



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

## **BOARD OF DIRECTORS MEETING MINUTES**

**MEETING 2-22**

**February 24, 2022**

**LOCATION:** Conference/Video Call

**TIME:** 9:30 a.m.

**DIRECTORS PRESENT:** Judge Frederic Smalkin, Chair  
Robert Witt, II, Secretary (video)  
Robert Neall, Treasurer  
Honorable Dereck Davis (video, portions of meeting)  
Shelley Heller  
Marian Hwang, Esq. (video)  
Hiram Tanner, Jr., P.E.  
Charles Glass, Ph.D., P.E.

**DIRECTORS ABSENT:** None

### **OTHERS PRESENT:**

Sean Coleman, Esq.	Hament Patel
Ellen Frketic	Melissa Slatnick
Tim Barr	Jewel White
Hattie Crosby (video)	Casey Powers (video)
Marni Dolinar	Jana Leech (video)
Tim Ford	Greg Green (video)
Pamela Fuller	

### **Inspire Recipients (9:30 – 9:45)**

Zackery Lyon	James Falkenhan
Robert Dishon	Alphonzo Russell
Justin Derr	Justin Riesett
Ben Carr	Tyler Williams
Mapa Mapagunathne	Bob Barnhart
Joe Drescher	Tim Strite
Steve Mastro	Chase Clark

**CALL TO ORDER**

Judge Smalkin called the meeting to order at 9:30 a.m. Some Board members and staff were present at MES Headquarters, other Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

**INSPIRE**

Ms. Slatnick presented the Extraordinary Service Inspire award to Zackery Lyon, Robert Dishon, Jason Derr and Ben Carr for their work on the BWI Bike & Pedestrian Trail. The team made structural repairs to the stormwater channels that had been impacted with sediment, debris, overgrown vegetation, and large roots. The team completed all the work under budget, while keeping the trail open to pedestrians.

Ms. Dolinar presented the Extraordinary Service Inspire award to Mapa Mapagunaratne, Joe Drescher, Steve Mastro, James Falkenhan, Alphonzo Russell, Justin Riesett, and Tyler Williams for their work developing a floating weir system for the Masonville Dredged Material Containment Facility. The team researched, designed, and developed a prototype system that will provide the client a significant cost savings, and benefit operations at the site with a flexible, inexpensive, and mobile solution.

Mr. Barr presented the Extraordinary Service Inspire award to Bob Barnhart, Tim Strite, and Chase Clark for their work on the San Mar Children's Home water tank rehabilitation. The contractor's estimate to keep the water flowing to the Children's home during the tank rehabilitation was over \$13,000. The team, through ingenuity and creative use of resources was able to complete the bypass and keep the water flowing for \$246. The client was extremely pleased.

Mr. Tim Ford presented the Extraordinary Service Inspire award to Leonard Haley and Jack Higgins for their coverage of the MCI Hagerstown Steam Plant. For a week in January, all but two of the facility's engineers were out sick on quarantine. Mr. Higgins and Mr. Haley covered the entire plant, each working 12-hour shifts for the entire period to keep the boilers running and maintain the steam flow to the State prison. Mr. Haley and Mr. Higgins were unable to attend today because they were just coming off, or just starting shifts this morning.

**MINUTES**

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of January 27, 2021. No corrections or objections were noted. Ms. Heller made a motion to approve the minutes, the minutes were unanimously approved.

**EXECUTIVE DIRECTOR'S REPORT**

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. Due partly to the State of Emergency, neither had any expenses over the last month. Now that restrictions are being lifted, events are being scheduled for the future.

Dr. Glass congratulated Ms. Slatnick who was recently appointed as the Managing Director of the Technical & Environmental Services (TES) group. Ms. Slatnick has 24 years of experience with MES in the Environmental Dredging Group.

The Legislative session continues. MES' operating and capital budget hearings went well. A Department of Legislative Service budget analyst requested that the \$6 million to implement a dredging program with innovative reuse of Conowingo sediment be deleted from the State budget. MES and MDE have presented a defense of the funding. Mr. Tosi will present a full report of bills that may impact MES at the March meeting.

The Covid state of emergency has again prevented site visits over the last month. Dr. Glass did have a busy month of meetings with clients and potential clients. He attended the first Infrastructure Bill Subcabinet meeting last month. Ms. Frketic and Dr. Glass are sifting through the numerous opportunities that may arise with the infrastructure funds.

The Executive group has been actively working on agency recruitment. The Executive Director or Deputy Director have been logging into the weekly new-hire onboarding sessions to welcome new employees. Agency staff have been attending numerous job fairs and recruitment events with many contacts being made.

The Strategic Plan effort continues to move along. Client and teammate surveys have been completed. A draft plan will be shared with the Board in the future.

Dr. Glass congratulated 2 teammates on their retirements after more than 30 years of service: Kathy Waters from the EDR Group and Greg Brown from the WWW Group.

Along with enhanced recruiting, the Executive Director has been working with both IT and HR to make sure the data in Workday is up to date and can be relied on to make business decisions. Mr. Greg Green, Senior Application Programmer presented a demonstration of the MES Executive Dashboard. This dashboard allows Managing

Directors and Group Administrators to view headcount reporting and see vacant positions in real time. Staff can also explore turnover and analyze trends.

All members of the MES Board have been confirmed by the State Senate. The Senators appeared pleased with all of the appointments to the MES Board.

### **AGENCY ACTIVITY REPORT**

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

### **MES SERVICES FOR NON-GOVERNMENTAL ENTITY**

Mr. Ford presented this Item for approval. MES has provided solid waste management services to the W.R. Grace Landfill since 2014. MES is currently in the final one-year extension of the contract. A new contract has been negotiated with a value of \$511,054. The MES Reform Act now requires Board of Public Works (BPW) approval for service contracts where the value of the contract is at least \$250,000. MES staff will be meeting with the BPW staff next week to discuss how to process these contracts for BPW approval. Secretary Neall made a motion to approve the item, Mr. Tanner seconded. The item passed unanimously.

### **FINANCIAL REPORT**

The January financial statements were included in the Board packet. Labor sales have remained steady over the last six months. They are about 6% lower than FY21 at this same point, but only about 3.6% less than budgeted. While the agency has not lost any projects or clients, the scope of work on many projects has been reduced or altered. Billable labor has been lower than expected, but expenses have also been lower. The change in net assets is about \$700,000 less than last year but should meet the year-end target. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. This amount fluctuates throughout the year, but usually is near 50/50 at year end. The agency will be investing in electric vehicles and charging stations in the coming year. The 2022 Financial plan provides the details for the Budget v. Actual report.

### **AUDIT COMMITTEE REPORT**

Ms. Heller reported that the Audit Committee met on February 14<sup>th</sup> to discuss two items. The first was a report from the agency Internal Auditor. Dr. Glass explained that a loss was observed when preparing budgets that was traced to the TES Service Center

cost center. Several years ago, this cost center was created to account for non-billable tasks by billable employees on certain projects. This practice and this service center cost center have now been eliminated. Ms. Heller indicated the auditor identified 11 areas of concern. A management plan has been implemented and is scheduled to be completely enacted by July 1, 2022.

The Committee also review the Executive Expense audit conducted by RSM in closed session, since the report identified specific employees. There were 3 findings that have all been corrected.

### **HUMAN RESOURCES REPORT**

Ms. White presented the newly revised Human Resources Report. The agency has 729 active positions. The vacancy rate is 7.95%. The vacancy trends report shows a dip for February.

### **HUMAN RESROUCES COMMITTEE REPORT**

Ms. Hwang reported that the Human Resources Committee met last week on February 15<sup>th</sup> to discuss 2 items. The first was the Evaluation criteria for the Executive Director which is required by the MES Reform Act. The committee, with assistance from Mr. Coleman reviewed, revised, and is now recommending 33 criteria which fall into 5 categories. Ms. Hwang reviewed the 5 categories: Overall Organizational Performance, Community Leadership, Administration and Human Resources, Financial Sustainability and Mission Impact, and Board of Directors. Judge Smalkin made a motion to approve the evaluation criteria as presented by the Committee, Ms. Heller seconded. The motion passed unanimously.

The second matter considered was an increase to the Operator in Training (OIT) pay scale. Dr. Glass discussed the proposition to increase the starting salary for OITs to make it more competitive. The entire operator series will also be evaluated in an effort to retain licensed water and wastewater operators. The committee is recommending raising the starting salary for OITs from \$15 per hour to \$17 per hour. Mr. Witt made the motion to approve the increase, Mr. Tanner seconded. The motion passed unanimously.

### **FY22 BEST UPDATE**

Ms. Frketic updated the Board on the status of the FY22 BEST Goals. Many of the goals have already been completed. The rest are on track for completion by the end of the Fiscal Year.

**GROUP UPDATES:**  
**ENVIRONMENTAL OPERATIONS**

Mr. Ford presented an overview of the Environmental Operations (EO) Group. EO consists of 268 employees who are equipment operators, engineers, administrators, scientists, marketing specialists, and innovators and planners. The Group handles solid waste management, recycling operations and marketing, landfill operations, solid waste transfer operations, solid waste collections, composting organics, a biomass to energy project, environmental monitoring, and scrap tire management. Mr. Ford also described the recent upgrade to the equipment at the Prince George's County Materials Recycling Facility (MRF) with a time lapse video.

**PROCUREMENT ITEMS**

Ms. Crosby presented Item 1. The procurement is for engineering services related to the water main replacement at Camp Fretterd Military Reservation. George, Miles & Buhr, LLC will provide the services at a cost of \$220,100. There is a 34.15% MBE goal. Mr. Tanner made the motion to approve the item, Secretary Neall seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for FY2022 Agricultural Scrap Tire Collection Event. Auston Contracting Inc. will provide the services at a cost of \$340,000. There is a 0% MBE goal. Mr. Neall made the motion to approve the item, Judge Smalkin seconded. No members were opposed, the motion passed unanimously, with the exception of Ms. Heller who did not participate in the discussion and abstained.

Ms. Crosby presented Item 3. The procurement is for pre-design dam investigation services at the Fishing Creek Dam. RK&K will provide the services at a cost of \$367,687. There is a 10% MBE goal. Judge Smalkin made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for engineering support at the Deep Creek Lake Arrowhead Cove dredging project. Anchor QEA will provide the services at a cost of \$290,000. There is a 10% MBE goal. Secretary Neall made the motion to approve the item, Mr. Tanner seconded. No members were opposed, the motion passed unanimously, except for Mr. Witt who did not participate in the discussion and abstained.

Ms. Crosby presented Item 5. The procurement is a change order with Concrete General Inc. for \$3,000,000. It is for drainage management, remediation and

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maintenance services provided to MDOT SHA by Concrete General, Inc. There is a 10% MBE goal. Secretary Neall expressed concern over the growth of this contract. Dr. Glass indicated there had been a reduction in services during the covid restrictions, and that work is now ramping back up to complete the backlog. Project managers will investigate when this contract will be re-bid. Judge Smalkin made the motion to approve the item, Secretary Neall seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is for traffic monitoring system support and asset management for MDOT SHA. Synergy Systems & Services Inc. will provide the services at a cost of \$448,555. There is a 29% MBE goal. Mr. Tanner made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

The Board Notifications for Contracts, Purchase Orders, Amendments, and Change Order between \$25,000 and \$200,000 were reviewed.

**LEGAL REPORT**

Mr. Coleman will update the Board on a litigation matter in closed session. He reminded the Board members and staff that they need to file their Financial Disclosure forms by the end of April.

**OLD/NEW BUSINESS**

The next meeting of the Board is Thursday, March 31, 2022, at 9:30 a.m.

**CLOSED SESSION**

At 11:26 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(7) and (8) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed meeting session, and to consult with counsel on an open litigation matter. Judge Smalkin asked if anyone objected to the Board entering closed session, and no objections were heard. He also stated that any member of the viewing public who objected, could submit their objection via email to the agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Mr. Witt seconded the motion, all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting then ended at 11:30 a.m. The online Board members were then transferred to a secure conference

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video line. Staff members who were not required for the closed session then left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:30 a.m. Present during the closed session of the Board were Board members Smalkin, Heller, Hwang, Neall, Witt, Tanner, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Ford, and Ms. Fuller.

At the start of the closed session Judge Smalkin requested approval of the minutes of the closed session from the meeting of January 27, 2021. Secretary Neall made a motion to approve the minutes, Ms. Heller seconded. The minutes were unanimously approved.

Counsel updated the Board on the status of a pending litigation matter and discussed a proposed settlement of the litigation.

**ADJOURNMENT**

Upon motion by Judge Smalkin, the meeting adjourned at 11:42 a.m.



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**ROBERT L. WITT, II**  
**SECRETARY**



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**HONORABLE FREDERIC N. SMALKIN**  
**CHAIR**