



**BOARD OF DIRECTORS
MINUTES
MEETING 00-2
February 24, 2000**

- 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
Kenneth A. Howarth, Treasurer
William B. C. Addison (departed at 9:47 a.m.)
Lawrence D. Shubnell
Daniel F. McMullen
Leslie Jackson Jenkins (arrived at 9:31 a.m.)
- DIRECTORS ABSENT:** Michael H. Davis, Secretary
Joseph F. Snee
- 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
Ellen Frketic
Glenn Wagner
Christine Hartmann
Duane Wilding



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FEBRUARY 24, 2000
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INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Ms. Christine Hartmann, Mr. Glenn Wagner, and Mr. Duane Wilding for Extraordinary Service.

AGENDA REMARKS

Mr. Peck discussed with the Board the deferral of his Mid-Year Review until a time when other Board members are available. Discussion was held about setting up a time prior to next month's meeting. The members tentatively agreed to meet on March 23rd at 8:30 a.m.

MINUTES

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

HUMAN RESOURCES

The update of the Best 2000 Goals and copies of the MES employee newsletter, "Newsbreak" which keeps employees reminded and up to date on the goals, were handed out. Mr. Peck reviewed the goals and answered questions. The agency's Strategic Business Goals was also handed out and reviewed by Mr. Peck. Questions were addressed. Mr. Peck also informed the Board that the Senate budget briefing went extremely well.

RESOLUTION

Mr. Coleman introduced and reviewed Resolution 00-01-2R, with input from Mr. Wojton, to approve the biennial update of the Five-Year plan for the Darlington Water Supply Service District. Mr. Shubnell made the motion to approve the Resolution, Mr. Addison seconded, and the motion passed unanimously.

PROCUREMENT

Mr. Peck introduced Item 1 for the Board's approval. Questions were addressed. Mr. Addison made the motion to approve the Item, Ms. Jackson seconded, and the motion passed unanimously.

The Board's notebook contained the items for Notification.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

Baltimore County Resource Recovery Facility – MES has developed a plan for capital improvements to the Facility.

The E&H, C& D Recycling Project (Prince George’s County) – The County is working on final permits for the project. Operation may begin in July.

Kent County – The County has introduced a resolution to dissolve their Sanitary District. MES has discussed with the County taking over the operation of the County’s water and wastewater treatment systems.

Prince George’s County – MES is working with the County on the design and construction of a solid waste transfer station.

Water and Wastewater – Mike announced that several proposals for operation and maintenance have been accepted in the past six weeks.

King George/Annapolis Junction – Mr. Peck updated the Board on the project and its financial status. Meetings are being held with Waste Management to address outstanding issues.

Midshore Regional Landfill – BFI has requested that the tipping fee be reduced.

FINANCIAL REPORT

Mr. Howarth and Mr. Cook reviewed the financial statements ending January 31, 2000. Discussion was held about increasing the mileage rates. Mr. Cook updated the Board on the status of recent payments received. Mr. Howarth passed out the “Definition of Restricted Retained Earnings Accounts” which defines those items set up on page 8 of the financial statement. Questions were addressed. Discussion was held. This account is reallocated at August’s Board meeting.

LEGAL REPORT

Mr. Coleman reported the following:

MPA and MAA – The office is assisting these Administrations with the Honeywell settlement agreement regarding chrome remediation at Dundalk Marine Terminal; and with wastewater discharge permit issues at BWI.

Lake Linganore – Payments are still being received.

EXECUTIVE SESSION

At 10:38 a.m., upon motion of Mr. Howarth, seconded by Ms. Stevenson, and unanimously approved, the Board voted to go into closed session. Ms. Wojton, Mr. Coleman, Mr. Wojton, Mr. Miller, Mr. Cook, Ms. Balenske, and Mr. Zeni were also present during the closed session. The Board did not take any official action while in closed session. During the closed session the Board discussed with counsel and staff one matter involving potential litigation. Also during the closed session the Board discussed a matter involving the acquisition of real property for a public purpose. At 10:48 a.m. the Board voted unanimously to go back into open session.

NEW BUSINESS

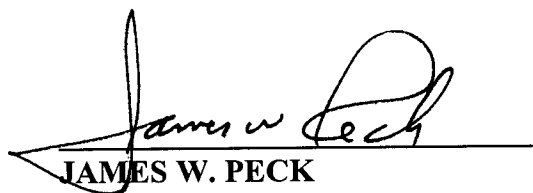
The next meeting is March 23rd at 9:00 a.m. Certain members of the Board will meet at 8:30 a.m. to perform Mr. Peck's Mid-Year review.

ADJOURNMENT

The meeting adjourned at 10:49 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 00-3
March 23, 2000**

LOCATION: 2011 Commerce Park Drive
Annapolis, Maryland

TIME: 8:55 a.m. (Executive Session convened)
9:55 a.m. (Regular 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 (departed at 9:25 a.m.)
Lawrence D. Shubnell
Daniel F. McMullen
Leslie Jackson Jenkins

DIRECTORS ABSENT: Joseph F. Snee

OTHERS PRESENT: Lee Zeni
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook

EXECUTIVE SESSION

Pursuant to Maryland State Government Article §10-508 (a) (1) (i), the Board met in Executive Session from 8:55 a.m. to 9:55 a.m. to discuss the performance evaluation of an official. The following Board members were in attendance: Mr. Peck, Mr. Davis, Mr. Shubnell, Mr. Addison, Mr. McMullen, and Ms. Jenkins. The Board took no official action during the Executive Session.



MINUTES

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

INSPIRE AWARDS

Mr. Peck will be traveling to Montgomery County to present Inspire Awards for Extraordinary Service to the employees listed in the Board's notebook.

AGENCY ACTIVITY REPORT

Mr. Peck addressed a question by Mr. Shubnell regarding the King George/Annapolis Junction project, its financial status, and how the project is reflected in the Financial Report. A footnote will be added to the Financial Report for this project.

Mr. Peck reported on the following projects:

Kent County – Mr. Peck has sent a letter to the County Commissioners clarifying inaccurate statements made to the County by a representative from the USDA, Rural Development office.

Midshore Regional Landfill – MES has submitted the FY 2001 budget to the Counties for continued operations. The budget submitted reflects no reduction in tipping fees.

Harford County – MES and the County are discussing the operations of several joint projects.

The E&H, C& D Recycling Project (Prince George's County) – MES is holding preliminary discussions with the client regarding purchase of the facility once operations begin.

FINANCIAL REPORT

Mr. Howarth and Mr. Cook reviewed the financial statements ending February 29, 2000. Mr. Howarth addressed the King George/Annapolis Junction project as it relates to the Financial Report. Questions were addressed. Mr. Cook reviewed the Accounts Receivables. Mr. McMullen commended the effort made on the Accounts Receivables.

RESOLUTION

Mr. Peck introduced and Mr. Howarth reviewed Resolution 00-01-3R. The Resolution is the official intent to finance the Dowerhouse Road project. Questions were addressed and the suggestion was made to explore what other companies are doing in this area of work. Mr. Howarth made the motion to approve the Resolution, Ms. Jenkins seconded, and the motion passed unanimously.

HUMAN RESOURCES

The update of the Best 2000 Goals were handed out. Mr. Peck reviewed the goals and answered questions. Mr. Peck also reviewed the Best 2000 Pool. This was prepared at the request of employees who want to know the possible dollars available for reaching the goals.

PROCUREMENT

The Board's notebook contained the items for Notification.

LEGAL REPORT

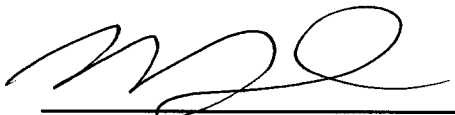
A confidential Litigation Update was handed out since Mr. Coleman was unable to attend the meeting.

NEW BUSINESS

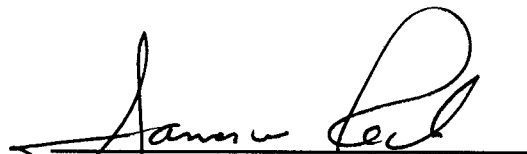
The next meeting is April 27th at 9:00 a.m. Mr. Peck asked the members to let him know of any field trips to projects that they would like scheduled.

ADJOURNMENT

The meeting adjourned at 10:45 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 00-4
April 27, 2000**

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

INSPIRE AWARDS

Mr. Peck presented an Inspire Award to Larry Clarke for an Innovative Idea.



RECOGNITION

Mr. Coleman presented a cash bonus from the State's pay for performance program through the Office of the Attorney General to Bob Munroe in recognition of his valuable contributions to the agency.

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.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

King George – A series of meetings was held with Waste Management. The decision has been made that Waste Management will take over the unloading operations at the King George Facility on or about May 15th. Meetings are being held to discuss the settlement of finances. MES will continue to operate Annapolis Junction for the time being. Questions were addressed.

Frederick County – A presentation was made to the County's Administrator and key personnel and discussion is continuing regarding evaluating their waste management system.

Prince George's County Transfer Station – MES has been working with the County in the hopes of providing services for the design and construction of the Station. The County is considering pursuing this project through its procurement process. A letter has been mailed to the County Executive offering to make a presentation to him.

A presentation was made to the Consulting Engineers Society on MES utilization of subcontractors and our contracting procedures.

MES sponsored a GIS seminar, which was well attended.

A proposal to operate a water recovery and processing plant has been sent to Cintas, a commercial laundry facility.

Questions were addressed in reference to the E&H, C& D Recycling Project, Midshore Regional Landfill, and the Baltimore County Resource Recovery Facility.

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MEETING 00-4
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Aberdeen – A follow-up meeting to the December meeting was recently held with Harford County and Aberdeen officials. A meeting is scheduled for April 28th to look at a site for a proposed rubble landfill.

FINANCIAL REPORT

Mr. Howarth reviewed the financial statements ending March 31, 2000. Questions were addressed. Mr. Shubnell recommended MES consider increasing restricted retained earnings for the office systems upgrade and building category. Mr. Cook reviewed the Accounts Receivable.

HUMAN RESOURCES

The Best 2000 Goals update was handed out. Mr. Peck reviewed the goals and answered questions. Mr. Peck will begin 25 employee briefings around the State. These briefings will review Performance Based Compensation, the 2000 Goals, and new policies.

PROCUREMENT

Mr. Peck reviewed Procurement Agenda Items 1-5. Mr. Snee made the motion to approve the Items, Mr. Shubnell seconded, and the Items were approved unanimously.

The Board's notebook contained the items for Notification.

LEGAL REPORT

Mr. Coleman reported on the following items:

McFarland case – Mr. McFarland's arraignment is set for the first week in May. The family of the victim has filed suit. The State was dismissed from the suit pending the State Treasurer's decision on the family's claim.

Prince George's County Compost Facility – Suit has been filed in state District Court by an inmate from the County Detention Center who claims he was injured at the Facility.

Cecil County – The office is working with Mr. Howarth on the structure of the bond for the new landfill cell.

MES headquarters – MES received the final version of the lease renewal for 2011 Commerce Park Drive. A contract extension has been signed with the owner of the Millersville property. Questions were addressed. A feasibility study on the Millersville property is being performed.

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MEETING 00-4
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Mr. Peck advised the Board of talks that have been held with Montgomery County on the ownership of the Leafgro® trademark. MES researched and gathered documentation regarding the funding to establish the trademark and its use. A meeting was held with the County and the issue of MES's ownership was thoroughly discussed.

NEW BUSINESS


The next meeting is May 25th at 9:00 a.m.

ADJOURNMENT

The meeting adjourned at 10:38 a.m.



**MICHAEL H. DAVIS
SECRETARY**


**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 00-5
May 25, 2000**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:10 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary
Kenneth A. Howarth, Treasurer (left at 10:00 a.m. for a
conference call)
William B. C. Addison
Lawrence D. Shubnell
Leslie Jackson Jenkins
Daniel F. McMullen
Joseph F. Snee (arrived at 9:21 a.m.)
- OTHERS PRESENT:** Lee Zeni
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook
Sean Coleman, Esq.
Erin Dorsch (attended a portion of the meeting)
Les Shaw (attended a portion of the meeting)
Mac McLellan (attended a portion of the meeting)
Ronald Mason (attended a portion of the meeting)

INSPIRE AWARDS

Mr. Peck presented Inspire Awards to Erin Dorsch and Les Shaw for Extraordinary Service and one to Ronald Mason for an Innovative Idea. Mr. Mason was also given his MES Service Award since he was unable to attend the recently held Service Awards luncheon.



MINUTES

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

**AGENCY ACTIVITY REPORT AND
PROJECT STATUS REPORT**

Mr. Shubnell requested the Board be advised of and provided information regarding major proposals that have not been accepted.

Mr. Peck reported on the following projects:

King George – Waste Management took over the unloading operations at the King George Facility on May 16th. Financial settlement has been reached for the amount of \$240,000. Questions were addressed on the affect on MES operation of Annapolis Junction.

E&H, C&D Recycling Facility – The proposal to operate the Facility has been approved. Discussions are continuing regarding the potential sale of the facility.

Aberdeen Proving Ground – Meetings are continuing with various County and Aberdeen officials regarding an ash recycling facility.

Prince George's County Transfer Station – MES is still following this project to provide services for the design and construction of the Station.

Frederick County – Continuing to work with their Solid Waste and Department of Public Works regarding evaluating their solid waste management system.

Western Correctional Institution – The Department of Public Safety and Correctional Services has accepted MES's proposal to operate the pumping station.

Darlington – MES is in the process of selecting the engineer for design and finalizing the loan application and grant.

Poplar Island Environmental Restoration Project - MES is currently providing de-watering and temporary operations services.

Cecil County – Bid openings are scheduled for Cell 5A construction and QA/QC. Financial documents are being prepared by Mr.Howarth and the Attorney General's Office.

FINANCIAL REPORT

Mr. Cook reviewed the financial statements ending April 30, 2000. Questions were addressed. The suggestion was made to do a preliminary review of reserves restricted retained earnings prior to the August meeting.

HUMAN RESOURCES

The Best 2000 Goals update was handed out. Mr. Peck reviewed the goals and answered questions. Ideas will be need for the 2001 Goals. It was suggested that, "Improve the environment through MES activities", be listed as the first goal.

Ms. Wojton reviewed two (2) Personnel Policy amendments. The first policy amendment addresses Holiday Leave and deletes the exception to BCRRF employees. The second amendment revises Section IV. D. 3. of the Overtime/Compensatory Time policy. These amendments will be voted upon at June's regular meeting.

PROCUREMENT

Mr. Peck reviewed Procurement Agenda Items 1 and 2. Mr. Snee made the motion to approve the Items, Mr. Shubnell seconded, and the Items were approved unanimously.

The Board's notebook contained the items for Notification.

LEGAL REPORT

Mr. Coleman reported on the following items:

Prince George's County Compost Facility inmate injury – The attorney is going to withdraw the suit.

There have been no changes in other litigation matters.

1st Urban Fiber Bankruptcy case – The court has given permission for the Trustee to move forward on recovery.


Cecil County – A conference call meeting will be scheduled to approve the issuance of the Cecil Co. Lease Revenue Bonds and other documents. Mr. Shubnell stated that he will abstain from the call. Discussion was held about a date for scheduling the call.

NEW BUSINESS

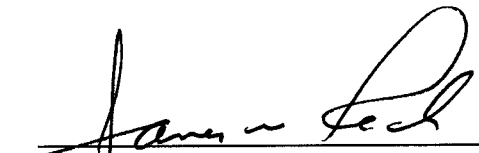
The next meeting is June 29th at 9:00 a.m. Discussion was held about the following meetings: The July meeting is scheduled for the 27th. The August meeting during MACO will be rescheduled since three (3) members of the Board will not be able to attend. September's meeting will be scheduled at Rocky Gap.

ADJOURNMENT

The meeting adjourned at 10:25 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
SPECIAL SESSION
June 16, 2000**

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
Michael H. Davis, Secretary (via conference call)
Kenneth A. Howarth, Treasurer
William B. C. Addison (via conference call)
Leslie Jackson Jenkins (via conference call)
Daniel F. McMullen (via conference call)
Joseph F. Snee (via conference call)

DIRECTORS ABSENT: Lawrence D. Shubnell (Recused himself from participating in the conference call and this matter.)

OTHERS PRESENT: Sean Coleman, Esq. (via conference call)
Robert Munroe, Esq. (via conference call)
Stewart Diana, Esq. Piper and Marbury (via conference call)
William Chicca
Les Shaw
Beth Wojton

MINUTES

Mr. Peck called the meeting to order. Mr. Coleman reported that the Cecil County Council met the night before and approved the transaction. Mr. Chicca described the project. The project is to construct Cell 5, Phase II of the Cecil County Landfill. Mr. Chicca noted that MES was involved in financing Cell 5, Phase I. He said that the estimated life expectancy of the cell is 17 years. During the construction phase, MES will be managing the construction contract, doing inspections, and providing for the QA/QC. Mr. Chicca addressed questions from the Board.

Mr. Howarth described the sizing of the bond for the project and addressed questions.




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Mr. Coleman reviewed and explained each section of Resolution 00-06-1R. Mr. Diana described the Trust Indenture and Trustee relationship. Mr. Munroe described the Ground Lease and the Amendatory Agreement. Mr. Coleman described the Sublease Agreement and an Amendatory Agreement with the County for construction services. Mr. Coleman explained that is the intent of the Agency to obtain bond insurance, however if bond insurance cannot be obtained, language in the resolution authorizes the Director to take whatever action necessary to get the bond rated. Mr. Howarth and Mr. Coleman addressed questions regarding bond insurance.

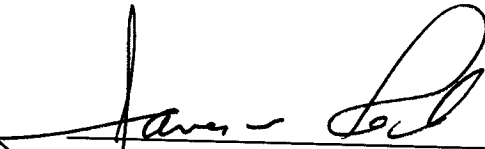
Mr. Addison made the motion to approve Resolution 00-06-1R. Ms. Jenkins seconded. Mr. Peck called the roll. Resolution 00-06-1R passed unanimously.

ADJOURNMENT

The meeting adjourned at 9:42 a.m.



MICHAEL H. DAVIS
SECRETARY



JAMES W. PECK
DIRECTOR



**BOARD OF DIRECTORS
MINUTES
MEETING 00-6
June 29, 2000**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:07 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Kenneth A. Howarth, Treasurer
William B. C. Addison
Lawrence D. Shubnell
Daniel F. McMullen
Joseph F. Snee (arrived at 9:08 a.m.)
- DIRECTORS ABSENT:** Michael H. Davis, Secretary
Leslie Jackson Jenkins
- OTHERS PRESENT:** Lee Zeni
Robert Miller
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook
Robert Munroe, Esq.
Stephen Storms (attended a portion of the meeting)
John Thomas Clark (attended a portion of the meeting)
Mac McLellan (attended a portion of the meeting)

INSPIRE AWARDS

Mr. Peck presented an Inspire Award for Extraordinary Service to Mr. Storms and one to Mr. Clark for two Innovative Ideas.



MINUTES

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

Mr. Munroe requested the Board ratify Resolution 00-06-1R as adopted during the Special Session held June 16, 2000. Mr. Addison made the motion to ratify the Resolution and Mr. McMullen seconded. The Board with Mr. Shubnell abstaining from the vote approved the motion.

The bond sale is July 11th and the procurement for the construction of Cell 5A is moving forward. The apparent low bidder has been allowed to withdraw their bid.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

Cambridge – The proposal to provide construction inspection services has been approved.

E&H, C&D Recycling Facility – The permit has been issued. The procurement of equipment and supplies will begin towards the end of the summer.

FINANCIAL REPORT

Mr. Howarth reviewed the financial statements ending May 31, 2000. Questions were addressed. Mr. Shubnell suggested funding be factored in for financing a new MES facility.

Discussion was held regarding SBCCS. Mr. Munroe advised the Board that the federal bankruptcy court in New York approved an Allocation Stipulation and a Litigation Financing Agreement. The Allocation Agreement provides for certain compromises and stipulations in the event there is a sale of the Plant. Mr. Munroe noted that this Agreement may prove beneficial to MES because it provides for a "carve out" to creditors other than the bondholders of the proceeds from a sale of the Plant. Mr. Munroe stated that the Litigation Agreement is essentially a loan agreement from Willoughby to bankruptcy estate to pursue substantial claims the estate has asserted against SBCCS and others. In the event of a finding in favor of the estate, MES could also receive some of the proceeds from a judgment.

Recommendations for the Retained Earnings will be presented to the Board at July's meeting.

Resolution 00-06-2R was presented to the Board for approval. This is an intent to finance a tub grinder. Discussion was held about equipment being a revenue-producing asset. An

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analysis has been done and will be reviewed with the Board at the July meeting. Questions were addressed. Mr. McMullen made the motion to approve the Resolution and Mr. Snee seconded. The Resolution was unanimously approved.

HUMAN RESOURCES

The Best 2000 Goals update was handed out. Mr. Peck reviewed the goals and answered questions. Mr. Peck also reviewed the Strategic Business Goals.

Ms. Wojton reviewed the two (2) Personnel Policy amendments presented to the Board at May's meeting. Mr. Addison made the motion to approve the amendments to the Leave and Time Off policy and the Overtime/Compensatory Time policy. Mr. McMullen seconded and the motion to approve the Personnel Policy amendments was unanimously approved.

EXECUTIVE SESSION

At 10:20 a.m., upon the motion of Mr. Addison, seconded by Mr. McMullen, and unanimously approved, the Board voted to go into closed session to discuss the compensation of certain officials, and to consider the acquisition of property. The Board did not take any official action while in closed session. During the first 15 minutes of closed session, Mr. Peck briefed the Board on the potential acquisition of property. For the remainder of the closed session, the Board discussed compensation issues related to the officers of the Service and the Service's executive staff. During the Board's discussion of compensation, Mr. Peck, Mr. Howarth, and Ms. Stevenson were not present. At 11:15 a.m., upon the motion of Mr. Snee, seconded by Mr. McMullen, and unanimously approved, the Board voted to go back into open session.

PERSONNEL

Mr. Shubnell moved to establish the Director's salary to be \$125,250 per year. Mr. McMullen seconded the motion, and the motion was unanimously approved, with the exception that Mr. Peck did not participate in the discussion or adoption of the motion. Mr. Shubnell moved to establish the Deputy Director's salary to be \$97,500 per year. Mr. McMullen seconded the motion, and the motion was unanimously approved, with the exception that Ms. Stevenson did not participate in the discussion or adoption of the motion. Mr. Shubnell moved to establish the Treasurer's salary to be \$90,600 per year. Mr. McMullen seconded the motion, and the motion was unanimously approved, with the exception that Mr. Howarth did not participate in the discussion or adoption of the motion. Mr. Shubnell moved to establish the Secretary's salary to be \$0 per year. Mr. Snee seconded the motion, and the motion was unanimously approved. Mr. Shubnell, Mr. McMullen, and Mr. Snee also presented Mr. Peck with their recommendations for the salaries of the Service's executive staff. Mr. McMullen noted that their recommendations for the Service's Water and Wastewater Program Director, and the Service's Environmental Services and Waste Management Program Director were based on: 1) their excellent results; 2)

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their key roles **i)** as revenue producers, **ii)** in customer relations, and **iii)** in employee supervision; and 3) the importance to the Service of retaining high performing staff in today's competitive job market.

PROCUREMENT

Mr. Peck presented Item 1 to the Board. Mr. Addison made the motion to approve the Item, Mr. Snee seconded, and the motion passed unanimously.

Items for Notification were in the Board notebook.

LEGAL REPORT

Mr. Munroe reported the following:

McFarland Cases - The civil tort action filed by the daughter of Charles Wilburn (deceased) against the State of Maryland is still pending before the State Treasurer's Office. There are preliminary hearings scheduled for August 1, 2000 in the criminal action against Mr. McFarland.

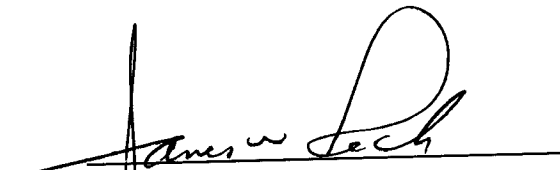
Miller Accident - On May 25, 2000, the Workers' Compensation Commission has made a partial dependency award to Mrs. Miller in the amount of \$200.67 per week for an amount not to exceed \$45,000. The dependants of Mr. Miller, Shaylin and Ryan, were found by the Commission to be totally dependent, and were awarded \$401.33 per week for the duration of their dependency. The Maryland Occupational Safety and Health Division signed a Settlement Agreement dated May 1, 2000, finding that all alleged violations at Annapolis Junction were abated.

ADJOURNMENT

The meeting adjourned at 11:50 a.m.



**MICHAEL H. DAVIS
SECRETARY**



**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 00-7
July 27, 2000**

LOCATION: 2011 Commerce Park Drive
Annapolis, Maryland

TIME: 9:00 a.m. (Meeting scheduled)
9:17 a.m. (Meeting convened)

DIRECTORS PRESENT: James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Michael H. Davis, Secretary (arrived at 9:44 a.m.)
Kenneth A. Howarth, Treasurer
William B. C. Addison
Joseph F. Snee
Leslie Jackson Jenkins
Daniel F. McMullen (arrived at 10:44 a.m.)

DIRECTORS ABSENT: Lawrence D. Shubnell

OTHERS PRESENT: Sean Coleman
Lee Zeni
Nancy Voorhees Balenske
Beth Wojton
Mike Wojton
Henry Cook
Greg Brown (attended a portion of the meeting)
John Thomas Clark (attended a portion of the meeting)
Kathy Marx (attended a portion of the meeting)

INSPIRE AWARDS

Mr. Peck presented Inspire Awards for Innovative Ideas to Mr. Greg Brown and Mr. John Thomas Clark.

REMARKS

Mr. Peck announced the celebration of MES's 30th birthday. Celebrations with cake are being held at headquarters and the field.



MINUTES

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

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

Tangier Island – A proposal is being developed for operation and maintenance of the wastewater treatment facility and solid waste incinerator.

Site 104 – The Governor made the decision to not proceed with this site. MES is working with the Maryland Port Administration on other options. Questions were addressed.

Tire Shredding Operation – a company who wants to build a tire shredding operation in Maryland and work with MES as a joint venture has approached MES. We are looking at their other operations.

FINANCIAL REPORT

Mr. Howarth reviewed the unaudited financial statements ending June 30, 2000. The fiscal year 2000 audit begins August 7th.

Mr. Coleman spoke to the problems with Apex Environmental, Inc. (Accounts Receivable) relating to the construction of the new groundwater extraction wastewater treatment system at the Dundalk Marine Terminal. Costs are being incurred by MES to ship the leachate offsite. Questions were addressed.

Questions were addressed in reference to the outstanding account of Annapolis Junction.

Recommendations for the Retained Earnings will be presented at September's meeting.

Mr. Howarth reviewed the Capital Project Evaluation Report.

Resolution 00-07-1R was presented to the Board for approval. This is an intent to finance the AS/400 Computer. Mr. Davis made the motion to approve the Resolution and Mr. Addison seconded. The Resolution was unanimously approved.

Resolution 00-07-2R was presented to the Board for approval. This is an intent to finance equipment for the Prince George's County C&D Recycling and Processing Project. A change

was made in paragraph 3., line 6 of page 1 of the Resolution. The number of years was revised to 7 instead of 5. Mr. Davis made the motion to approve the Resolution as amended and Ms. Jackson seconded. The Resolution was approved unanimously.

NAJOLES ROAD PROPERTY

Mr. Craig Morrell from the company of KLNB Inc. handed out a table of land sales of similar property in the County and presented an overview of the efforts made to find suitable property and an overview of the Najoles Road property. Mr. Addison made the motion to proceed with the purchase of the Najoles property and Mr. Howarth seconded. The motion was approved unanimously.

HUMAN RESOURCES

The Best 2000 Goals will be reviewed at the September meeting. Ms. Wojton reviewed the Best 2001 goals. Questions were addressed. Mr. Addison made the motion to approve the 2001 goals, Ms. Jackson seconded, and the Best 2001 goals as presented were approved.

Ms. Stevenson reviewed the Strategic Business Goals for 2001. Mr. Davis made the motion to approve the goals, Mr. Addison seconded, and the goals were approved unanimously.

PROCUREMENT

Mr. Peck presented Item 1 to the Board. Questions were addressed. Mr. Addison made the motion to approve the Item, Mr. Snee seconded, and the motion passed unanimously. Item 2 was also presented to the Board. Ms. Jackson made the motion to approve the Item, Mr. Davis seconded, and motion passed unanimously.

Items for Notification were in the Board notebook.

LEGAL REPORT

Mr. Coleman reported the following:

The response and discovery to the Workmen's Compensation case regarding the inmate assigned to Prince George's County have been filed.

King George – a workmen's compensation claim has been filed in Maryland and Virginia. MES has been dismissed from the Virginia claim.

The office has continued to work on the Cecil County financing.

EXECUTIVE SESSION

At 10:48 a.m., upon the motion of Mr. McMullen, seconded by Mr. Snee, and unanimously approved, the Board voted to go into closed session to discuss a personnel matter. The Board did not take any official action while in closed session. At 11:00 a.m., upon the motion of Mr. Addison, seconded by Mr. McMullen, and unanimously approved, the Board voted to go back into open session.

OLD BUSINESS

The University of Maryland's Institute for Governmental Services, as part of the Strategic Plan update, will again be conducting telephone interviews with the Board members over the next few months.

Three bids were received for the Cecil County Cell 5A bond sale. Legg Mason was the low bidder.

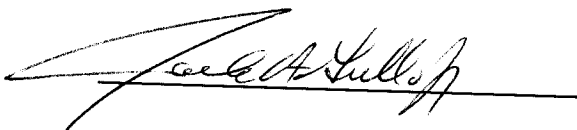
NEW BUSINESS

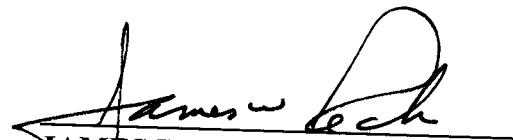
Mr. Peck handed out a committee narrative which was included in the Report on the State Operating Budget and the State Capital Budget and Related Recommendations. The narrative addresses the marketing of MES to local governments.

ADJOURNMENT

The next meeting will be at the Rocky Gap Golf and Lodge Resort. Dinner is scheduled for 6:00 p.m. on September 13th and the Board meeting will begin at 8:00 a.m. September 14th.

The meeting adjourned at 11:05 a.m.


SECRETARY


**JAMES W. PECK
DIRECTOR**



**BOARD OF DIRECTORS
MINUTES
MEETING 00-9
September 14, 2000**

- LOCATION:** Rocky Gap Lodge & Golf Resort
Flintstone, Maryland
- TIME:** 8:00 a.m. (Meeting scheduled)
8:06 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Jack A. Gullo, Jr., Secretary
Kenneth A. Howarth, Treasurer
Joseph F. Snee
Leslie Jackson Jenkins
Lawrence D. Shubnell
Daniel F. McMullen
- DIRECTORS ABSENT:** William B. C. Addison
- OTHERS PRESENT:** Sean Coleman
Lee Zeni
Nancy Voorhees Balenske
Beth Wojton
Robert Miller
Mike Wojton
Charlie Simms (left at 11:05 a.m.)
Wes Lidie (attended a portion of the meeting)
Rex Bowman (attended a portion of the meeting)
Delegate Kevin Kelly (arrived at 9:55 a.m. and left at 10:08 a.m.)

INSPIRE AWARDS

Mr. Peck presented Inspire Awards for Innovative Ideas to Mr. Wes Lidie and Mr. Rex Bowman.



RECOGNITION

Mr. Peck presented Mr. Coleman with recognition from the Office of Attorney General for his work performance contributions to MES.

Mr. Peck presented Mr. Gullo with his appointment certificate to the Board of Directors as Secretary to the Board.

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:

Sweetheart Cup – Accepted a proposal for operation of the water treatment facility.

Tangier Island – The proposal has been accepted for supervisory services for the operation and maintenance of the wastewater treatment facility.

Dowerhouse Rd. – The C&D recycling facility is under construction.

Fibrewatt – a grant has been received from the CONEG/Department of Energy to investigate the feasibility of building a power plant fueled with chicken litter. Mr. Peck and Mr. Wilding will be traveling to England to visit similar power plants.

FINANCIAL REPORT

Mr. Howarth gave a financial report presentation for the year ending June 30, 2000. The presentation was also given to the Board in a hand out. Questions were addressed.

The audit is being finalized and KPMG will be attending the November meeting.

Recommendations for the Retained Earnings were presented in the above presentation and discussed. (See page 8 of the Financial Report.) Mr. Shubnell made the motion to approve the Retained Earnings as presented with the three (3) adjustments to Data Processing, Training, and Employee Recognition & Incentives. Ms. Stevenson seconded and the motion passed unanimously.

**BOARD OF DIRECTORS MINUTES
MEETING 00-9
SEPTEMBER 14, 2000
PAGE 3**

Discussion was also held regarding the possible headquarters building at the Najoles Road property in relation to the unrestricted balance. A proforma will be presented to the Board during November's meeting. Architectural/Engineering presentations are being held in October.

Resolution 00-09-2R was presented to the Board for approval. This Resolution is an intent to finance a mechanical sorting machine at BCRRF. Mr. Peck and Mr. Simms briefed the Board. Questions were addressed. The motion to approve was held until Mr. Shubnell returned to the meeting.

PROCUREMENT

Mr. Peck presented Item 1-3, and 6 to the Board. Ms. Stevenson made the motion to approve the Items 1-3, and 6, Mr. McMullen seconded, and the motion passed unanimously. Mr. Shubnell was not present during the vote. Item 5 was also presented to the Board. Mr. McMullen made the motion to approve the Item, Mr. Davis seconded, and motion passed unanimously. Ms. Jackson abstained from the vote and Mr. Shubnell was not present.

Items for Notification were in the Board notebook.

HUMAN RESOURCES

Mr. Peck gave a presentation of the Best 2000 and Strategic Business Goals and their successes. The Best and Best Plus Funding were also reviewed. Mr. Peck credited Ms. Wojton for her efforts in keeping the employees reminded and updated on the program. Action on the program was delayed until Mr. Shubnell's return later in the meeting.

The Board will also review and discuss the Executive Pay Plan.

RESOLUTION

Mr. Coleman reviewed Resolution 00-09-3R, which authorizes MES to enter into a \$175,000 Loan Agreement and issue a bond for the Darlington project. Questions were addressed. Mr. Snee made the motion to approve the Resolution, Ms. Jackson seconded, and the motion passed. Mr. Shubnell and Mr. McMullen were not present for the vote.

LEGAL REPORT

Mr. Coleman reported the following:

RCF – There is a lingering lawsuit with 26 plaintiffs. Agreement has been reached with 22 of the plaintiffs and MES and BFI, as the co-defendant, are seeking mediation with the remaining four.

**BOARD OF DIRECTORS MINUTES
MEETING 00-9
SEPTEMBER 14, 2000
PAGE 4**

Cambridge – MES was dismissed from this lawsuit in December and the U.S. District judge has also dismissed the City.

A claim has been received from a contractor that provided pumps at the CSX/Cox Creek Facility.

Meetings are being held with the MPA and contractors regarding the leachate treatment system for the Dundalk Marine Terminal and Hawkins Point.

Mr. Coleman's office has temporarily hired a former law clerk to assist with the heavy workload.

OLD BUSINESS

A reminder, the University of Maryland's Institute for Governmental Services, as part of the Strategic Plan update, is conducting telephone interviews with the Board members. They are also meeting with employee focus groups.

MES won the "Best Booth" award at MACO again this year. This presents a \$500.00 cost saving to MES because the prize is a free booth for the following year.

NEW BUSINESS

Mr. Peck provided background information on Resolution 00-09-1R, which affirms as part of his MES duties his recent appointment to an Environmental Protection Agency Small Community Advisory Subcommittee. Questions were addressed. Mr. Snee made the motion to approve the Resolution, Ms. Jackson seconded, and the motion passed. Mr. McMullen and Mr. Shubnell were not present during the vote.

Discussion was held about funding the Department of Natural Resource's Trash-Free Program. The recommendation was made to fund an amount not to exceed \$15,000 for trash bags for the Program. Mr. Snee made the Motion to fund the Program, Ms. Jackson seconded and the motion passed. Mr. McMullen and Mr. Shubnell were not present during the vote.

Discussion was held regarding the presentation made by ECH the preceding evening regarding a tire recycling opportunity in Maryland. Based upon the discussion, MES will proceed with entering into a Memorandum of Understanding and Confidentiality Agreement with ECH after Mr. Coleman has reviewed the document and the Board members have received a copy.

PRECEDING BUSINESS

Mr. Peck reviewed resolution 00-09-2R for Mr. Shubnell's benefit. Questions were addressed. Mr. Shubnell made the motion to approve the Resolution, Mr. Howarth seconded, and the motion passed. Mr. McMullen was not present.

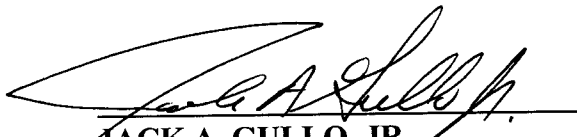
Procurement Item 4 was re-presented. Mr. Shubnell made the motion to approve the Item, Mr. Howarth seconded, and the motion passed. Mr. McMullen was not present.

Mr. Peck briefly reviewed the Best Program successes for Mr. Shubnell. Discussion was held. Mr. Shubnell requested that Interest Income and possible fluctuations be addressed for the future year's Program. Mr. Peck made the recommendation to approve the Best 2000 and Best Plus funding for fiscal year 2000. Mr. Snee made the motion to approve the recommendation, Ms. Jackson seconded, and the motion passed. Mr. McMullen and Mr. Howarth were not present. The Board asked that a letter be sent from them congratulating the employees on their successes. An announcement to the employees will be made after the audit numbers are finalized.

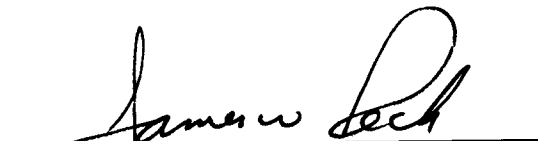
The Executive Pay Plan will be discussed at November's meeting.

ADJOURNMENT

The next meeting is November 2, 2000 at MES headquarters. The meeting adjourned at 11:11 a.m.



JACK A. GULLO, JR
SECRETARY



JAMES W. PECK
DIRECTOR



**BOARD OF DIRECTORS
MINUTES
MEETING 00-11
November 2, 2000**

- 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
Jack A. Gullo, Jr., Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
William B. C. Addison
Joseph F. Snee (arrived at 9:09 a.m.)
- DIRECTORS ABSENT:** Daniel F. McMullen
- OTHERS PRESENT:** Sean Coleman
Lee Zeni
Nancy Voorhees Balenske
Beth Wojton
Robert Miller
Mike Wojton
Henry Cook
Patrick Boyce, KPMG (left at 9:37 a.m.)
Betsy Eager, KPMG (left at 9:37 a.m.)
Hament Patel (left at 10:30 a.m.)
Vickie McKendry (left at 10:30 a.m.)
Sherry Tucker, FibroShore (left at 9:48 a.m.)
Dale Day, Hercules Energy Corp. (left at 9:48 a.m.)

MINUTES



**BOARD OF DIRECTORS MINUTES
MEETING 00-11
NOVEMBER 2, 2000
PAGE 2**

The Motion to approve the Minutes of September's Meeting was made by Ms. Jackson and seconded by Ms. Stevenson. The Minutes were approved.

AUDIT REPORT

Mr. Howarth introduced Mr. Patrick Boyce and Ms. Betsy Eager of KPMG. KPMG's audit results and management letter for fiscal year 2000 were given to the Board. Mr. Boyce briefly reviewed the information with the Board and questions were addressed. Mr. Howarth informed the Board an MES audit committee is beginning to prepare the new reporting model for fiscal year 2001.

The Board briefly adjourned at 9:37 a.m. for pictures.

FIBROSHORE PROJECT

Mr. Peck introduced Ms. Sherry Tucker, the United States representative for FibroShore. MES has received a grant to investigate the feasibility of building a power plant fueled with chicken litter. FibroShore has been asked to consider a location for this plant in Maryland. Mr. Peck provided background information and Ms. Tucker gave an overview of the project. A brochure was handed out to the members.

AGENCY ACTIVITY REPORT

Mr. Peck reported on the following projects:

ECH – Mr. Peck and Mr. Miller updated the members on the status of this project. The project is currently 2 ½ weeks into the due diligence period. ECH is currently re-designing some of the technology, developing a marketing plan, negotiating agreements with entities to purchase the material, and has located a site available for lease. The limited liability partnership agreement has been forwarded to Piper & Marbury for review. Team meetings are being held weekly. Questions were addressed.

Confidentiality Agreements have been entered into with both ECH and FibroShore.

Cities of Cumberland and Frostburg – Mr. Peck, Mr. Zeni, and Mr. Wojton made a presentation at a joint meeting with these two cities regarding MES capabilities in the area of wastewater treatment.

MDOT – Mr. Peck attended the dredging briefing meetings held by MDOT in Queen Anne's and Kent Counties. The Port is currently looking at short-term solutions.

**BOARD OF DIRECTORS MINUTES
MEETING 00-11
NOVEMBER 2, 2000
PAGE 3**

Prince William County – The County has come back to MES to operate the Balls Ford Road composting site and market the compost. A scope of work will be sent next week.

Poplar Island – MES will operate the Island as a beneficial use site under contract to a private company.

FINANCIAL REPORT

Mr. Howarth reviewed the key operating results for the period ending September 30, 2000. Questions were addressed.

Mr. Coleman updated the Board on the status of the SBCCS bankruptcy case.

Graphics pertaining to 2000 Statuses were given to the Board.

HUMAN RESOURCES

The Board was given a Synopsis of the BEST 2000 and BEST plus 2000.

EXECUTIVE SESSION

At 11:21 a.m., upon motion of Mr. Addison, seconded by Mr. Snee, 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 compensation issues related to senior staff of the Service. During the closed session Ms. Pieper Stevenson, and Mr. Howarth were not present. At 11:45 a.m., upon motion by Mr. Gullo, seconded by Mr. Addison, the Board voted unanimously to go back into open session.

PERSONNEL

Ms. Jenkins, in accordance with MES Resolution 99-10-07R, moved to award the Service's officers (excluding the Secretary) and the Program Directors a BEST incentive compensation payment equal to eleven percent (11%) of their respective base salaries. Mr. Snee seconded the motion and it was unanimously approved, with the exception that Mr. Peck abstained, and Ms. Pieper 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 agency had had a very successful year, that the BEST goals had been met, and that the executive staff must bear significant responsibility for the well being of the agency and its employees.

PROCUREMENT

**BOARD OF DIRECTORS MINUTES
MEETING 00-11
NOVEMBER 2, 2000
PAGE 4**

Mr. Peck presented Item 1 for approval. Mr. Shubnell made the motion to approve the Item, Mr. Sneec seconded, and the Item was approved unanimously.

Items for Notification were in the Board notebook.

LEGAL REPORT

Mr. Coleman reported the following:

EEOC – Complaint filed by a BCRRF employee. The office is assisting in preparing an agency response.

Lake Linganore – Payments are still being received. There are 80 liens still in place. The office has achieved collection of 90% of the claims.

RCF – Four plaintiffs remain and MES is seeking mediation to resolve the matter.

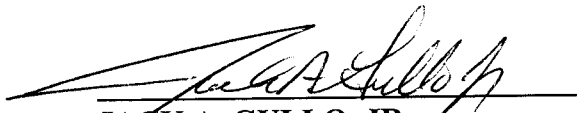
An agreement has been reached with the contractor that provided pumps at the CSX/Cox Creek Facility.

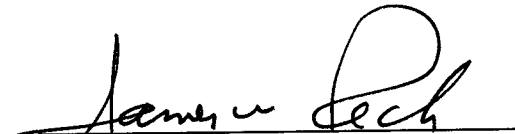
OLD BUSINESS

Ms. Jewel White, the agency's Human Resources Chief has resigned for another position out of state. Ads have been placed for the position.

ADJOURNMENT

The next meeting is December 14, 2000 at MES headquarters. A meeting schedule for 2001 will be given to the Board at the meeting. The meeting adjourned at 11:59 a.m.


JACK A. GULLO, JR
SECRETARY


JAMES W. PECK
DIRECTOR



**BOARD OF DIRECTORS
MINUTES
MEETING 00-12
December 14, 2000**

- LOCATION:** 2011 Commerce Park Drive
Annapolis, Maryland
- TIME:** 9:00 a.m. (Meeting scheduled)
9:03 a.m. (Meeting convened)
- DIRECTORS PRESENT:** James W. Peck, Director
Catherine Pieper Stevenson, Deputy Director
Jack A. Gullo, Jr., Secretary
Kenneth A. Howarth, Treasurer
Leslie Jackson Jenkins
Lawrence D. Shubnell
William B. C. Addison
Joseph F. Snee
Daniel F. McMullen
- OTHERS PRESENT:** Sean Coleman
Nancy Voorhees Balenske
Beth Wojton
Robert Miller
Mike Wojton
Henry Cook
Charlie Simms (attended a portion of the meeting)
Tait Saderholm (attended a portion of the meeting)
Linda Mitchell (attended a portion of the meeting)
Ann Bleinberger (attended a portion of the meeting)
Pat Tantum (attended a portion of the meeting)
Ceceila Donovan (attended a portion of the meeting)
Sue Kelly (attended a portion of the meeting)
Erihia Kehne (attended a portion of the meeting)
Rex Lloyd (attended a portion of the meeting)
Kris Carter (attended a portion of the meeting)
Greg Green (attended a portion of the meeting)
Joe Janney (attended a portion of the meeting)
Robert Shewell (attended a portion of the meeting)



MINUTES

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

INSPIRE AWARDS

Mr. Peck presented Inspire Awards for Extraordinary Service to Ms. Donovan, Ms. Kelly, Ms. Kehne, Ms. Bleinberger, Mr. Saderholm, and Ms. Linda Mitchell. Inspire Awards for Innovative Ideas were presented to Ms. Tantum, Mr. Lloyd, Mr. Green, Mr. Janney and Mr. Shewell.

Mr. Shubnell recommended a summary of awards with accumulated savings be prepared for public affairs purposes.

**AGENCY ACTIVITY REPORT
AND PROJECT STATUS REPORT**

Mr. Peck reported on the following projects:

ECH – Mr. Simms traveled to Canada with the company to meet with owners of a similar project that process truck tires. Questions were addressed about the site visit. A site has been located and information about the site was passed around. A proposed preliminary budget was also handed out. Discussion was held about expending funds on the project. A motion was made by Mr. Shubnell to allow Mr. Peck to spend up to 30% of a negotiated and approved budget, not to exceed One Hundred Fifty Thousand Dollars (\$150,000) of funds available from the Business Research and Development Fund. The motion was seconded by Mr. McMullen and approved unanimously by the Board. Additional questions were addressed about the financial structure of the project.

Mr. Peck answered questions about Cox Creek and Site 104, and the volume of new work.

FINANCIAL REPORT

The Board received a copy of the Independent Auditors' Report and two reports delivered since November's meeting.

Mr. Howarth reviewed the key operating results for the period ending October 31, 2000. Questions were addressed.

Mr. Cook handed out a Major Accounts status report. Discussion was held. Mr. Shubnell suggested a more aggressive collection effort, perhaps using a third party. Mr. Howarth and Mr. Coleman reviewed the actions currently being taken by the agency. Mr. Coleman updated the Board

**BOARD OF DIRECTORS MINUTES
MEETING 00-12
DECEMBER 14, 2000
PAGE 3**

on the status of the SBCCS bankruptcy case, which is the first item on the report. A special litigation counsel has been hired to "go after" the partners and the Trustee is continuing to market the property.

The Board was briefed on the problems with the vendor selected for vehicle replacement and possible action, which may be taken against the vendor.

Mr. Howarth reviewed the Equipment Fund. A vehicle auction will be held again this year and the agency will be revising the mileage rates.

RESOLUTIONS

Mr. Peck introduced Resolution 00-12-1R, which is an Equipment Fund resolution for the Western Branch Yard Waste Composting Facility. A question was addressed. Mr. Snee made the motion to approve the Resolution, Mr. McMullen seconded, and the motion passed with one abstention. Ms. Jackson did not participate in the discussion and abstained from the vote.

Mr. Peck introduced Resolution 00-12-2R, a second Equipment Fund resolution for a wheel loader at the Baltimore County Resource Recovery Facility. Mr. Snee made the motion to approve the Resolution, Mr. Addison seconded, and the motion passed unanimously.

Mr. Peck introduced Resolution 00-12-3R. This Resolution is an Intent to Reimburse to recover costs for the ECH project. Mr. Shubnell made the motion to approve the Resolution, Mr. Snee seconded, and the motion passed unanimously.

Mr. Peck introduced and reviewed the final resolution, 00-12-4R. This Resolution is an Intent to Reimburse the Service for expenses incurred regarding a new office building. A site visit will be arranged for the Board members. Mr. Shubnell recommended the Service establish a minimum 15-20% equity position in the new building. The Board will receive more specific cost estimates at a future meeting. Mr. Shubnell made the motion to approve the Resolution, Mr. Snee seconded, and the motion passed unanimously.

HUMAN RESOURCES

Mr. Peck and Ms. Wojton reviewed the BEST 2001 goals. Mr. Peck also let the Board know of the positive feedback he has received from MES staff regarding the BEST 2000 compensations and thanked the Board on behalf of the employees and executive staff.

PROCUREMENT

Mr. Peck presented Item 1 and 2 for approval. Mr. McMullen made the motion to approve the Item, Mr. Addison seconded, and the Items were approved unanimously.

Items for Notification were in the Board notebook and a question was addressed.

LEGAL REPORT

Mr. Coleman reported the following:

Robert Munroe is transferring from the agency to take a position with the Office of the Attorney General at the Maryland Port Administration. Mr. Coleman is starting the hiring process.

Prince George's County – MES' motion has been granted by the District Court to dismiss the case involving the inmate who worked at the Western Branch Yard Waste Composting Facility.

RCF – There has been no change. MES is preparing for mediation to resolve the matter.

EXECUTIVE SESSION

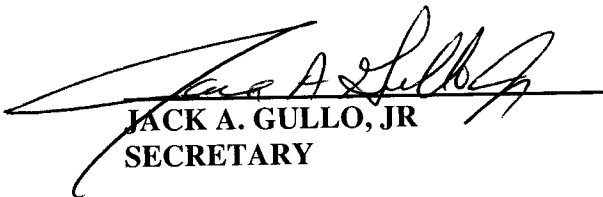
At 10:51 a.m., upon motion of Mr. Howarth, seconded by Ms. Jenkins, and unanimously approved, the Board voted to go into closed session. The Board did not take any official action while in closed session. During the closed session the Board discussed a personnel matter. The Board also discussed with counsel an investigative proceeding involving possible criminal conduct. During the closed session Ms. Wojton, Mr. Miller, and Mr. Wojton were also present. At 11:05 a.m., upon motion by Mr. McMullen, seconded by Mr. Shubnell, the Board voted unanimously to go back into open session.

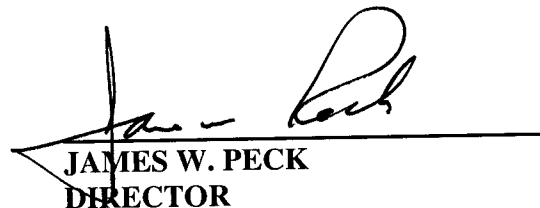
NEW BUSINESS

Mr. Peck made note of the tentative 2001 meeting schedule, a copy of which is in the members' notebooks.

ADJOURNMENT

The next meeting is January 25, 2001 at MES headquarters. The meeting adjourned at 11:07 a.m.


**JACK A. GULLO, JR
SECRETARY**


**JAMES W. PECK
DIRECTOR**