba. Mr. Bangert provided an overview of the

**BOARD OF DIRECTORS MINUTES
MEETING 99-3
MARCH 25, 1999
PAGE 3**

status and action plan for the Year 2000. He also presented a detailed written report on the agency's Y2K efforts. The others briefed the Board on their efforts to update the IBM system, the JD Edwards system, and the LAN PC's.

Mr. Shubnell asked if the work being performed for this effort can be charged to Retained Earnings.

FINANCIAL REPORT

Mr. Howarth reviewed the operating results ending February 28, 1999. Questions were addressed.

Mr. Howarth introduced Resolution 99-03-1R which amends Resolution 98-10-2R. The resolution reduces the amount to be borrowed for equipment and modifies the list of equipment to be financed for use at the Annapolis Junction Transfer Station and the King George Landfill Receiving Station. Mr. Shubnell made the motion to approve the Resolution and Mr. McMullen seconded. The motion passed unanimously.

Resolution 99-03-2R was introduced by Mr. Howarth. This is a resolution of intent to finance MES's acquisition, development, construction, and equipping of property for office facilities. Mr. McMullen made the motion to approve the Resolution and Ms. Jackson Jenkins seconded. The motion passed unanimously.

Mr. Howarth introduced 99-03-3R which is a Corporate Resolution for agency purchasing cards. This will be done on a test basis. Questions were addressed. Mr. Shubnell made the motion to approve the Resolution and Mr. Davis seconded. The motion passed unanimously.

Mr. Howarth introduced 99-03-4R which is a resolution to procure, execute and deliver a 1999 Master Lease to finance the cost of acquisition of certain equipment. Mr. Snee made the motion to approve the Resolution and Ms. Jackson Jenkins seconded. The motion passed unanimously.

Mr. Howarth informed the Board of the Midshore Bond Sale. The rate received is 4.15% by First Union Bank. Six bids were received. Closing was March 24th.

PROCUREMENT

There were no Procurement Agenda Items for approval. The notebook contained the Notifications. Mr. Coleman pointed out the agency has received a Public Information Act request for item 99-04-21.

LEGAL REPORT

Mr. Coleman reported on the following:

Donald Young case - The case has been settled with no cash payment and no admissions of liability by the MES employees.

Midshore Landfill - (Murray v. MES) MES and its employee have been voluntarily dismissed from this personal injury case.

Cambridge - Settlement terms were negotiated, but the plaintiffs are now balking at the settlement. The proposed settlement of the federal suit will essentially incorporate a consent agreement between the City and MDE requiring improvements to the City's wastewater collection system. The issue of attorneys fees will probably be litigated.

Montgomery County Human Relations - The office is asking that the claim of employment discrimination by an employee be dismissed because the County's Human Relations Commission does not have jurisdiction over a State agency.

Ethics Disclosure Forms must be submitted to the Ethics Commission by the end of April.

NEW BUSINESS

A tire playground will be constructed at Seneca Creek State Park on April 15th - 17th.

Mr. Peck passed around a calendar for each member to mark dates for which they cannot attend a dinner meeting to review the report of the Executive Compensation Study.

Discussion was held about April's meeting and its format and possible a meeting at Rocky Gap's Conference Center.

ADJOURNMENT

The meeting adjourned at 11:10 a.m. The next meeting is April 29th.



MICHAEL H. DAVIS
SECRETARY
BOD 99-3



JAMES W. PECK
DIRECTOR



**BOARD OF DIRECTORS
MINUTES
MEETING 99-4
April 29, 1999**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:24 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Daniel F. McMullen
Joseph F. Snee
William B.C. Addison
- OTHERS PRESENT:** Sean Coleman, Esq.
Beth Wojton
Robert Miller
Nancy Voorhees Balenske
Henry Cook
Mike Wojton
Pamela McDonagh (left at 9:30 a.m.)
Mac McLellan (left at 9:30 a.m.)

MINUTES

The Motion to approve the Minutes of March's meeting was made by Mr. Shubnell and seconded by Ms. Jenkins. The Minutes were approved.

RECOGNITION

Mr. Peck introduced and announced to the Board the agency's nominee for the YMCA - Twin Award for 1999, Ms. Pamela McDonagh. A letter was handed out which was sent to the YMCA nominating her for this award.



AGENCY ACTIVITY REPORT

Mr. Peck and Program Directors briefed the members on the following projects:

HMI South Cell Environmental Restoration - Mr. Miller addressed questions about the approved proposal for in kind services.

State Highway Administration - Mr. Wojton answered questions about the draft scope of work sent to SHA for development of bio-retention and low impact development guidance materials and specifications for highway jobs.

Prince William County, Virginia - The proposal for yard waste composting services was passed around. A revised proposal has been sent.

Sackett - MES has met with a vendor proposing to provide a project to convert sewage sludge to fertilizer.

ECI Co-generation Facility - The engineering report on burning chicken litter is almost complete. Funding was not provided in this year's supplemental budget for the project.

SWANA - Two recommendations for their annual awards for excellence in solid waste and financial management were submitted by the agency. The projects submitted are the Midshore Regional Landfill and the Recycling Program.

Maryland National Capital Park & Planning Commission - The Commission is developing a Memorandum of Understanding authorizing MES to provide engineering services for a rubble landfill closure.

Harvard University - MES has submitted an application to the John F. Kennedy School of Government for its Innovations in Government Programs grant awards. We have been notified MES is one of the top 100 finalists.

FINANCIAL REPORT

Mr. Howarth reviewed the operating results ending March 31, 1999. Questions were addressed. He advised the Board the Retained Earnings will be reviewed at the August meeting.

Mr. Howarth introduced Resolution 99-04-1R which provides for reimbursement of bond financed expenditures for a possible biosolids project. Mr. Snee made the motion to approve the Resolution and Mr. Addison seconded. The motion passed unanimously.

BOARD OF DIRECTORS MINUTES
MEETING 99-4
APRIL 29, 1999
PAGE 3

Resolution 99-04-2R was introduced by Mr. Howarth. This is a resolution to reimburse possible bond financed expenditures for the Prince William County Yard Trim Composting Facility. Mr. Snee made the motion to approve the Resolution and Mr. Addison seconded. The motion passed unanimously.

Mr. Howarth introduced a Corporate Resolution to establish a Midshore Liability Fund bank account to separate these funds from others MES account. Mr. McMullen made the motion to approve the Resolution and Ms. Jenkins seconded. The motion passed unanimously.

Y2K UPDATE

An update was distributed to the Board as a part of the Board's meeting notebook. A presentation will be made to Major Riddick of the Governor's Office in May. Mr. Howarth advised the Board the last PC's have been ordered. The installation of new autoscale software has been started. Montgomery County has requested MES's assistance for installing software at their facilities. A second briefing will be given to the Board in May.

PROCUREMENT

Mr. Peck introduced Item 1 for the Board's approval. Questions were addressed. Mr. Addison made the motion to approve the Item, Mr. McMullen seconded, and the Item was approved unanimously. Item 2 was introduced and questions were addressed. Mr. Addison made the motion to approve the Item. The motion was seconded by Mr. McMullen and passed unanimously. The notebook contained the Notifications.

HUMAN RESOURCES

This month's Inspire Awards are in the notebook.

Ms. Wojton reviewed the Personnel Policy for Family Leave submitted to the Board for review. Discussion was held and questions addressed. The policy will be submitted for approval at May's meeting.

LEGAL REPORT

Mr. Coleman reported on the following:

Cambridge - A federal Magistrate has been assigned and a settlement conference has been set for the first week of August.

**BOARD OF DIRECTORS MINUTES
MEETING 99-4
APRIL 29, 1999
PAGE 4**

Montgomery County Human Relations - The Commission has accepted MES's argument that it does not have jurisdiction over a State agency. The case will be referred to the State's Human Relations Commission.

Lake Linganore - The office will be moving forward to initiate collections from individual lot owners.

Ethics Disclosure Forms are due to the Ethics Commission by April 30th.

Henderson Brown, Esq. - A former MES Assistant Attorney General has been appointed counsel to the DC Sewer and Water Authority.

OLD BUSINESS

Employee briefings on the "State of MES" and performance-based compensation have begun. Mr. Peck will hold 20 briefings throughout the State.


NEW BUSINESS

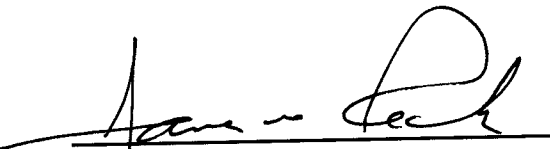
Mr. Peck reviewed the meeting schedule for the upcoming months. May's meeting will be the 27th at headquarters with the Compensation committee meeting beforehand at 8:00 a.m. June's meeting will be a tour of the Montgomery County Materials Recycling Facility and the Seneca Creek State Park tire playground. The August meeting is the 19th at the Coconut Malorie hotel during the MACO conference. Interested members may travel to ECI for a tour after the meeting.

The real estate company, KLNB is investigating locations and building alternatives for MES's headquarters.

ADJOURNMENT

The meeting adjourned at 11:01 a.m. The next meeting is May 27th.


**MICHAEL H. DAVIS
SECRETARY**


**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-5
May 27, 1999**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:25 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Daniel F. McMullen
Joseph F. Snee
William B.C. Addison
- DIRECTORS ABSENT:** Catherine Pieper Stevenson, Deputy Director
- OTHERS PRESENT:** Sean Coleman, Esq.
Beth Wojton
Robert Miller
Lee Zeni
Mike Wojton
Nancy Voorhees Balenske
Henry Cook
Melanie Flynn (left at 10:00 a.m.)
Mac McLellan (left at 9:36 a.m.)
Sherry Rone (left at 9:36 a.m.)
Jennifer Storrick (left at 9:36 a.m.)
Richard Pollock (left at 9:36 a.m.)
Sandi Weinrich (left at 9:36 a.m.)
Jeannette Bauer (left at 9:36 a.m.)
Craig Lambdin (left at 9:36 a.m.)



INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Sherry Rone, Jennifer Storricks, Richard Pollock, Sandi Weinrich, Jeannette Bauer, and Craig Lambdin for Innovative Ideas.

MINUTES

The Motion to approve the Minutes of April's meeting was made by Mr. Snee and seconded by Mr. Addison. The Minutes were approved.

AGENCY ACTIVITY REPORT

Mr. Peck and Program Directors briefed the members on the following projects:

Prince George's County - MES submitted a proposal to provide design, construction, and operation services for a permanent household hazardous waste facility.

City of Bowie – The City has requested the agency to perform an evaluation of its water and wastewater treatment operations and maintenance procedures and an evaluation of the existing utilities.

Site 104 – Mr. Peck is meeting with the editorial board of The Capital to discuss the editorials, which have been appearing in the paper.

FINANCIAL REPORT

Mr. Cook reviewed the operating results ending April 30, 1999. Questions were addressed.

PROCUREMENT

Mr. Peck introduced and Mr. Wojton reviewed Item 1 for the Board's approval. Mr. Addison made the motion to approve the Item, Mr. Shubnell seconded, and the Item was approved unanimously. The notebook contained the Notifications.

Y2K UPDATE

Mr. Peck briefed the Board on the presentation made to Major Riddick of the Governor's Office. The Board members were given a copy of the presentation.

Mr. Howarth complimented Mr. Charlie Bangert with the effort he has put forth on the Y2K compliance initiatives.

BOARD OF DIRECTORS MINUTES
MEETING 99-5
MAY 27, 1999
PAGE 3

Mr. Coleman briefed the Board on House Bill 901 (now Chapter 534 of the 1999 Laws of Maryland) that was signed by the Governor. This law provides immunity from suit and liability for damages for the State and local governments, and for officials and employees of local governments, arising out of Y2K problems. The immunity is available only if the State or local government has adopted and implemented a compliance plan before October 1, 1999. Mr. Coleman advised the Board that while the new law does not expressly apply to officers or employees of the State or its units, under the State Tort Claims Act, those individuals are generally immune from suit and liability in tort in courts of the State, for tortious acts or omissions within the scope of their public duties and which are made without malice or gross negligence. Additionally, MES Board members have common law qualified immunity.

There are a number of questions that exist with respect to how the law will be implemented. These questions are being reviewed by the Office of the Attorney General, and further guidance will be provided. It is possible that the Office of the Attorney General may recommend that the Board adopt more than one compliance plan for MES, depending on the types and locations of facilities covered by the respective plans. However, it appears that the agency, pursuant to direction and oversight provided by the Board, has already taken a number of the steps that must be taken to comply with the law, and to deal with Y2K potential problems.

HUMAN RESOURCES

Ms. Wojton submitted a revised Personnel Policy for Family Leave submitted to the Board in April. The format of the policy was changed and a Certification of Health Care Provider is included. Questions were addressed. Mr. McMullen made the motion to approve the Policy and Mr. Davis seconded. The motion was approved unanimously.

LEGAL REPORT

Mr. Coleman reported that collection letters were recently sent to Lake Linganore property owners who have unpaid accounts for the one time Service District charge for repair of the dam. Approximately 10% of those owners who received letters have already paid.

NEW BUSINESS

June's meeting will be from 10:00 a.m. to 2:00 p.m. and will include the meeting, a tour of the Montgomery County Materials Recycling Facility, and the Seneca Creek State Park tire playground.

Mr. Howarth reported that at the Government Finance Officers meeting it was announced a new financial reporting model will be issued on June 30, 1999. This model will be

**BOARD OF DIRECTORS MINUTES
MEETING 99-5
MAY 27, 1999
PAGE 4**

implemented in fiscal year 20002. Mr. Shubnell requested a copy of the summary. He also advised the Board the Legislative Auditors have begun work.

ADJOURNMENT

The meeting adjourned at 10:35 a.m. The next meeting is June 24th.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-6
June 24, 1999**

- LOCATION:** Montgomery County Materials Recycling Facility
16105 Frederick Road
Derwood, Maryland
- TIME:** 10:00 a.m. (Meeting scheduled)
10:42 a.m. (Meeting convened)
- DIRECTORS PRESENT:** Catherine Pieper Stevenson, Deputy Director
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Joseph F. Snee
William B.C. Addison
Daniel F. McMullen (arrived at 10:52 a.m.; left at 12:18 p.m.)
- DIRECTORS ABSENT:** James W. Peck, Director
Michael H. Davis, Secretary
- OTHERS PRESENT:** Sean Coleman, Esq.
Lee Zeni
Nancy Voorhees Balenske
William Ulin (left after the tour of the Facility)

TOUR OF MATERIALS RECYCLING FACILITY

Ms. Stevenson opened the meeting by introducing Mr. William Ulin, the Manager of the Materials Recycling Facility and giving a brief overview of the Facility. A fact sheet was passed out to the members. Mr. Ulin elaborated on Ms. Stevenson's remarks, answered questions, then the Board members toured the Facility.

EXECUTIVE SESSION

Upon completing the tour, a motion was made by Mr. Howarth at 11:39 a.m. to go into Executive Session to discuss compensation of certain officials, consider the acquisition of property, and consult with counsel. Mr. Shubnell seconded. Mr. Howarth and Ms. Stevenson were present until 11:50 a.m. At 12:15 p.m., a motion was made by Mr. McMullen to go out of



**BOARD OF DIRECTORS MINUTES
MEETING 99-6
JUNE 24, 1999
PAGE 2**

Executive Session. Mr. Snee seconded. The Board did not take any official action during Executive Sessions. A motion was made to approve Resolution 99-06-01R by Mr. McMullen and seconded Mr. Snee. The motion passed unanimously, except that Ms. Stevenson and Mr. Howarth abstained.

MINUTES

The Motion to approve the Minutes of May's meeting was made by Mr. Addison and seconded by Ms. Jenkins. The Minutes were approved.

AGENCY ACTIVITY REPORT

Ms. Stevenson directed the attention of the members to the Agency Activity Report in the Board notebook. Mr. Coleman summarized the negotiations with AlliedSignal to provide maintenance assistance at the Block Street site.

FINANCIAL REPORT

Mr. Howarth reviewed the operating results ending May 31, 1999. Questions were addressed.

Mr. Howarth referred the Board to the information contained in the Board's notebook pertaining to the Governmental Accounting Standards Board vote on a comprehensive rule on state and local government financial reporting.

PROCUREMENT

Ms. Stevenson introduced and reviewed the only Item for the Board's approval. Mr. Shubnell made the motion to approve the Item, Mr. Snee seconded, and the Item was approved unanimously.

The notebook contained the Notifications. Mr. Coleman informed the Board in reference to the Crum Electric Co. change order listed in the Notifications, that Montgomery County and MES are investigating the possibility of action against the design/build company for the electrical work done at this Facility.

LEGAL REPORT

Mr. Coleman reported the following:

Regional Compost Facility – The buyer requested another closing extension. Deadlines, if not met, will increase the price of the Facility. The buyer is also paying the lost interest to MES.

Cambridge – A settlement conference is scheduled for August.

**BOARD OF DIRECTORS MINUTES
MEETING 99-6
JUNE 24, 1999
PAGE 3**

Lake Linganore - Mr. Coleman reported that 215 payments have been received which is approximately 54% of the owners. Liens are being drafted which will be first filed against property of developers.

INSPIRE AWARDS

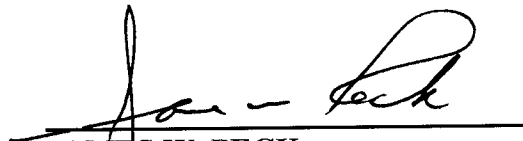
The Inspire Awards for the month of May are contained in the Board notebook.

ADJOURNMENT

The meeting adjourned at 12:39 p.m. The next meeting is July 22nd.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-7
July 22, 1999**

LOCATION: 2011 Commerce Park Drive
Annapolis, Maryland

TIME: 9:00 a.m. (Meeting scheduled)
9:41 a.m. (Meeting convened)

DIRECTORS PRESENT: James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary (arrived at 9:52 a.m.)
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Joseph F. Snee
William B.C. Addison
Daniel F. McMullen

OTHERS PRESENT: Sean Coleman, Esq.
Lee Zeni
Nancy Voorhees Balenske
Beth Wojton
Henry Cook
Mike Wojton
Mac McLellan (arrived at 9:55 a.m.; left at 10:04 a.m.)
Charlie Simms (arrived at 9:55 a.m.; left at 10:04 a.m.)
Michael Beichler (arrived at 9:55 a.m.; left at 10:04 a.m.)
Willie Bruce (arrived at 9:55 a.m.; left at 10:04 a.m.)
Michael Bosley (arrived at 9:55 a.m.; left at 10:04 a.m.)

MINUTES

The Motion to approve the Minutes of June's meeting was made by Mr. Addison and seconded by Ms. Jenkins. The Minutes were approved.



AGENCY ACTIVITY REPORT

Mr. Snee asked about the selection of the City of Aberdeen for the Aberdeen Proving Ground project. Mr. Peck informed the Board of the selection of the City over the joint proposal submitted by Harford County and MES. Harford County has submitted a bid protest to the U.S. General Accounting Office.

Mr. Peck gave a brief overview of the status of Site 104. He informed the Board a segment will air on Maryland Public Television featuring Ms. Helen Bentley and Mr. Patrick Welsh discussing Site 104.

Mr. Peck also congratulated Mr. McMullen on his appointment as Deputy Executive Director of the Maryland Transportation Authority.

Later during the meeting, Mr. Shubnell asked about the E&H project referenced in the Report. The project is in Prince George's County's approval process.

INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Willie Bruce and Michael Bosley for Innovative Ideas, and Michael Beichler for Extraordinary Service.

FINANCIAL REPORT

Mr. Howarth reviewed the preliminary operating results ending June 30, 1999.

Mr. Howarth informed the Board a contract has been entered into with a State contractor to inventory and assess Y2K compliance at 4 MES sites. The process has also been started to comply with the State's Y2K documented format.

Mr. Howarth also pointed out to the Board that a GFOA Technical Bulletin is included in the Board's notebook providing a current summary of the new financial reporting model impact.

PROCUREMENT

Mr. Peck reviewed the Item for the Board's approval. Mr. McMullen made the motion to approve the Item, Mr. Addison seconded, and the Item was approved unanimously.

The notebook contained the Notifications.

LEGAL REPORT

Mr. Coleman reported the following:

Cambridge – The settlement conference is scheduled for August. The plaintiffs have requested the court to appoint an expert to review the improvements planned by the City and MDE.

**BOARD OF DIRECTORS MINUTES
MEETING 99-7
JULY 22, 1999
PAGE 3**

Regional Compost Facility – Final settlement on the property sale is next week. The buyer has requested first right of refusal for the transfer station property. The RCF lawsuit has been revived by the plaintiff's counsel.

Lake Liganore – Payments have been collected from approximately 60% of the owners. Liens have been filed against the property of some developers.

EXECUTIVE SESSION

At 10:40 a.m., upon motion of Mr. McMullen, seconded by Mr. Shubnell, and unanimously approved, the Board voted to go into closed session. The Board did not take any official action while in closed session. During the closed session the Board discussed with counsel a matter involving potential litigation. Also during the closed session the Board discussed compensation issues related to senior staff of the Service. During the compensation discussion Mr. Peck, Ms. Stevenson, and Mr. Howarth were not present. At 10:51 a.m., upon motion by Mr. McMullen, seconded by Mr. Snee, the Board voted unanimously to go back into open session.

PERSONNEL

Mr. Shubnell moved to establish the Director's salary to be \$117,500 per year, the Deputy Director's salary to be \$91,500 per year, and the Treasurer's salary to be \$85,000 per year, all effective July 1, 1999. Mr. McMullen seconded the motion and it was unanimously approved, with the exception that Mr. Peck, Ms. Stevenson and Mr. Howarth were not present and did not participate in the discussion or adoption of the motion. During the discussion the Board members noted that the approved salaries are well below the midpoint of the salary range recommended in the Executive Compensation Study prepared by the Singer Group, Inc.

Mr. Coleman was then asked by a Board member to describe the process for setting salaries of Assistant Attorneys General assigned to MES. Mr. Coleman explained that the Attorney General sets the salaries for all Assistant Attorneys General using criteria that is applied uniformly throughout the Office of the Attorney General. Assistant Attorneys General who serve as counsel to an agency or are in certain supervisory positions are compensated at rates set in the State Executive Salary Schedule. All other Assistant Attorneys General are compensated at rates set in the Standard Salary Schedule. These rates are applied regardless of the source of funds used to pay the Assistant Attorneys General. So, for example, even though MES employees, and the attorneys assigned to the agency, are paid directly by the agency with funds that are not appropriated by the General Assembly, the amount the agency can pay Assistant Attorneys General is set by the Attorney General.

Several Board members then commented that the salaries of Assistant Attorneys General are generally below market levels, as well as below the salaries of many attorneys in the federal

**BOARD OF DIRECTORS MINUTES
MEETING 99-7
JULY 22, 1999
PAGE 4**

government and large counties. They expressed concern that continued below-market salaries could lead to talented and experienced attorneys leaving State service. The Board members expressed their belief that because attorneys assigned to MES need to have specialized training and experience in municipal finance and environmental issues, the current salary structure would make it very difficult to recruit talented attorneys should there be a vacancy.

Mr. McMullen then moved to request the Board to write a letter to the Attorney General expressing the concerns of the Board and requesting approval to provide additional compensation to Assistant Attorneys General assigned to the Maryland Environmental Service. Funding to provide the additional compensation would be provided by MES. Mr. Addison seconded the motion and it was unanimously approved, with the exception that Mr. Peck, Ms. Stevenson and Mr. Howarth were not present and did not participate in the discussion or adoption of the motion.

NEW BUSINESS

Mr. Peck gave the Board members their reservation information for the Board meeting to be held August 19th during the MACO conference in Ocean City, Maryland. The breakfast meeting will start at 9:00 a.m.

Mr. Peck also informed the Board September's meeting will be held September 22nd to the 23rd at the Rocky Gap Lodge.

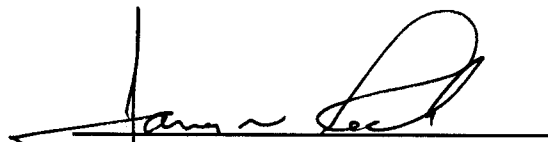
A request for e-mail addresses was circulated.

ADJOURNMENT

The meeting adjourned at 11:00 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-8
August 19, 1999**

- LOCATION:** Coconut Malorie Hotel
Ocean City, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:27 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
Joseph F. Snee
Daniel F. McMullen
- DIRECTORS ABSENT:** William B. C. Addison
- OTHERS PRESENT:** Sean Coleman, Esq.
Lee Zeni
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton

MINUTES

The Motion to approve the Minutes of July's meeting was made by Mr. Snee and seconded by Mr. McMullen. The Minutes were approved.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:
Site 104 - The Environmental Impact Statement (EIS) is being revised for the proposed Site 104 project.

E&H project (Prince George's County) - A meeting will be held in September with the developers of the project and the county councilman from the district in which the project will be located.



**BOARD OF DIRECTORS MINUTES
MEETING 99-8
AUGUST 19, 1999
PAGE 2**

King George Landfill – Operations were impacted by railcar tipper repairs, but normal operations have resumed.

Rubble Landfills – MES has received compliments on its third party inspection services being provided.

PROJECT STATUS REPORT

The Town of Lonaconing lost their water service due to a main break. The Operation and Maintenance staff worked around the clock to assist the Town while the repairs were being made.

FINANCIAL REPORT

Mr. Howarth reviewed the unaudited financial statements for fiscal year 1999. Questions were addressed.

Mr. Howarth made a recommendation to reallocate Restricted Retained Earnings as shown on the document entitled “Retained Earnings Analysis-Proforma,” dated June 30, 1999 (the “Proforma”). Adjustments will be made to Data Processing and Training, and Working Capital will be taken out of Restricted Earnings and placed in Unrestricted Retained Earnings. Mr. Shubnell made the motion to adopt the adjustments as shown on the Proforma. Mr. Snee seconded the motion and the motion passed unanimously.

At this time, Mr. Peck informed the Board that he and Ms. Wojton had looked at six (6) possible locations for headquarters and are also in discussions on a lease option for a building.

Mr. Howarth passed around for the member’s signature a Collateral Custodial Authorization Card.

Mr. Howarth introduced Resolution 99-08-1R to procure and finance a landfill compactor for the Midshore Regional Landfill. Mr. Snee made the motion to adopt the Resolution, Ms. Jenkins seconded, and the motion passed unanimously.

HUMAN RESOURCES

Mr. Peck reviewed the Personnel Policy addressing the Rate of Pay Formula. Mr. Davis made the motion to approve the policy, Mr. McMullen seconded, and the motion passed unanimously.

June’s Inspire Awards are listed in the Board notebooks.

**BOARD OF DIRECTORS MINUTES
MEETING 99-8
AUGUST 19, 1999
PAGE 3**

The Board reviewed a draft letter to Attorney General Curran regarding compensation for Assistant Attorneys General assigned to MES. After discussion, the Board members signed the letter.

PROCUREMENT

Mr. Peck reviewed the only Item for the Board's approval. Mr. Snee made the motion to approve the Item, Mr. McMullen seconded, and the Item was approved unanimously. The notebook contained the Notifications.

LEGAL REPORT

Mr. Coleman reported the following:

Cambridge – Settlement was not reached at the settlement conference. MES will re-file a motion to dismiss the case.

Prince George's County Compost Facility – The Maryland Occupational and Safety Administration issued formal notices of violation. Problems cited by MOSH have already been resolved by the agency. Mr. McMullen asked about a death benefit payable to the deceased's family. Mr. Coleman will look into this type of benefit for an MES employee.

Lake Linganore – Payments have been collected from approximately 60% of the owners. Title searches are being performed for filing liens against certain property owners.

Regional Compost Facility – Final settlement on the property sale was on hold until the buyer reached an agreement with the County over development of the property. Agreement has been reached and settlement is expected to proceed.

INCENTIVE PLAN PROPOSAL

The draft Incentive Plan Proposal was mailed to the Board. Mr. Peck requested the Board review the material and submit any comments to Mr. Peck, Ms. Stevenson, or Ms. Wojton. Final discussion will be held at the September Board meeting. Mr. Shubnell requested an informal meeting be held prior to dinner September 22nd. It was agreed the Board would meet at 6:00 p.m. prior to dinner at the Rocky Gap Lodge.

Ms. Wojton gave a Power Point presentation of the Incentive Plan. Questions were addressed and discussion was held.

Ms. Stevenson made the Executive Team Incentive Plan presentation.

The Director's Evaluation Procedure is in the handbook. The consultant, The Singer Group, recommended the 5 core skills.

**BOARD OF DIRECTORS MINUTES
MEETING 99-8
AUGUST 19, 1999
PAGE 4**

Mr. Shubnell requested the Board focus on gainsharing at the Rocky Gap meeting and would like input from Mr. Peck on the core skills and what they are.

Mr. Snee complimented the individuals above on the proposal.

NEW BUSINESS

Mr. Peck requested the Board members advise him of which date, December 9th or 10th, is preferable for the December Board meeting.

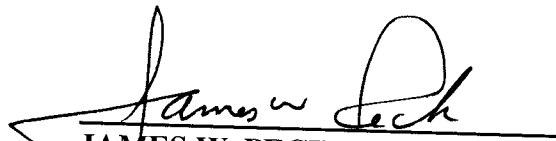
If anyone is interested in the Power Point presentation on Y2K to the Deputy Cabinet Secretaries meeting a copy can be gotten from Mr. Howarth.

ADJOURNMENT

The meeting adjourned at 11:29 a.m. The next scheduled meeting is September 23, 1999, at the Rocky Gap Lodge.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-9
September 23, 1999**

- LOCATION:** Rocky Gap Lodge
Flintstone, Maryland
- TIME:** 8:00 a.m. (Meeting scheduled)
8:15 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Kenneth A. Howarth, Treasurer
William B. C. Addison
Leslie Jackson Jenkins
Lawrence D. Shubnell
Joseph F. Snee
Daniel F. McMullen
- DIRECTORS ABSENT:** Michael H. Davis, Secretary
- OTHERS PRESENT:** Lee Zeni
Sean Coleman, Esq.
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton

MINUTES

The Motion to approve the Minutes of August's meeting was made by Mr. Snee and seconded by Mr. McMullen. The Minutes were approved.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

Hurricane Floyd – Many employees in the agency worked around the clock at 35 plants impacted by the storm. The Town of Millington requested assistance when their plant flooded. Employees pumped out 2.5 million gallons of water and the plant was back in operation by Sunday.



**BOARD OF DIRECTORS MINUTES
MEETING 99-9
SEPTEMBER 23, 1999
PAGE 2**

SWANA – MES is receiving 2 gold medal awards for, “1999 Excellence in Solid Waste Management Awards”, at the annual meeting this fall. One medal is in the Planning and Financial Management Category for the Midshore Regional Solid Waste Landfill, and the second is for MES’s recycling program. MES is also receiving an award from the National Recycling Coalition for our recycling program. The Board emphasized the importance of issuing a press release and internal recognition for these awards.

Site 104 – A briefing was held with the Maryland Congressional House members. The Corps will issue a revised draft impact statement. MES also received a White Paper on the science of the Site from the University of Maryland Center for Environmental Science.

Aberdeen Proving Ground – The contract has been renewed. Other opportunities at the facility are being discussed with the Army.

Town of Snow Hill – The town has accepted the MES proposal for operation and maintenance of the water and wastewater treatment plant.

The E&H, C& D Recycling Project (Prince George’s County) – The amendment to the County Solid Waste Plan is with the County Executive for review.

Darlington – Mr. Wojton handed out the public hearing notification information and fact sheet for the Darlington Water Supply Service District and gave an overview for the Board. A public hearing is being held to discuss the physical and financial status of the Darlington Water Supply System. The hearing is scheduled for October 19th.

FINANCIAL REPORT

Mr. Howarth reviewed the two month financial statements ending August 31st. Questions were addressed.

Mr. Howarth during review of the Accounts Receivable stated the Program will be aggressively pursuing these accounts over the next 90 days. Collections for Lake Linganore are up to 63%. The Attorney Generals Office is moving ahead with researching property information for liens.

Mr. Howarth also directed the Board’s attention to the Y2K Status Report and Action Plan in the notebook. The Board will be taking action on the State’s compliance plan in October. The agency’s hardware has been updated and the software is currently undergoing upgrade. Diagnostic tests will be performed.

HUMAN RESOURCES

Mr. Peck presented this month’s Inspire Awards to employees on his way to Western Maryland.

**BOARD OF DIRECTORS MINUTES
MEETING 99-9
SEPTEMBER 23, 1999
PAGE 3**

A copy of the Safety Memorandum enclosed in each employee's paycheck is contained in the notebook.

Mr. Peck reviewed an amendment to the Personnel Policy for Pre-employment Medical Examinations. Ms. Stevenson made the motion to approve the revised policy, Ms. Jenkins seconded, and the motion passed unanimously.

PROCUREMENT

Mr. Peck reviewed the only Item for the Board's approval. Mr. Howarth made the motion to approve the Item, Mr. Addison seconded, and the Item was approved unanimously. The notebook contained the Notifications.

LEGAL REPORT

Mr. Coleman reported the following:

Cambridge – The parties are negotiating a scheduling order. MES is focusing on the motions to dismiss the case.

MES has accepted service of a suit from a trailer supplier seeking monetary damages and the return of trailers to the supplier.

Regional Compost Facility – Final settlement on the property sale was held September 1st.

Mr. Coleman researched the eligibility of a survivor's benefit in the Prince George's County Composting Facility case. The benefit generally applies to MES employees; but an individual must meet eligibility criteria.

OLD BUSINESS

Mr. Peck advised the Board that the lease offer and acceptance for a new headquarters location fell through. MES will continue to look at other available properties. Questions were addressed.

NEW BUSINESS

Mr. Peck announced the sponsorship by Pennzoil for a second year of the Used Oil Recycling Program. Ms. Stevenson briefed the Board on the efforts made to continue this relationship with MES and the State.

A revised meeting scheduled was handed out to the Board members.

**BOARD OF DIRECTORS MINUTES
MEETING 99-9
SEPTEMBER 23, 1999
PAGE 4**

The auditors will be at the October meeting to address questions on the Fiscal Year 1999 audit.

INCENTIVE PROGRAMS

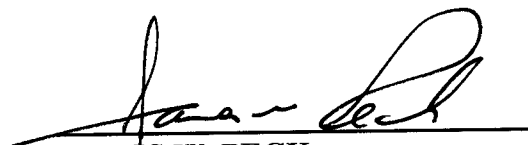
The Board reviewed and discussed the Incentive Plan Proposal. The Board gave Mr. Peck tentative approval to take this Plan to the employees for briefing with final approval to occur at October's meeting.

ADJOURNMENT

The meeting adjourned at 10:43 a.m. The Board members were given a tour of the Rocky Gap State Park Wastewater Treatment Plant. The next scheduled meeting is October 28, 1999, at Headquarters.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**MARYLAND
ENVIRONMENTAL
SERVICE**

Parris N. Glendening
Governor

James W. Peck
Director

**BOARD OF DIRECTORS
MINUTES
MEETING 99-10
October 28, 1999**

LOCATION: 2011 Commerce Park Drive
Annapolis, Maryland

TIME: 9:00 a.m. (Meeting scheduled)
9:25 a.m. (Meeting convened)

DIRECTORS PRESENT: James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer
William B. C. Addison
Leslie Jackson Jenkins
Lawrence D. Shubnell
Joseph F. Snee
Daniel F. McMullen

OTHERS PRESENT: Lee Zeni
Sean Coleman, Esq.
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook

The following people attended a portion of the meeting:

Mac McLellan
Hament Patel
Sandi Christian
Richard Pollack
Charlie Bangert
Carolyn Schneck
Charlie Simms
Michael Campbell
Mark DeYoung
Christine Hartmann



**Catherine Bartlow
Robert Munroe, Esq.
Fred Moore
Jerry Henger
William Paige
Patrick Boyce, KPMG
Betsy Eager, KPMG**

MINUTES

The Motion to approve the Minutes of September's meeting was made by Mr. Snee and seconded by Mr. Addison. The Minutes were approved.

EMPLOYEE INCENTIVE PLANS

Mr. McMullen made the motion to approve Resolution 99-10-6R establishing the employee incentive "BEST" Program and Resolution 99-10-7R establishing the Executive Employee Incentive Plan. Mr. Addison seconded the motion. The motion was unanimously approved.

EMPLOYEE RECOGNITION

Mr. Peck congratulated the members of the agency's softball team, who were present, on their winning season and presented certificates to the players.

INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Mr. Michael Campbell for two Innovative Ideas and Mr. William Paige for Extraordinary Service. Mr. Peck also read a letter from the Washington Suburban Sanitary Commission thanking Mr. Paige for his efforts.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

The E&H, C& D Recycling Project (Prince George's County) – A meeting was held with the County Council President and a hearing and work session is scheduled with the County Council.

State of Virginia – Representatives of the State met with Mike Wojton to discuss a proposal, which was submitted to them approximately two years ago, to operate the wastewater treatment plant and trash incinerator on Tangier Island.

**BOARD OF DIRECTORS MINUTES
MEETING 99-10
OCTOBER 28, 1999
PAGE 3**

Darlington – The public information hearing on the new rates was held October 19th. Approximately 35 people attended and there appeared to be general acceptance of the proposed charges to improve the Darlington Water System.

SWANNA awards – Mr. Peck displayed the awards received at the meeting. The members expressed the importance of issuing a press release for these awards.

FINANCIAL REPORT

Mr. Howarth introduced Mr. Patrick Boyce and Ms. Betsy Eager of KPMG, and the agency's accounting staff. KPMG's audit report for fiscal year 1999 and required communications were given to the Board. Mr. Boyce briefly addressed the Board.

Mr. Cook reviewed the three month financial statements ending August 31st. Questions were addressed.

Mr. Shubnell, after review, of the Accounts Receivable suggested the Service resolve some of the overdue accounts. Collections for Lake Linganore are up to 63%. The Attorney Generals Office is moving ahead with researching property information for liens.

A question was asked of Mr. Howarth about GASB 34 and the impact on the agency. The impact will occur in fiscal year 20002.

Mr. Bangert reviewed for the Board the Y2K Status Report and Action Plan. A briefing was held before the Governor's group updating the status of the agency's preparedness. Mr. Howarth made the motion to approve Resolution 99-10-3R approving and adopting the State's Compliance Plan. Mr. McMullen seconded and the motion was approved unanimously.

DARLINGTON WATER SUPPLY SERVICE DISTRICT

Mr. Snee made the motion to approve Resolution 99-10-1R that adjusts the charges for the Darlington Water Supply Service District. Mr. Addison seconded the motion after an explanation by staff of the current and proposed changes, and the reasons for the change, and the motion passed unanimously.

OVERHEAD METHODOLOGY

Mr. Howarth reviewed the changes to the overhead methodology proposed in Resolution 99-10-2R as compared to the previously approved methodology. Discussion was held. In the section entitled "Fringe Benefit Costs" a reference to "overhead rate" was replaced by "fringe

**BOARD OF DIRECTORS MINUTES
MEETING 99-10
OCTOBER 28, 1999
PAGE 4**

benefit recovery rate". Mr. Larry Shubnell made the motion to approve the Resolution, Ms. Jenkins seconded, and the motion passed unanimously.

EQUIPMENT RESOLUTION

Mr. Peck presented Resolution 99-10-4R which finances equipment for the Western Branch Yard Waste Composting Facility. Mr. Shubnell made the motion to approve the Resolution, Mr. Addison seconded. The motion passed unanimously with Ms. Jenkins abstaining from the vote.

CECIL COUNTY

Mr. Peck presented Resolution 99-10-5R, which allows for the reimbursement of expenditures by the agency for the proposed Cecil County Central Landfill Project from bond proceeds. Mr. Shubnell excused himself from the meeting. Mr. Snee made the motion to approve the Resolution, Mr. McMullen seconded, and the motion passed unanimously with Mr. Shubnell abstaining from the vote.

PROCUREMENT

Mr. Peck reviewed the only Item for the Board's approval. Ms. Stevenson made the motion to approve the Item, Mr. Snee seconded, and the Item was approved unanimously. The notebook contained the Notifications.

LEGAL REPORT

Mr. Coleman reported the following:

Lake Linganore – The agency has filed 127 liens to date.

Cambridge – MES has filed a motion to dismiss the case.

Kalyn Siebert v. MES and Delaware Valley Trailers - A trailer supplier seeking monetary damages and the return of trailers has voluntarily dismissed MES from the suit.

EXECUTIVE SESSION

At 10:29 a.m., upon a duly made motion and second, and unanimously approved, the Board voted to go into closed session. The Board did not take any official action while in closed session. During the session the Board discussed with counsel a matter involving a personnel situation. At 10:38 a.m., Mr. Addison made the motion, which was seconded by Mr. Shubnell, and unanimously approved to return to open session.

OLD BUSINESS

Mr. Peck and Ms. Wojton recently looked at three locations. It appears due to the length of time this process is taking that MES will renegotiate the lease to remain here for a certain period of time. Questions were addressed.

NEW BUSINESS

Mr. Peck handed out the information regarding recently formed SWANA Subcommittee for the member's information. If any member wants to actively participate in the Association, they should let Mr. Peck know.


The next meeting is December 9th at 9:00 a.m.

The test burn using pelletized chicken litter is scheduled for November 8th and the gasifier burn in February 2000.


Mr. Snee informed Mr. Peck the lunch with Harford County's County Executive is scheduled for December 6th from 12:00 to 1:30 p.m.

ADJOURNMENT

The meeting adjourned at 10:55 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 99-12
December 9, 1999**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:02 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary (left at 10:00 a.m.)
Kenneth A. Howarth, Treasurer
William B. C. Addison
Lawrence D. Shubnell
Daniel F. McMullen
Joseph F. Snee (arrived at 9:20 a.m.)
- DIRECTORS ABSENT:** Leslie Jackson Jenkins
- OTHERS PRESENT:** Lee Zeni
Sean Coleman, Esq.
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook

The following people attended a portion of the meeting:

Mac McLellan
Eric Johnson
George Phillips
Richard Downs
Harold Simmons
Tiffany Peyton
Karen Fields
Laura Nalls
Rex Lloyd
Bob Walizer



**BOARD OF DIRECTORS MINUTES
MEETING 99-12
DECEMBER 9, 1999
PAGE 2**

**Charlie Bangert
Nick Kuba
Ray Rubio**

INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Mr. Eric Johnson, Mr. George Phillips, Mr. Harold Simmons, Ms. Tiffany Peyton, Ms. Karen Fields, Ms. Laura Nalls, Mr. Rex Lloyd, Mr. Bob Walizer, Mr. Charles Bangert, Mr. Nick Kuba, and Mr. Ray Rubio for Extraordinary Service.

MINUTES

The Motion to approve the Minutes of October's meeting was made by Mr. Addison and seconded by Mr. Davis. The Minutes were approved.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

KCI – MES is their subcontractor for a project to provide engineering services on hazardous waste projects for Baltimore City.

ECI test burn – A test burn using chicken litter at the power plant was performed in November. A gasifier burn will be conducted in February.

The E&H, C& D Recycling Project (Prince George's County) – The project has been approved by the Council for inclusion in the County's solid waste plan. MES testified at the public hearing and attended the work session with the County Council.

Harford County – Mr. Snee arranged a lunch with the County Executive to discuss the development of a C&D recycling facility by a private entity in Harford County. The County appears willing to work with MES.

Darlington – Mr. Wojton provided background information on this project then informed the Board of possible sources of assistance from the SHA on paving Main Street which is a state road and possible improvements to curbs, gutters, and brick sidewalks. He also advised the Board that the MDE will recommend to the Board of Public Works that the \$175,000 loan be forgiven.

**BOARD OF DIRECTORS MINUTES
MEETING 99-12
DECEMBER 9, 1999
PAGE 3**

Site 104 – This project remains a major political issue. MES continues to work on the various submittals for the preliminary EIS that is due to come out in January. Questions were addressed.

FINANCIAL REPORT

Mr. Cook reviewed the four-month financial statements ending October 31st. Questions were addressed regarding the Accounts Receivable portion of the statements. Mr. Cook updated the Board on the status of recent payments. Mr. Coleman is scheduled to attend a hearing in New York City on the SBCCS bankruptcy case.

Mr. Bangert handed out and reviewed for the Board the Y2K Status Report and Action Plan. Questions were addressed.

HUMAN RESOURCES

Ms. Wojton updated the Board on the Best 2000 Goals. Discussion was held about how to measure some of the goals.

Ms. Wojton reviewed for the Board the revisions to the Performance Based Compensation Guidelines. Discussion was held about collective bargaining and whether it affects MES's employees. A minor change was also made. The word, "Each", on page 4, paragraph B. 2. was re-inserted. Mr. Snee made the motion to approve the Guidelines, as amended. Mr. Addison seconded the motion. The motion passed unanimously with the exception of Mr. Davis who had left the meeting.

Mr. Peck introduced the proposed Regulation action to eliminate the cap on sick leave earned by employees. Discussion was held. Mr. Addison made the motion to approve the regulation change, Mr. Snee seconded, and the motion was approved unanimously with the exception of Mr. Davis who had left the meeting.

PROCUREMENT

Mr. Peck reviewed the Items 1, 2, 3, and 4, for the Board's approval. Mr. Shubnell made the motion to approve the Items, Mr. McMullen seconded, and the Items were approved unanimously.

The notebook contained the Notifications.

LEGAL REPORT

Mr. Coleman reported the following:

Cambridge – The hearing on MES's motion to dismiss is scheduled for December 10th.

**BOARD OF DIRECTORS MINUTES
MEETING 99-12
DECEMBER 9, 1999
PAGE 4**

Lake Linganore – The agency has received 25% of the payments due from owners whose properties were liened.

Western Branch – A claim has been filed by Mr. Smouse's girlfriend with Worker's Compensation. A hearing is scheduled for early January.

Hughesville – MDE is bringing cost recovery actions against the landowner of the property MES cleaned of tire and other debris. Mr. Howarth will testify at the trial, at the request of the Attorney General's Office.

Mr. Snee asked about Y2K cost recovery litigation.

OLD BUSINESS

Mr. Peck and Ms. Wojton are still looking at properties. The number one choice to date is a site located by Interstate 97 and Benfield Road. In the meantime, a lease extension has been proposed to the landlord. Questions were addressed.


NEW BUSINESS

A meeting schedule for 2000 was given to the Board. The holiday party is December 10th and the vehicle auction is that morning.

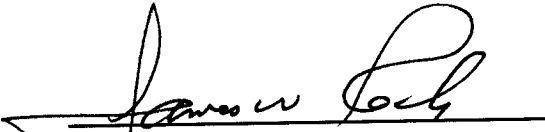
The next meeting is January 27th at 9:00 a.m.

ADJOURNMENT

The meeting adjourned at 10:46 a.m.



MICHAEL H. DAVIS
SECRETARY



JAMES W. PECK
DIRECTOR