



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

## **BOARD OF DIRECTORS MEETING MINUTES**

**MEETING 7-22**

**July 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)  
Marian Hwang, Esq. (video)  
Charles Glass, Ph.D., P.E.

**DIRECTORS ABSENT:** Shelley Heller  
Hiram Tanner, Jr., P.E.

**OTHERS PRESENT:**

Sean Coleman, Esq.  
Joanne Kille  
Ellen Frketic  
Tim Barr  
Hattie Crosby  
Marni Dolinar  
Tim Ford

Pamela Fuller  
Hament Patel  
Melissa Slatnick  
Steven King  
Casey Powers (video)  
Jana Leech (video)

### **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 video call. The meeting was streamed live to the public on YouTube.

**INSPIRE AWARDS**

Ms. Frketic presented an Extraordinary Service Inspire Award to the following recipients for their mammoth efforts at Back River Wastewater Treatment Plant (WWTP) over the last three months. Due to the large size of the group, the award was given prior to the start of the Board meeting.

<b>Al Razik</b>	<b>Greg Stehli</b>	<b>Randy Gaver</b>
<b>Amy Kline</b>	<b>Heather Fritz</b>	<b>Ryan Zacherl</b>
<b>Casey Hanna</b>	<b>Jamaal Downs</b>	<b>Scott Kearney</b>
<b>Chris Dallas</b>	<b>Joe Wright</b>	<b>Skip Immler</b>
<b>Cynthia James</b>	<b>Josh Grant</b>	<b>Steve Saccone</b>
<b>Demond Miller</b>	<b>Kayla Hammer</b>	<b>Timothy Barnes</b>
<b>Dwayne Biles</b>	<b>Lance Fierro</b>	<b>Wayne Jackson</b>
<b>Erin Lanagan</b>	<b>Matthew Hammons</b>	
<b>Garrett Scheller</b>	<b>Paul Zimmerman</b>	

**MINUTES**

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meeting on June 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. The reported expenses are associated with meals during the Maryland Municipal League (MML) summer conference and the purchase of a book about building company culture.

Dr. Glass presented the list of partner engagements over the last month. Rather than focus on new business opportunities, management will focus on improving services and providing additional services to existing clients.

Dr. Glass continued visiting MES sites in July and completed site trips to the Montgomery County Yard Waste Composting Facility and Cunningham Falls State Park Water Treatment Plant (WTP).

The focus for the foreseeable future will be on lowering the vacancy rate across the Agency. In addition to exhibiting at numerous job fairs, staff are working to develop relationships with various other potential sources of employees. The goal is to get the vacancy rate below 5%, with an eventual aim of 0%.

For the past seven weeks (approximately), the Back River WWTP has been in compliance with its effluent parameters. The revised directive from the Maryland Department of the Environment (MDE) stated that the consent order would end after compliance was maintained for three consecutive months. If current performance holds, this goal will be achieved by late August. With the WWTP now nearly back in permit compliance, MES is planning an orderly transition out of its engagement with the Baltimore City Department of Public Works. The April invoice has been approved by Baltimore City but has not yet been paid and is now 60 days past due. If it has not been paid within 90 days, MES will seek assistance from MDE. Secretary Neall inquired if action could be taken sooner to put pressure on the City to pay, as MES personnel had to be pulled off other paying projects to work on problems at Back River WWTP. Dr. Glass and Mr. Coleman indicated that the process to pursue payment is written into the MES statute, and that those provisions become effective when the payment is 90 days past due. Treasurer Davis stated that slow payment has been an issue across all levels of the State. Ms. Hwang asked what response MES received from Baltimore City in response to the assessment. Dr. Glass replied that there was considerable negativity from Baltimore City in the first few weeks. Since then, however, everyone has been working toward addressing the issues identified in the Back River WWTP Assessment Report. The report helped get the Consent Order signed and has also stimulated Baltimore City to begin working on the issues at the Patapsco WWTP.

### **AGENCY ACTIVITY REPORT**

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

### **FINANCIAL REPORT**

The June financial statements were included in the packet provided to Board members. All financial transactions have been submitted for the 2022 fiscal year (FY), and the financial auditors will start their review on August 8, 2022. The final audit report is due by September 30, 2022.

While labor sales are lower than during the previous fiscal year (FY22 labor was \$1.4 million less than in FY21), overhead expenses have also been lower. Contracts are in place for work, and the Agency only needs more employees to achieve a 4% increase in billable labor, which drives Agency revenues. Overhead recovery on billable labor was lower than last year, but overhead expenses were also lower. Fringe recovery was also lower, as were overhead fringe expenses.

Finance plans to set aside money for several items during FY23 including reserves for the allowance of bad debt; electric vehicle charging stations; IT equipment; and other post-employment benefit (OPEB) contributions.

### **HUMAN RESOURCES REPORT**

Mr. King presented the Human Resources Report. The vacancy rate is holding steady at 9.6%. Additionally, a new Chief of Human Resources has been selected.

### **GROUP UPDATE: FINANCE**

Mr. Patel presented an overview of the MES Finance Group. The Finance Group consists of several departments: Payroll; Accounts Payable; Banking/Financial Reporting; Accounts Receivable; and Fleet Management.

### **PROCUREMENT ITEMS**

Ms. Crosby presented Item 1. The procurement is a change order with Padlands, LLC for \$104,175. It is for trucking and land application services for Dorsey Run Advanced Wastewater Treatment Plant's biosolids. There is a 1% MBE goal. Ms. Hwang 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 cleaning of Hi-Rate Digestors 1 and 4 at the Back River WWTP. Synagro Central, LLC will provide the services at a cost of \$1,285,544. There is a 12% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. Ms. Hwang abstained from the discussion, consideration, and vote. This resulted in less than the number of votes required to approve the item. This item will be held until a sufficient number of members can vote on it. A meeting will be scheduled as soon as possible (before the next scheduled Board of Directors meeting) for this purpose.

Ms. Crosby presented Item 3. The procurement is a change order with CMT Services, Inc. for \$94,500. It is for skilled labor for the Central Maryland Correctional Facilities. There is a 15% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for program/project management and environmental compliance support services for Montgomery County projects. Barton & Loguidice D.P.C. will provide the services at a cost of \$425,000. There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

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Ms. Crosby presented Item 5. The procurement is for engineering services for the design and construction management of lagoon and WWTP improvements at Swallow Falls State Park. Watek Engineering Corporation will provide the services at a cost of \$416,679. There is a 29% MBE goal. Mr. Witt 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 the purchase of two John Deere 260E-II (or equivalent) articulated dump trucks for use at the Hart Miller Island dredged material containment facility (DMCF). There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 7. The procurement is for the purchase of two John Deere 460E-II (or equivalent) articulated dump trucks for use at the Poplar Island Environmental Restoration Project. There is a 0% MBE goal. Mr. Witt made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is for a sediment study and conceptual engineering for the +80' dike design at the Cox Creek DMCF. Gahagan & Bryant Associates (GBA) will provide the services at a cost of \$368,518. There is a 58% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is for the purchase of a road grader for the Poplar Island Environmental Restoration Project. Carter Equipment will provide the grader at a cost of \$304,732.02. There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for Consent Order assistance and compliance monitoring at Sandy Hill Creative Disposal Project. Arcadis will provide the services at a cost of \$491,595. There is a 31% MBE goal. Mr. Witt made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 11. The procurement is for compliance monitoring and reporting at Sandy Hill Creative Disposal Project. SCS Engineers will provide the services at a cost of \$495,652. There is a 10% MBE goal. Judge Smalkin made the

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motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 12. The procurement is for compliance monitoring and reporting at Brown Station Road Landfill. SCS Engineers will provide the services at a cost of \$499,000. There is a 20% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 13. Ms. Hwang abstained from the discussion, consideration and vote. This resulted in less than the number of votes required to approve the item. This item will be held until a sufficient number of members can vote on it. A meeting will be scheduled as soon as possible (before the next scheduled Board of Directors meeting) for this purpose.

Ms. Crosby presented Item 14. The procurement is for Statewide Household Hazardous Waste collection, transfer, and disposal. There is a 19% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 15. The procurement is for the purchase of Leafgro® bags for the Montgomery County Composting Facility. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 16. The procurement is a change order with Allied Contractors, Inc. for \$2,000,000. It is for activities related to drainage and stormwater remediation and construction. There is a 9% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 17. The procurement is for drainage repair at various locations. Concrete General, Inc. will provide the services at a cost of \$1,000,000. There is a 10% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt 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 reported that the attorneys in his office have been busy with transactional matters and reviewing proposals, agreements, and contracts.

**OLD/NEW BUSINESS**

The next meeting of the Board is Thursday, August 25, 2022, at 9:30 a.m.

**ADJOURNMENT**

Upon motion by Judge Smalkin, the meeting adjourned at 10:56 a.m.



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



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

