



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Charles Glass, Ph.D., P.E. ACTING DIRECTOR

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 02-21
February 25, 2021**

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Charles Glass, Chairman (video)
Judge Frederic Smalkin, Secretary (video)
Morgan Hall (video)
Shelley Heller (video)
J.P. Smith (video)
Joseph Snee, Esq. (video)

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean L. Coleman, Esq. (video)
Hament Patel (video)
Hattie Crosby (video)
Jewel White (video)
Tammy Banta (video)
Jason Gillespie (video)
Steve Tomczewski (video)
Vishal Bhatia (video)
Dan Faoro (video)
Steven King (video)
Winsome Condra (video)
Jeff Tosi (video)
Pamela Fuller (video)
Jana Leech (video)
Amanda Cooper (video)

CALL TO ORDER

Dr. Glass called the meeting to order at 9:33 a.m. Board members and staff participated via Teams video. The meeting was broadcast live to the public on YouTube.

INSPIRE

Mr. Gillespie presented an Inspire award for Extraordinary Service to James Kenner, Ronnie Welch, Michael Harvey, and Randall Broadwater. These Garrett County team members rose to the task of fixing an on-site water leak that occurred in the community of Crellin on Christmas Day, 2020. The team found and isolated the leak, stayed on-site for the completion of the repair, obtained and delivered water samples to the lab, and restored the client's facility to normal operations as quickly as possible. Mistrs Kenner, Welch, Harvey and Broadwater were present via Teams video link.

MINUTES

Dr. Glass requested discussion or a motion for the approval of the minutes of the meeting of January 26, 2021. Mr. Snee made a motion to approve the minutes, and Mr. Smith seconded. The minutes were unanimously approved.

Dr. Glass requested discussion or a motion for the approval of the minutes of the meeting of January 28, 2021. Mr. Smith made a motion to approve the minutes, and Mr. Hall seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Dr. Glass reported on his expenses over the last month. He has not incurred any expenses, nor directed that any expenses be made in the past month, and he continues to refrain from travelling or incurring business expenses.

Dr. Glass and Mr. Tosi reviewed the Maryland Environmental Service Reform Act (SB2) which received a favorable vote last week. An identical bill has been introduced in the House (HB2). Senate Bill 2 has been amended and now includes many of the provisions of the Governor's bills (HB741/SB575). The amended bill would make structural changes to Board composition, qualifying criteria, duties and responsibilities; limit the compensation package an MES executive may receive upon termination of employment; modify MES hiring practices, Board governance and ethics; require Board approval of certain expenses; and make other changes. Dr. Glass summarized other proposed provisions of the bill. The bill is being put forth as an emergency bill that would require 3/5^{ths} approval of each house of the General Assembly and become effective immediately upon approval by the Governor. MES would then need to implement many of the changes by July 1st.

The State Transparency and Accountability Reform (STAR) Commission met on Friday, January 29th and Monday, February 15th. On February 15th, after welcoming Delegate Barron and Senator Lam to give a presentation on the work of the Joint Committee of Fair Practices and State Personnel Oversight, the primary focus was to develop questions the Commission would be submitting to the independent state agencies under review. The questions focus on Financial practices, Board/Governance, Compensation/Performance, and Accountability. Even though the agency has not received the official list of questions, Ms. Cooper has begun collecting preliminary responses. Senator Serafini stated that the agencies would be invited to be interviewed by the commission.

On February 11, 2021 Dr. Glass served on a review panel with UMCES President Goodwin, Sea Grant Director Frederika Moser, and Assistant Secretary of MDE Suzanne Dorsey to interview candidates for three 1-year fellowships. Through the process it was agreed that Dr. Khursid Jahan would be the best fit to join MES for one year. Dr. Jahan is finishing her doctorate at the University of Rhode Island focused on best management practices in stormwater treatment for the removal of nitrogen, phosphorus, sediment, and heavy metals along the highways in Rhode Island for the state DOT. Dr. Glass is now waiting to find out if Dr. Jahan will accept the offer from Sea Grant to work with MES. There is a provision in the MES reform bill to report to the General Assembly on the Service's efforts to reduce greenhouse gas emissions. Dr. Glass anticipates that she will be responsible for leading this effort.

The Lt. Governor, Department of Budget and Management, Department of General Services, and Department of Environment are all evaluating space utilization and the benefits of teleworking to the bottom line of the state, both financially and environmentally. MES has found that the full time telework model has led to lowered expenses and the vast majority of headquarters employees prefer enhanced teleworking. The agency will not renew the lease for 255 Najoles Road when it expires in late 2022. Minor reorganization will need to take place in 259 Najoles, but the benefits will be lower greenhouse gas emissions, money saved on lease space, and a high-quality work life balance for MES employees.

AGENCY ACTIVITY REPORT

Dr. Glass presented the Agency Activity Report and asked if there were any questions. Mr. Snee inquired into the \$2.5 million item for MEMA. Mr. Gillespie advised that this project will not be coming through MES. DBM has decided to go another route. MES will be working on a \$500,000 task order for outreach support

with water and wastewater projects and critical infrastructure. Mr. Snee asked if there was any change in status to the Brown Station Landfill project since last month. Mr. Tomczewski indicated the five-year agreement is moving forward. The County is working to align their capital budgets with MES' proposal.

FINANCIAL REPORT

Mr. Patel presented the January 2020 Financial report. Labor sales are following the same trend as the last six months. Labor sales continue to remain lower than at the same period last year, due to the 1 less pay period this year. The numbers continue to trend in a positive direction to meet or exceed the net financial position.

The agency will meet its budgeted increase in net assets for FY2021. Fringe costs are higher than last month as expected due to the holidays and snow days. They are expected to still do better than budgeted. The total net assets are approximately half capital assets and half unrestricted net assets. Staff are looking at replacing fleet vehicles and adding to the fleet. The budget v. actual is about \$370,000 less than last month due to the holidays. There will be snow emergency days in next month's figures. Fringe variance is high now, but is expected to even out. As Administrative positions are filled, the overhead variance will decrease.

Mr. Patel also discussed the Accounts over 90 days report. Finance staff and project managers are working diligently on collections. The list has grown long, but all available staff are working on collections and the list will improve. Many of the projects on this list are State agencies, counties and smaller municipalities. It is most likely that all of these payments will be received before June 30, 2021. Collection efforts continue with the private customers as well. Finance will be taking over product billing soon.

HUMAN RESOURCES REPORT

Ms. White reported that the agency has 852 current positions. The vacancy rate will be 3.75% once pending new hires are brought on board. Remote hiring and orientation are ongoing.

Mr. Snee inquired about the retention of Operators and OITs (Operators in Training). Mr. Gillespie replied that retention continues to be a challenge. Many OITs in the Southern and Northern Region get certified, then leave to go to other employers. The Eastern and Western regions are bit more stable. They are putting together a plan to review the OIT program. Dr. Glass indicated the OIT program has not been adjusted

in four years. Other agencies and companies have cut back on their training budgets, then hire MES operators once they are trained. The Singer Survey will be reviewing these positions.

Mr. Hall inquired about Covid screening and testing before employees start. Ms. White indicated MES is using the same protocols as the State.

GROUP UPDATES

Ms. Banta highlighted the Port of Baltimore Clean Diesel Program that MES administers for the MDOT MPA. The program upgrades dray trucks, cargo handling equipment and marine vessels with cleaner burning diesel engines, equipment or technologies resulting in reduced emissions. Since 2009, MES had administered over \$13M in funding.

Mr. Gillespie highlighted the environmental and maintenance support MES provides to MAA and private vendors at BWI-Marshall Airport. There have been 8 deicing events this fiscal year. The average number of deicing events is 10 per year. The high concentration glycol gets collected and transported to Dulles Airport where it is recycled into antifreeze. MES does not spray the aircraft, but it does retrieve the sprayed glycol from the tarmac. MES also records the official snowfall accumulation for the State at the airport.

Mr. Tomczewski highlighted the Midshore II wetland mitigation and stream restoration projects. The mitigation efforts have created 7.9 acres of non-tidal wetland and restored 800 linear feet of stream bank to offset the wetland loss and stream impacts that were required for construction of the Midshore II landfill. The project consists of five Phases. Work on Phase IV is 92% complete, with full completion expected by June 2021.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is to purchase a large excavator for the Poplar Island Restoration project for \$430,000. Mr. Smith made the motion to approve the item, Ms. Heller seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is for the demolition and of the old salt shed, and construction of new salt shed for St. Mary's County at the St. Andrews Landfill for \$2,151,000. Judge Smalkin made the motion to approve the item, Ms. Heller seconded. The motion passed unanimously.

The Board Notifications for Contracts, Purchase Orders, Amendments and Change Order between \$25,000 and \$250,000 were reviewed.

LEGAL REPORT

Mr. Coleman advised that his office has been very busy with multiple projects, ongoing litigation, and several procurement matters. There are several upcoming trials scheduled before the Anne Arundel County Circuit Court.

Mr. Coleman updated the status of the entity awarded the contract under Procurement Item 1 – considered by the Board at its meeting on January 26th. The contract was awarded to M2 Construction LLC (DBA HRI Construction LLC). HRI is the primary contractor, they are registered in Maryland and Pennsylvania. They changed their name to M2 Construction, but that name was already taken in Maryland.

The legal office also continues to work with Dr. Glass and Mr. Tosi on legislative matters and will support the agency on implementation of any changes in the coming months.

OLD/NEW BUSINESS

Dr. Glass reported that he and Mr. Tomczewski will be meeting with Adam Ortiz from the Montgomery County Department of Environmental Protection later today. They will be discussing increased composting and food waste composting, as well as the marketing of Leafgro® and Leafgro Gold ®. They will also be discussing an RFI for biochar. Biochar could also be marketed as a soil amendment.

The next meeting of the Board is scheduled for March 25, 2021 at 9:30 a.m. That day is also Maryland Day.

ADJOURNMENT

Upon motion by Mr. Smith, seconded by Mr. Snee, the meeting adjourned at 10:45 a.m.

Frederic N. Smalkin

**HONORABLE FREDERIC SMALKIN
SECRETARY**

Charles Glass

**CHARLES C. GLASS, Ph.D., P.E.
ACTING DIRECTOR**