



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

## **BOARD OF DIRECTORS MEETING MINUTES**

**MEETING 05-21**

**May 27, 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:** Priscilla Carroll, Esq. (video)  
Hament Patel (video)  
Hattie Crosby (video)  
Jewel White (video)  
Jason Gillespie (video)  
Marni Dolinar (video)  
Tim Ford (video)  
Ellen Frketic (video)  
Steven King (video)  
Winsome Condra (video)  
Jeff Tosi (video)  
Sharon Merkle (video)  
Casey Powers (video)  
Pamela Fuller (video)  
Jana Leech (video)

### **CALL TO ORDER**

Dr. Glass called the meeting to order at 9:30 a.m. Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

**MINUTES**

Dr. Glass requested discussion or a motion for the approval of the minutes of the meeting of April 29, 2021. Mr. Snee made a motion to approve the minutes, and Mr. Smith 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 incurred on his behalf in the past month, and he continues to refrain from travelling or incurring business expenses. He did visit four MES sites in May, the Prince George's County Materials Recycling Facility and Composting Facility, the Rocky Gap Wastewater treatment plant and the Greenbrier wastewater treatment facility. For each visit, he brought healthy snack bags for staff members. The total cost for the fruit, chips, and beverage was \$272.29. He hopes to visit many more of the major facilities before the end of the year. He also spent about \$120 on lunch for 8 staff members while touring the Western Maryland sites this week.

As he tours sites, Dr. Glass is highlighting the three major focus areas: safety, level of service, and growth opportunities for staff. He would like to see no major injuries at MES. It is up to everyone to keep all MES employees safe. He is also stressing providing a great level of service to MES clients. Continued education and training are fundamental to the first 2 goals. Ms. White is actively working to get the Manager Training and Supervisor program back up and running by next January.

The search for a Deputy Director continues. A panel of MES Executives has selected five potential candidates from a pool of 32 applicants. Dr. Glass will interview these five, then provide three names to the Secretary of Appointments. It is hoped a Deputy Director will be appointed by July.

A letter was sent to four HBCU's (Historically Black Colleges & Universities) seeking to build relationships. The intent is to strengthen MES partnerships with all four institutions by hiring their students, sending MES employees to their programs, writing for research grants with them, and potentially doing work for them.

MACO and MML distributed a solar survey to their members. The results are still coming in. MES and MCEC look forward to following up to support various jurisdictions in their development of solar projects.

Discussions are underway with Hazen, WSSC, and Anne Arundel County on a proposed Biochar RFP to handle biosolids.

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A few organizational changes have been made recently. Ms. Ellen Frketic has been named the new Acting Director of the Water and Wastewater group. Mr. Jason Gillespie will be the Managing Director of Technical Environmental Services (TES), which will include Environmental Monitoring and GES services. There will now be four operating divisions at MES.

The Charles County Resilience Authority had its first meeting on May 21, 2021. The group is focused on nuisance flooding and climate events in Charles County. Dr. Glass is on this Board.

**AGENCY ACTIVITY REPORT**

Dr. Glass presented the Agency Activity Report and asked if there were any questions. Several Dredging projects were highlighted.

**FINANCIAL REPORT**

Mr. Patel presented the April 2021 Financial report. Labor sales are following the same trend as the last 6 months. Labor sales continue to remain lower than at the same period last year, because there is one less pay period this year. The numbers continue to trend in a positive direction to meet or exceed the budgeted net financial position. The budget did not consider COVID-19. The current labor sales are now comparable to this same point in FY20.

The agency will meet its budgeted increase in net assets for FY2021. The actual increase in net assets should wind up being about what was budgeted. Fringe variance is high now but is expected to even out. As Administrative positions are filled, the overhead variance will decrease. The total net assets are usually evenly divided, with about half being capital assets and half unrestricted net assets. The increase in net assets during the Fiscal Year will impact these balances, but it will return to 50/50 by the end of Fiscal Year.

The increase in net assets will be near \$3.5M largely due to vacant overhead positions. The FY21 Financial plan projected an increase of \$3.1M. The agency is slowly filling some of these vacant overhead positions. This will be taken into consideration when preparing the FY22 budget.

Mr. Patel also discussed the Accounts over 90 days report. Finance staff and project managers are working diligently on collections. Mr. Patel updated the status of each open account:

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- Town of Sudlersville – the final invoice was sent to the Town.
- DNR – The MES project manager is working the DNR project manager
- DC DGS – the first payment should arrive soon
- Southstar L.P. – Customer is paying current invoices.
- Wise Recycling and J.R. Sales – judgments have been obtained.

### **AUDIT COMMITTEE REPORT**

Ms. Heller reported that Audit Committee met earlier in the day with the agency auditors, RSM, for an initial kickoff audit presentation. Dr. Glass reported that, in addition to regular financial audit, RSM will be asked to review the senior leadership expenses again.

### **HUMAN RESOURCES REPORT**

Ms. White reported that the agency has 857 current positions. The vacancy rate will be 7.92% once pending new hires are brought on board. Remote hiring and orientation are ongoing. In the last month, of the 14 candidates who declined a job offer, 10 indicated it was due to the low salary. Changes will be considered for some of these hard to fill positions.

### **GROUP UPDATES**

Ms. Dolinar presented an overview of the Confined Aquatic Disposal (CAD) process whereby soft silts, clays, sand and gravel are removed, and are replaced with dredged materials. A new CAD MOU will be executed with MDOT MPA next month for project management, engineering design, and regulatory coordination and permitting.

Ms. Frketic presented the Point Lookout State Park water and sewer improvements. The 50-year-old water and sewer piping systems will be replaced, as well as improvements to the park pump stations.

Mr. Ford presented the Eastern Shore natural gas pipeline. The project will positively impact the Department of Public Safety and Correctional Service, the University of Maryland, Eastern Shore and Somerset County. The line will start receiving gas this fall. Chesapeake Utilities has currently installed about 50% of the pipeline.

Mr. Gillespie presented the MDE eCollaboration tool that was developed by MES for use by MDE for online permit applications. The web application allows remote, paperless inter-agency review from both state and federal entities by allowing secure

online real-time access to all relevant documentation. This has significantly sped up the approval process.

### **PROCUREMENT ITEMS**

Ms. Crosby introduced Item 1. The procurement is for engineering support services at the Gude and Oaks Landfills in Montgomery County. Barton & Loguidice will provide the services at a cost not to exceed \$375,000. There is a 0% MBE goal. 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 on-site trail design support at the Cox Creek Expanded community enhancement sites. A.D. Marble will provide the services at a cost of \$250,000. There is a 37% MBE goal. Mr. Hall made the motion to approve the item, Judge Smalkin seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is a pre-solicitation approval for \$2,000,000 for the supply of high strength geotextile services at Masonville DMCF. The MBE goal is to be determined. Judge Smalkin made the motion to approve the item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for local data annual submission and TMDL GIS support (FY22) for MDOT SHA. Whitney, Bailey, Cox & Magnani, LLC will provide the service at a cost of \$335,450.09. There is a 49% MBE Goal. Judge Smalkin made the motion to approve the item, Mr. Hall seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for reconditioning of the 250,000-gallon water tank at Crownsville Hospital Complex. K&K Painting Inc. will provide the service at a cost of \$350,000. There is a 11% MBE goal. Mr. Smith made the motion to approve the item, Judge Smalkin seconded. The motion passed unanimously.

Judge Smalkin requested future items indicate the physical location of the projects.

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

**LEGAL REPORT**

Ms. Carroll reported that on April 27, 2021, the Circuit Court for Anne Arundel County dismissed a case filed by CJ Miller. On May 21<sup>st</sup>, CJ Miller's attorneys filed a Notice of Appeal to the Court of Special Appeals.

The process has begun to hire a fourth Assistant Attorney General for the agency.

**REGULATION UPDATE**

Mr. Tosi presented two proposed regulation changes that are necessary to bring the agency regulations into compliance with the recently enacted MES Reform Act (SB2, 2021 session). The Human Resources regulations (COMAR 14.27.02) will be amended to reflect the Director's new title and clarify that the regulations do not apply to members of the Board. The Procurement regulations (COMAR 14.27.03) will be amended to reflect the Director's new title, and to reduce the contract amount requiring Board approval from \$250,000 to \$200,000. Both proposed changes also will be submitted as emergency regulations, so as to be effective by July 1<sup>st</sup>. Judge Smalkin made a motion to approve the changes, Mr. Hall seconded. The motion passed unanimously.

**OLD/NEW BUSINESS**

The next meeting of the Board is scheduled for June 24, 2021 at 9:30 a.m. The new law requires the agency to live stream its Board meetings. The agency currently does not have the ability to do this in person. The IT staff are working on a solution, in the meantime, Board meetings will remain fully virtual.

**ADJOURNMENT**

Upon motion by Mr. Hall, and seconded by Ms. Heller the meeting adjourned at 10:37 a.m.

*Frederic N. Smalkin*

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**HONORABLE FREDERIC SMALKIN**  
**SECRETARY**

*Charles Glass*

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