



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 4-22

April 28, 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)
Shelley Heller (video)
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E. (video)
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.	Hament Patel
Ellen Frketic	Melissa Slatnick (video)
Tim Barr	Steven King
Hattie Crosby	Casey Powers (video)
Marni Dolinar	Jana Leech (video)
Tim Ford	Phillip James
Pamela Fuller	Landon Carnell

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:31 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom videocall. The meeting was streamed live to the public on YouTube.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of March 30, 2022. No corrections or objections were noted, and 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. There was only one expense to report during this period, which stemmed from the site visit to Elk Neck State Park water and wastewater treatment plants.

Dr. Glass toured the Masonville Cove Urban Wildlife Refuge Partnership, visiting with staff at the Environmental Education Center and the Dredged Material Containment Facility.

Work on the Strategic Plan continues. A draft plan was distributed to Board members on April 27, 2022. Any feedback, comments or changes from the Board would be welcomed. The plan is based on the "3 pillars" of Safety, Level of Service, and Education & Training. This draft plan was done completely in-house. Mr. Neall liked the employee focus components. He would like to see a section on the financial goals of the Agency. He will provide written comments.

Based on a Board member suggestion after Veterans Day, a workgroup was formed to recognize and honor families of deployed service members. Gift baskets and gift cards are being presented to families of Agency employees who are deployed, or who have a deployed immediate family member.

On Sunday, March 27, 2022, MES received a Directive from Secretary Ben Grumbles to work with Baltimore City to return the Back River Wastewater Treatment Plant (WWTP) to compliance. During the first three weeks of the project, MES personnel reviewed the operation and maintenance of the plant and provided 12 operators and 5 maintenance staff to support operations. Removal of the backup of biosolids has been identified as the first priority. There have been weekly meetings with the Maryland Department of the Environment (MDE) and Baltimore City, and updates to the City and Governor. Secretary Neall urged the Agency to fully document all its costs. A written assessment of the project will be completed by June 6, 2022. MES' work may continue for about a year.

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On March 23, 2022, MES took its first "services for non-governmental entity" item to the Board of Public Works (BPW). The item was the renewal with W.R. Grace agreement for solid waste management services at their landfill. Comptroller Franchot deferred the item. MES provided further documentation and answered questions. The item was subsequently approved unanimously by the BPW.

Dr. Glass and the Board expressed their gratitude and best wishes to Bryan Winklemeyer, who is retiring after more than 33 years with the Agency.

Dr. Glass turned the meeting over to Judge Smalkin to announce the new motto for the Agency. Several months ago, Judge Smalkin had suggested that the Agency needed a motto. An Agency-wide competition was held. The Communications Team reviewed all 235 entries and narrowed the choices to the best four submissions. The winning motto was selected by the MES Managing Directors through an anonymous vote. The winning motto is "Environmental Solutions for a Better Tomorrow." The winning submissions were submitted by Phillip James and Landon Carnell. Because the motto was developed by combining two employees' suggestions into one, two winning employees will share the prize.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions. Ms. Hwang asked about the Loan Underwriter for the Maryland Department of Emergency Management (MDEM) Resilient Revolving Loan Fund. Ms. Slatnick indicated the contract is for 2 years.

FINANCIAL REPORT

Mr. Patel reported that the Legislative Auditors have been at MES since April 1, 2022. They are scheduled to remain in the building to conduct field work until May 15. Agency staff have provided them with everything they have asked for, and no issues have arisen. The Harford County auditors have also visited the Harford County sites to conduct an audit. All information they requested was provided within ten days.

Notice was given to the Darlington water treatment system residents of a State assistance plan for water services for low-income families. MES Finance staff are proactively attempting to help as many residents as possible.

The March financial statements were included in the Board packet. Labor sales have remained steady over the last few months. While labor sales are lower than in previous year, overhead has also been lower. The change in net assets is 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 \$1,500 bonus payment to employees came out of the previous year's funds. No major capital expenditures are anticipated. The 2022 Financial Plan provides the details for the Budget v. Actual report.

Secretary Neall asked about Back River WWTP billing. Mr. Patel has been in contact with the Baltimore City CFO. The first billing for the project will go in May. Substantial backup and details will be provided. Regardless of whether the City issues a Purchase Order, the City is obligated to pay MES' invoices pursuant to State law.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is 9.1%. Two to three new hires have been brought on board each week. Separations and new hires appear balanced.

HUMAN RESOURCES COMMITTEE REPORT

Ms. Hwang reported that the Human Resources Committee met on April 20, 2022, to review the Compensation Study prepared by MGT Consulting. The salary study was commissioned in 2019 to evaluate the MES personnel system and ensure it is accurate, equitable, and competitive. MGT reviewed current salary ranges, organizational charts, and job descriptions. Among other things, they evaluated three pay plans: the Proposed Pay Plan (which covers most MES employees); the Executive Pay Plan (covering the Managing Directors, Deputy Director, and Executive Director); and the Operator in Training (OIT) Pay Plan.

The initial goal is to ensure all MES employees earn at least the minimum for their grade. Then within 5 years, each employee should be at the midpoint. The plan will be implemented on July 1, 2022. The OIT pay plan has already been implemented, as approved by the Board previously. The feasibility and cost impact were also examined. The Agency will be able to implement these changes without impact on its clients.

Ms. Hwang and the Human Resources Committee recommend approval of the Compensation Study by the full Board. Secretary Neall made a motion to approve the study, which includes the pay plans, Judge Smalkin seconded. The motion passed unanimously.

GROUP UPDATES: TECHNICAL AND ENVIRONMENTAL SERVICES

Ms. Melissa Slatnick, Managing Director of the Technical and Environmental Services (TES) Group, presented an overview of the group. The TES group consists of six sections and an administration. The six sections are: GIS, Engineering, NEPA/On-site, Environmental Services, Laboratory Services, and BWI. Ms. Slatnick provided a brief overview of each section and highlighted a specific project from each section.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with Anchor QEA for \$101,816.05. It is for an additional year of work on TSA III Task 21 – Pearce Creek exterior monitoring program. There is a 29% MBE goal. The contactor is currently achieving 38.19%. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for rehabilitation of two clarifiers at the Back River WWTP. GMH and Associates of America, LLC will provide the services at a cost of \$2,045,344. There is a 10% MBE goal. Mr. Tanner made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

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

LEGAL REPORT

Mr. Coleman reminded the Board members and staff that they need to file their Financial Disclosure forms by the end of April and send a copy to the Clerk of the Board.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, May 26, 2022, at 9:30 a.m. The Audit committee will also meet on May 26 at 8:30 a.m.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 10:39 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR