



**BOARD OF DIRECTORS
MINUTES
MEETING 1-18
January 22, 2018**

LOCATION: MES Headquarters
259 Najoles Road, Millersville MD

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Janet Irvin, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph Snee, Esq.
Kevin Hedge (via phone)
J.P. Smith

DIRECTORS ABSENT: Leslie Jackson-Jenkins, Esq.

OTHERS PRESENT:

Sean L. Coleman, Esq.	Priscilla Carroll, in at 10:58
Cece Donovan	Matthew Sherring
Steve Tomczewski	Jason Gillespie
Vishal Bhatia	Sharon Merkel, out at 9:35
Michael Harris	Jay Jarrell, out at 9:35
Pamela Fuller	Charles Harding, out at 9:35
Hattie Crosby, in at 10:45 out at 11:05	William Bowen, out at 9:35

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:30 a.m.

INSPIRE AWARDS

Ms. Donovan presented the Extraordinary Service Inspire award to Jay Jarrell, Charles Harding, and William Bowen for the efforts in helping the Town Manager of Sudlersville to move a large counter, and clean up two previously unusable offices so that the counter could be repurposed to the water treatment facility. Their efforts went above and beyond the scope of their required duties.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of December 11, 2017. Mr. Snee made the motion to approve the minutes and Mr. Smith seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath reported that many facility upgrades have been completed around the headquarters building, including, the completed break room, and the new wall photos in the conference room and other areas. The photos can later be changed with ease and little expense. The building committee continues to meet with the architects for the headquarters building expansion. There will soon be designated visitor parking at headquarters. A number of MES vehicles will soon receive branded wrapping. An example can be seen in the parking lot later this morning.

The agency's social media presence has been greatly expanded. The agency Facebook page now has over 5,000 followers, up from 1,000 at the start of 2017.

The agency roadshows continue to go well. A possible environmental co-op internship program was discussed during a roadshow with the University of Maryland. The team also met with the Maryland Higher Education Commission and the Maryland Department of Public Safety. Alternative fuel sources for the ECI Co-Gen were discussed.

Several new opportunities have been developed recently. A contract has been signed with Sagamore Development for work related to wetlands delineation. Other opportunities with them may also be possible.

The Notice of the Intent to Award was issued on December 29th for the Conowingo Dam dredging project. The project is moving forward.

MES staff continue to look into health care benefits for retirees. Participation in the State plan is not practical. The agency, with advice of the Segal Group is looking into other options.

The Performance Process Improvement Group, under the leadership of Michael Harris, has produced a set of about forty draft recommendations for process improvements. Most of these improvements involve technology issues.

The Legislative session recently commenced. A meeting was held with representatives from District 1 concerning the rising water bills at Rocky Gap.

Phase 1 of the Employee Self Service (ESS) timesheet module has been rolled out. The first group has successfully completed training. The agency is looking at several ways to supplement JD Edwards, including reviewing a demonstration of Workday later today.

Mr. McGrath announced that Janet Irvin and Cece Donovan would be leaving MES by the end of the month. Mrs. Irvin will be returning to Howard County as the County's Director of Finance, and Ms. Donovan will be retiring to sunny Florida after 32 years of stellar service. The Board extended its congratulations and appreciation.

AGENCY ACTIVITY REPORT

The newly revised Agency Activity Report was presented to the Board. This is the first report generated from Salesforce. Several questions were addressed.

STRATEGIC PARTNERSHIP REPORT

Ms. Wojton reported on the numerous opportunities explored this month including:

- Staff have completed additional roadshows, including at DoIT, University of Maryland, Maryland Higher Education Commission, and the Department of Public Safety.
- Matthew Sherring and Noha Ahmed have attended a number of current and potential events. They have also been reaching out to current partners and performing customer service checks.
- The agency provided the St. Mary's Metropolitan Commission with five requested proposals, but have not had any feedback yet.
- American Water reached out to MES about a year ago. They are in discussions with Anne Arundel County regarding the County's water facilities.
- Conversations continue with Domino Sugar over a refined Scope of Work.
- The possibility of a regional food waste composting facility is being explored.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 810 positions. There are currently 35 vacancies, with many new positions being added.

Ms. Wojton presented the BEST 2018 progress update in the Board materials. The agency is doing very well on all the goals. The employees are motivated.

Ms. Wojton advised that her staff is currently reviewing all Human Resources policies for updating. She presented three policies for the Board to review. The Board will be asked to vote on them next month

- Attendance Standards - Lateness
- Employee Health/Safety – Workplace Security
- Mobile Communication Device Use & Texting

Mr. McGrath took this opportunity to congratulate Ms. Wojton on her new appointment as Deputy Director. The Board joined him in his congratulations.

GROUP UPDATES

Ms. Donovan informed the Board that MPA will be submitting an Excellence Award nomination application to the MDOT Secretary's Office in February for the Hawkins Point North Cell and Masonville Cove tree planting efforts.

Ms. Donovan also presented details of the emergency fuel spill at Weide Army Airfield on Aberdeen Proving Ground, which MES has helped remediate.

Mr. Tomzcewski discussed the new construction of Cell 3 at the Midshore II Landfill.

FINANCIAL REPORT

Ms. Irvin presented the December Financial report and graphs. Labor sales are approximately 6% above budget, and revenues are about 3% below FY17. Fringe and overhead are still looking good due to new business. The total net assets also look good. The December Cash report reflects five accounts payable runs, the BEST plus payout, and the Leave-Buy-Back payout. The Budget v. Actual report looks good.

There are 7 clients on the 90 day report. Progress is being made on payment of all accounts.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for monthly Verizon wireless cellular services and equipment. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is for a change order with Marine Technologies for the Dundalk Marine Terminal Area 1800 Trash Interceptor. Mr. Addison made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is for ALS to provide primary general lab services for all Divisions. Mr. Smith made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for Microbac to provide secondary general lab services for all Divisions. Mr. Snee made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for Penn Waste Inc. to provide transport and processing of excess commingled material from the Montgomery County MRF. Mr. Snee made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 6. The procurement is for Fannon Petroleum Services, Inc. to provide diesel fuel to the Montgomery County Yard Trim Facility. Mr. Addison made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 7. The procurement is for Team Transport to transport yard waste to the Montgomery County Yard Trim Facility. Mr. Hedge made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks. Several questions were addressed. Ms. Crosby left the meeting at 11:05 am.

LEGAL REPORT

Mr. Coleman introduced Priscilla Carroll to the Board. She has been appointed as the new Assistant Attorney General at MES.

OLD/NEW BUSINESS


There has been no activity regarding collective bargaining.

Mr. McGrath presented the 2017 MES Annual Report, which was mailed to the Board last week.

The next meeting is Monday, February 26, 2018 at MES Headquarters. The April meeting may be a field trip.

ADJOURNMENT

The meeting adjourned at 11:06 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR
Boyd K. Rutherford LT. GOVERNOR
Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 2-18
February 26, 2018**

LOCATION: MES Headquarters
259 Najoles Road, Millersville MD

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison (on via phone at 10:16am)
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
Kevin Hedge
J.P. Smith (phone)

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia
Michael Harris

Pamela Fuller
Hattie Crosby, in at 10:30 out at 10:45
Matthew Sherring, out at 10:05 am
Greg Brown, out at 9:35am
Priscilla Carroll, Esq. in at 10:45am

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:30 a.m.

INSPIRE AWARDS

Mr. Gillespie presented the Innovative Idea Inspire award to Greg Brown, Paul Lutman, and Andy West. Mr. Brown accepted the awards for the group. The team completely rebuilt and updated the water booster pump station and chemical feed system for River Bend RV Park.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of January 22, 2018. Mr. Snee made the motion to approve the minutes and Dr. Streett seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath reported that progress continues to be made on the Conowingo Dam Project. There was good turnout at a recent public information meeting. The modest scope of the project was emphasized. The project timeline is on schedule, with the Notice to Proceed projected to be issued in May, and the dredging component of the work to be completed over the summer. MDE continues to work on the funding.

Conversations continue with partners at Rocky Gap concerning water usage and billing. MES project managers explained why the costs to the casino have risen. Several process changes have been discussed, including spreading the billing out across the year. Rocky Gap State Park has been using less water, and has had less leakage. It also requires more labor to operate a membrane system water treatment plant.

The capital budget hearings will be held this week in the House and the Senate.

The potential glass recycling project with Sibelco was put on hold at the end of last year as Sibelco completed a merger. MES is still interested in working with a glass recycling project. Steve Tomczewski and other MES staff will be touring a CAP Glass facility outside Pittsburg tomorrow.

There have been a number of personnel changes recently, including numerous internal promotions. Hattie Crosby has been named Chief of Procurement, Donna Oliff is the new Chief of Human Resources, and Casey Powers has been named the Manager for Network & Data Services. Cece Donovan's retirement lunch was well attended last month. Tammy Banta has been named Managing Director of Environmental Services for Environmental Dredging and Restoration, and Jason Gillespie has been named Managing Director of Environmental Services for Water/Wastewater, Environmental Monitoring and GIS. Michael Harris has been named Managing Director of Finance, and Hament Patel has been promoted to Director of Finance. Willie Wainer will be leaving MES to lead the solid waste division for Montgomery County's Environmental Department.

Team members recently met with the U.S. Green Building Council to discuss partnership opportunities.

The agency continues to explore potential options and costs of Workday software for personnel and finance functions. Communications staff have been working to re-design the agency website. It is expected to be launched soon.

Many facility upgrades have been completed around the headquarters building, including updating the conference rooms and the technology resources in those rooms. Building expansion options continue to be reviewed.

Mr. McGrath recently attended his first Board of Visitors meeting at the University of Maryland. It was a great meeting with a tremendous opportunity for business networking.

MES will be assisting MPA in hosting the GreenPort Congress Conference in May 2018 for the first time. Many large companies will be attending.

Several Board members inquired if there have been any issues pertinent to MES before the General Assembly this year. There has not.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board. Several questions were addressed.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring presented his first Strategic Partnerships report. He advised on the numerous opportunities explored this month including:

- Staff have completed additional roadshows, including at MPT, MEMA, US Green Building Council (at MES HQ), DoIT, and Maryland Department of Housing.
- Customer service visits continue with recent visits to non-governmental clients such as Piney Orchard and Anne Arundel County Public Schools.
- Staff recently attended the Washington County chapter of MML meeting, and the Baltimore City Sanitation committee meeting.

Mr. Sherring left the meeting at 10:05am.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 801 positions. There are currently 29 vacancies, with new positions being added. The agency continues to

receive many qualified resumes. There remains a challenge filling some specific Engineering positions.

Ms. Wojton advised that her staff is currently reviewing all Human Resources polices for updating. Last month she presented three polices for the Board to review. Mr. Snee moved to approve the updated policies. Dr. Streett seconded, the policies were unanimously approved. These policies approved were: Policy 5.02, Attendance Standards – Lateness; Policy 7.02, Employee Health/Safety – Workplace Security; and Policy 7.03, Mobile Communication Device Use & Texting.

Two new Information Technology (IT) Policies were introduced for review and approval. The Acceptable Use Policy will replace the existing IT Policy which was adopted in 2003. It will standardize language, and add a category for privilege user access (IT Admins). It is based on existing DoIT policies. The second policy concerns Mobile Devices. It includes security definitions, and covers MES phones, as well as the new “bring your own device” (“BYOD”) program. It is also similar to a DoIT policy. Dr. Streett made the motion to approve both IT Policies, Mr. Hedge seconded. The motion passed unanimously.

GROUP UPDATES

Ms. Banta presented the Cox Creek Expanded Borrow Area Excavation and Base Dike Widening project. This will be a competitively sealed bid that will be issued in March 2018. The Cox Creek Upland area is the old Kennecott Copper Refinery property. The RFP for Innovative reuse of Dredged Material & Capacity Recovery at Cox Creek DMCF has been advertised.

Mr. Addison called into the meeting at 10:16 am.

Mr. Gillespie presented the Wastewater Plant upgrade at Rocky Gap State Park & Casino. It will be a MBR plant, constructed within the same footprint as the existing WWTP plant. The project is currently in the testing phase, and should be fully operational by May. The state of the art facility will allow for processing at a higher capacity with no additional personnel. Electrical and chemical costs could increase.

Mr. Tomczewski discussed the expansion of the Food Waste Composting project in Prince George’s County. The Gore system covers are installed by Sustainable Generation. The facility currently processes about 8,000 tons of food waste. The expansion will allow the site to process over 30,000 tons over 5-7 acres. There is a 40% MBE goal for this work.

FINANCIAL REPORT

Mr. McGrath reported that Ms. Irvin has departed her Board role as MES Treasurer. The Director appoints the Board Treasurer, with the concurrence of the Governor. Mr. McGrath has discussed this matter with the Governor's office.

Mr. Harris presented the January Financial report and graphs. Labor sales are approximately 4% above budget. Fringe and overhead are still looking good due to new business. The total net assets also look good and are showing growth. The January Cash report reflects a snapshot of one day in time at the end of the month. Many customers pay their invoices after the end of the month. The Budget v. Actual is about \$400,000 above projections.

There are several clients on the 90 day report. Progress is being made on payment of all accounts. Several of the accounts have been paid in recent days. The Town of Sudlersville has made a \$20,000 payment.

Ms. Crosby joined the meeting at 10:30am

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for construction of Cell 3 at the Midshore II landfill. Dr. Streett made the motion to approve the Item, Ms. Wojton seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is for air quality management outreach services for MDE. Mr. Smith made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is for upgrade design services provided by Watek Engineering at the Eastern Pre-Release WWTP. Mr. Snee made the motion to approve the Item, Mr. Hedge seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for construction services at the Cox Creek Expanded borrow area excavation and base dike widening. Ms. Jenkins made the motion to approve the Item, Ms. Wojton seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for a replacement articulated dump truck at Midshore II Landfill. Mr. Addison made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 6. The procurement is for the fiber baler replacement at the Prince George's County Material Recovery Facility. Dr. Streett made the motion to approve the Item, Mr. Snee seconded. The motion passed unanimously, with the exception that Ms. Jenkins abstained.

Ms. Crosby introduced Item 7. The procurement is for a front end loader for the Prince George's County Material Recovery Facility. Mr. Addison made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously, with the exception that Ms. Jenkins abstained.

The Procurement Notifications are contained in the Board notebooks. Ms. Crosby left the meeting at 10:45 am.

LEGAL REPORT – CLOSED SESSION

At 10:45 am, in accordance with Md. Ann. Code, Gen Prov. §3-305(b)(1) and (8) Mr. Snee made a motion that the Board enter a closed session to approve the Minutes of a past Closed session, and discuss litigation filed by a former MES contractor against the agency. Dr. Streett seconded the motion, all members voted in favor of closing the meeting. Mr. Bhatia, Mr. Harris, Mr. Gillespie and Ms. Banta left the room. Board members McGrath, Wojton, Streett, Snee, Jenkins, and Hedge remained in the conference room, in addition to Mr. Coleman, Ms. Wojton, Mr. Tomczewski and Ms. Fuller. Ms. Carroll joined the meeting. Mr. Addison and Mr. Smith remained on the phone.

Mr. McGrath requested a motion for the approval of the minutes of the closed session from the meeting of August 16, 2017. Mr. Hedge made the motion to approve the minutes and Dr. Streett seconded. The minutes were unanimously approved.

Mr. Coleman and Ms. Carroll briefed the Board on a matter of current litigation.

At 11:00 am, upon motion by Dr. Streett, seconded by Ms. Jenkins, the Board unanimously voted to come out of closed session. No other action was taken during the closed session. Mr. Bhatia, Mr. Harris, Mr. Gillespie and Ms. Banta returned to the room.

OLD/NEW BUSINESS

The next Board meeting is Monday, March 26, 2018 and it will be a conference call meeting. The April meeting will be a field trip on April 18th and 19th. MES will provide transportation to Port Covington in the early afternoon of April 18th. The Board will be invited to overnight in Baltimore, to be followed the next morning by the Board

meeting on April 19th, and then tours of several Baltimore area projects. The Audit committee meeting will be rescheduled for May.

ADJOURNMENT

The meeting adjourned at 11:04 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 3-18
March 26, 2018**

LOCATION: MES Headquarters – Conference Call
259 Najoles Road, Millersville MD

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Richard P. Streett, Jr., V.M.D., Secretary (phone, out at 10am)
William B.C. Addison (phone)
Joseph Snee, Esq. (phone)
Leslie Jackson-Jenkins, Esq. (phone)
Kevin Hedge (phone)
J.P. Smith (phone)

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia

Michael Harris
Pamela Fuller
Hattie Crosby, in at 10:04 out at 10:14
Matthew Sherring, out at 10:04 am

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:33 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of February 26, 2018. Mr. Smith made the motion to approve the minutes and Mr. Addison seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath reported on a recent meeting with Adam Ortiz, Director of the Environment for Prince George's County. Among many topics, they discussed operations at the MRF and Western Branch. There will be an awards event at the MRF in April to celebrate their waste diversion accomplishments. Mr. Ortiz shared that the County is very pleased with the MES partnership. There will be a ribbon cutting soon for the expanded food-waste composting system at Western Branch. There is currently a bill working its way through the Legislature that will impact the recycling of Styrofoam. Mr. Ortiz asked MES to provide technical information on the recycling of Styrofoam to the chairman of the House Committee considering the bill.

Capital Budget hearings have been held in the House and the Senate. Both hearings went well.

Meetings were held with the Western Maryland delegation and Rocky Gap Casino management. Several suggestions were made to address concerns over cost escalation on water services, including pro-rated billing spread evenly over the course of the full year, dedicated budgeting, and expanded communication. These suggestions were well received.

Recent cold temperatures have resulted in an almost record number of deicing operations at BWI Airport. There have been 16 events, the record is 17. Across the State, the weather has not had a significant impact on operations. Downed trees are providing opportunities for the mobile tub grinder.

Mr. McGrath recently attended a recycling awards presentation with Harford County Executive Glassman. Environmental business awards were presented to two local companies.

Meetings were held with the Baltimore City sanitation committee as they look at opportunities for changes. MES was able to provide several recommendations to the committee.

Mr. McGrath and Ms. Banta recently met with the Harford and Cecil County legislative delegations to update them on the Conowingo Dam pilot dredging project. They discussed the progress made so far, and future plans. The project continues to move forward. A notice to proceed should be issued in May, pending funding from MDE. The Cox Creek RFP seeking proposals for Innovative Use of dredged material closed last week, with many responses.

There will be a meeting next week with Somerset County officials regarding water operations in the County. The Service District had asked MDE to waive the fluoride requirements, but was denied.

Meetings continue with the architects regarding headquarters building expansion options. The options have been narrowed down to the most practical solution, which is also the solution recommended by the architects. The architects are from the same firm which originally designed the building. They are now preparing renderings and cost estimates.

The MES staff Oriole's game has been scheduled for May 11th. Employee appreciation day was a few days ago.

Roadshow visits continue to go well. Mr. McGrath has recently attended several events including the Baltimore Business Journal CEO of the year awards, the University of Maryland Energy Innovation Institute event at National Harbor, the Governor's Cabinet meeting in Prince Frederick, the Bay Cabinet meeting in Solomon's Island, and toured the Calvert Cliffs nuclear power plant with other administration leadership. He delivered welcome remarks at the 33rd International Solid Waste Symposium hosted by Widener University.

Dr. Strett left the meeting at 10:00 am.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on a busy and productive month. The Maryland Military Department is interesting in using MES' ground penetrating radar to possibly identify gravesites. Discussions were held with Maryland Department of Labor, Licensing and Regulation (DLLR) regarding recruitment of engineers. Staff continue to visit non-State water and wastewater customers. Team members also recently toured the CAP Glass recycling facility.

Mr. Sherring left the meeting at 10:04am. Ms. Crosby joined the meeting.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 803 total positions. There are currently 28 vacancies, with 11 pending new hires. Once those new employees are

on-board, the vacancy rate will be 2.12%. The agency continues to receive many qualified resumes. There remains a challenge filling some stationary engineer positions.

FINANCIAL REPORT

Mr. Harris presented the February Financial report and graphs. The Budget v. Actual is about \$800,000 above projections. Labor sales are approximately 4.7% above projections, and continue to trend upward. The February Cash report reflects a snapshot of one day in time at the end of the month. February was positive. Historically, it has not been unusual for there to be months where the cash on a hand on the last day of the reporting period was in the negative. For example, July 2015 through March 2016 all ended in the negative. Much of this is just timing of the report, at the end of the month when all bills are being paid, yet all accounts receivable are still being processed. All MES bills are being paid in a timely manner.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for general labor services at the PG MRF, provided by CMT Services. Mr. Snee made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously, with the exception of Ms. Jenkins, who abstained.

Ms. Crosby introduced Item 2. The procurement is for communication services to be provided by Red, White & Blue. Ms. Jenkins made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks. Ms. Crosby left the meeting at 10:14 am.

OLD/NEW BUSINESS

The agency is exploring migrating from Google Mail to Microsoft Office. A decision will be made by the end of the fiscal year.

The April meeting will be a field visit on the 19th. A detailed schedule will be circulated soon. The Thursday tours may include a visit to The Lighthouse, an Under Armor facility, and the City Garage, a small business incubator. The agency is looking at potential engagement opportunities with Port Covington. A visit to the Domino Sugar plant may be added.

Mr. Addison brought to the Board's attention a recent floor amendment to the budget bill in the House of Delegates. The amendment would require MPA to prepare and submit a report to the House and Senate on the dike expansion at Cox Creek before

some of the funds would be released. The amendment, introduced by Delegate Kipke, has passed the House, and is now being considered in the budget conference committee.

LEGAL REPORT – CLOSED SESSION

At 10:22 am, in accordance with Md. Ann. Code, Gen Prov. §3-305(b) (8) Mr. Hedge made a motion that the Board enter a closed session to approve the Minutes of a past Closed session, and discuss litigation filed by a former MES employee who separated from the Agency in 2015. Mr. Smith seconded the motion, all members voted in favor of closing the meeting. Mr. Bhatia, Mr. Harris, Mr. Tomczewski and Ms. Banta left the room. Board members Mr. McGrath and Ms. Wojton, remained in the conference room, in addition to Mr. Coleman, Mr. Gillespie and Ms. Fuller. Board members Mr. Snee, Ms. Jenkins, Mr. Hedge, Mr. Addison and Mr. Smith remained on the phone.

Mr. Coleman briefed the Board on a matter of current litigation.

Following the briefing Mr. McGrath requested a motion for the approval of the minutes of the closed session from the meeting of February 26, 2018. Mr. Snee made the motion to approve the minutes and Mr. Smith seconded. The minutes were unanimously approved.

At 10:31 am, upon motion by Mr. Smith, seconded by Mr. Addison, the Board unanimously voted to come out of closed session. No other action was taken during the closed session.

ADJOURNMENT

The meeting adjourned at 10:33 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 4-18
April 19, 2018**

LOCATION: Sagamore Pendry Baltimore
Price Conference Room
1715 Thames Street, Baltimore

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Michael Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
Kevin Hedge
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie

Vishal Bhatia
Pamela Fuller
Matthew Sherring

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:30 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of March 26, 2018. Mr. Snee made the motion to approve the minutes and Mr. Smith seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath began with an update of discussions with Sagamore Development Company regarding the Port Covington project. The environmental impact of this large project could potentially lead to many opportunities for MES.

Discussions continue with the Rocky Gap Casino owners regarding their water bills. While the Casino's usage has not increased, the State Park's usage has decreased, causing the Casino's bills to rise. Staff continue to work on better transparency regarding budgets, and will be implementing a 12 month pro-rated billing system for them.

Somerset County Sanitary Commission - MDE is considering the County's request to allow the County to distribute water that is not processed through the ECI water plant. The County has inquired about ending their commitment to provide raw water.

Progress continues to be on track, and on schedule for the Conowingo Dam Dredging project. The staging area lease has been signed by the owner.

A consulting firm has approached MES regarding stormwater work in Prince George's County. They are interested in a relationship similar to the one MES has with Corvias.

Mr. McGrath recently attended a celebratory event at the Prince George's County MRF with the County Executive and Director of Environment. A similar event will be coming soon at Western Branch for the installation of the Gore cover system.

Discussions continue with Domino Sugar regarding recycling of calcium carbonate, a by-product of sugar production.

The Maryland Municipal League summer conference will be in mid-June. An MES sponsored waste-themed panel is being assembled.

Earth Day is next week. Several events have been scheduled, including trash cleanup and pollinator friendly plantings. A lunch has been scheduled for Administrative Professionals Day. Routine HR training has been scheduled for all staff in the upcoming weeks.

AFSCME has contacted MES. They submitted a Public Information Act Request for a list of all MES staff. The Attorney General's office is working on a response to that request.

The Maryland Association of County (MACO) conference will be in August. Several locations are being considered for the MES reception location.

Michael Harris was sworn in as Treasurer of MES yesterday.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board. Several questions were addressed.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on a busy and productive month. The Roadshows are moving in to a new phase with visits to county and municipal governments. Customer service visits to non-State clients continue; including a tour of the WTP at the Villas of Cattail Creek with their new HOA. Staff members recently attended the Baltimore Business Growth Expo and the Charles County Economic Development conference in Southern Maryland. The groundbreaking on the new BTS Anaerobic Digester in Howard County will occur soon. The Jessup facility will be their first in the U.S. WISP resort has reached out to MES for assistance with some possible projects.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 804 total positions. There are currently 26 vacancies, with 6 pending new hires. Once those new employees are on-board, the vacancy rate will be 2.64%.

FINANCIAL REPORT

Mr. Harris presented the March Financial report and graphs. The Budget v. Actual income from operations is over \$3.4 million. Projected income was \$2.1 million at this point. Projects are doing well. Labor sales are approximately 5.1% above projections, and continue to trend upward. The Change in Net Assets has been driven by interest income, tubgrinding services, and GIS services. The March Cash report reflects a snapshot of one day in time at the end of the month. March ended with \$1.3 million cash on hand. May will most likely end on a negative note due to the three pay

periods, but that will most likely be recovered the following month with increased labor sales.

PROCUREMENT ITEMS

Ms. Wojton introduced Item 1. The procurement is to purchase a new Fiber Baler at the PG MRF from Harris Waste Management. Mr. Snee made the motion to approve the Item, Dr. Street seconded. The motion passed unanimously, with the exception of Ms. Jenkins, who abstained.

Ms. Wojton introduced Item 2. The procurement is for the procurement and installation of storm drain inlet screens and inserts in Baltimore City. Mr. Hedge made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Wojton introduced Item 3. The procurement is for compaction grouting of buried barges at the Fairfield Marine Terminal. Mr. Smith made the motion to approve the Item, Dr. Street seconded. The motion passed unanimously.

Ms. Wojton introduced Item 4. The procurement is for waste management services at all State Highway Administration facilities. Mr. Snee made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks.

LEGAL REPORT – CLOSED SESSION

At 10:17 am, in accordance with Md. Ann. Code, Gen Prov. §3-305(b) (8) and (1) Mr. Addison made a motion that the Board enter a closed session to approve the Minutes of a past Closed Session, to discuss new litigation filed by a sub-contractor, and to discuss a personnel issue. Dr. Street seconded the motion, all members voted in favor of closing the meeting. Mr. Bhatia, Mr. Tomczewski, Mr. Gillespie, Ms. Banta and Mr. Sherring left the room. Board members Mr. Addison, Mr. Snee, Ms. Jenkins, Mr. Hedge, Mr. Smith, Mr. McGrath, Ms. Wojton, and Mr. Harris remained in the conference room, in addition to Mr. Coleman, and Ms. Fuller.

Mr. McGrath requested a motion for the approval of the minutes of the closed session from the meeting of March 26th, 2018. Mr. Hedge made the motion to approve the minutes and Ms. Wojton seconded. The minutes were unanimously approved.

Mr. Coleman briefed the Board on a matter of current litigation.

Board of Directors Minutes

April 19, 2018

Page 5

The Board also discussed the resignation of a current employee, and plans to re-evaluate that position.

At 10:31 am the Board unanimously voted to come out of closed session. No other action was taken during the closed session.

ADJOURNMENT

The next meeting will be Thursday, May 31st at MES Headquarters. The meeting adjourned at 10:32 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 5-18
May 31, 2018**

LOCATION: MES Headquarters
259 Najoles Road, Millersville MD

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director (phone – out at 10:33am)
Michael Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq. (out from 10:30 – 10:41)
Kevin Hedge - out at 10:25 am
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia
Pamela Fuller

Matthew Sherring – out at 10:10am
Hattie Crosby – in 10:25 to 10:47am
Alicia Settle – out at 9:38am
Robert Natarian – out at 9:38am
Janel Fishpaw – out at 9:38am

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:30 a.m.

INSPIRE

Ms. Banta presented the Extraordinary Service Inspire award to Robert Natarian and Janel Fishpaw for their quick, professional and thorough response to a gas line leak at Cox Creek Dredged Material Placement site.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of April 19, 2018. Dr. Streett made the motion to approve the minutes and Mr. Snee seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath highlighted several events that have occurred since the last meeting.

- MES Team picnic at the Oriole's game was well attended, with over 250 teammates and guests.
- Prince George's County Organics Recycling Composting Facility at Western Branch had a ribbon-cutting ceremony on May 14th to celebrate the expansion of the food recycling program. MES was represented by Deputy Director Beth Wojton and other staff.
- BTS Bio Energy had a groundbreaking ceremony in Howard County also on May 14th. MES was represented by Director Roy McGrath. This will be their first energy producing, anaerobic digester in the U.S.
- Heavy rains the weekend of the May 18th brought flooding issues to the Cambridge Pump Station. The pump station handled 10 million more gallons than normal during the event.

Progress is being made on the Conowingo dredging pilot project. The MES tasks are on schedule and progressing. Some aspects of the project were not in MES' control. For example, the location of the dredging was determined by MDE and Maryland Geologic Survey. It was picked due to the sandy nature of the deposit. The pilot project has been a good learning experience for possible future work.

A new partnership with the State Department of General Services is being explored to conduct stormwater projects at various State properties.

The financing of Midshore Cell 3 is progressing. The bond counsel has been hired and the team has begun preparing the bond sale documents.

Preliminary conversations have begun with a new jurisdiction regarding possible operations of water and wastewater facilities.

There are many upcoming events in which MES will play a role. The MML convention is in two weeks. The MES mobile woodgrinder has been updated with new branding, and will be on display at the convention center. MES recycling manger

Melissa Filiaggi will be participating on a composting and recycling panel discussion. MES will again host a reception to kick off the MACo convention in August. The reception will be at the Dunes Manor hotel this year.

MES will be hosting a new event on July 19th in Annapolis. The Environmental Business Leadership Conference will feature 40 speakers and numerous panel discussions on a wide-range of environmental topics. Mr. McGrath invited the Board to attend.

The agency is converting from Google based products back to Microsoft 365 this weekend. This change should improve efficiency and productivity. Mr. Bhatia will present the MES re-designed web site later in the meeting.

AUDIT COMMITTEE REPORT

Ms. Jenkins reported that the Audit Committee, which consists herself, Mr. Smith, Mr. Hedge, and Mr. Harris, met with SB& Company, the agency auditors earlier this morning. They went over their timeline for audit completion. The audit period is July 1, 2017 through June 30, 2018. They will complete their work in August and present the finding to the Board in September.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on a busy and productive month. The Roadshow team met with Architect of the Capital in Washington DC to discuss ways to partner on composting. The team continues to make Customer Service visits to non-State water and wastewater partners. They met with Bretton Woods in Montgomery County, Central Precision in Boonsboro, and Fahrney Keedy Memorial Home & Village.

The team attended several MML chapter meetings, including the Cecil-Harford Chapter in Rising Sun, the Eastern Shore Chapter in Denton, and the Southern Maryland Chapter in Indian Head.

MES exhibited and sponsored the Maryland Economic Development Association (MEDA) Annual meeting in Cambridge. The agency also exhibited at the Maryland Washington Minority Companies Associated annual spring breakfast. MES exhibited and sponsored the Greenports Congress in Baltimore. This is the first year the international event has been held in the U.S.

Board of Directors Minutes

May 31, 2018

Page 4

A few team members briefly attended the ICSC, an international trade show focused on the real estate development industry. An event for attendees from Maryland there draws approximately 2,000 leaders from the public and private sector.

The agency continues to engage with Maryland Department of Aging regarding a durable medical equipment refurbishment program. Secretary Kramer and her team are working on securing a warehouse space.

Mr. Sherring left the meeting at 10:10am.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 811 total positions. There were nine new hires in May, and another 8 pending for June. Once those new employees are on-board, the vacancy rate will be 2.88%.

Ms. Wojton presented 2 updated Human Resources policies for review and approval.

- Policy 3.06 -Leave Buy Back Program – this change removes the restrictions on use of Leave Without Pay, to prevent a conflict with use of FMLA (Family Medical Leave Act)
- Policy 1.12 – Reinstatement – replaces a “shall” with “may” for the pre-employment medical examination, since medical exams are not required for administrative staff.

Mr. Addison made the motion to approve the two policy revisions, and Mr. Smith seconded. The revisions were unanimously approved.

GROUP UPDATES

Mr. Tomczewski discussed the BTS Bio Energy groundbreaking. MES has been working with BTS for over a year. They have over 140 plants in Europe, and this is their first US plant. It is located in Jessup at the Maryland Food Center Authority.

Mr. Gillespie discussed the Deed and Plat research task for the SHA ORE (Office of Real Estate). MES GIS are helping SHA determine how much property they own, and exactly where it is located. SHA is looking for possible stormwater remediation projects in connection with TMDLs. SHA has asked for an additional 4 employees to be assigned to this task, bringing the total employees on the task up to 8.

Board of Directors Minutes

May 31, 2018

Page 5

Ms. Banta discussed the 14x14 skid mounted trash pumps being installed at Cox Creek to pump water out of the upland expansion area. These pumps can handle a large quantity of solids in the water.

Mr. Hedge left the meeting at 10:25am and did not return. Ms. Crosby joined the meeting at 10:25am.

FINANCIAL REPORT

Mr. Harris presented the April Financial report and graphs. The lost labor sales from Baltimore County made up 31% of Operations budget. They have recovered almost all of it on other projects. Labor sales show a steady growth across all groups. Net assets are 91% above estimate, based on sound financial management across the agency. The April Cash report reflects a snapshot of one day in time at the end of the month. April ended with a negative balance due to the timing of AR and Payroll. The major accounts over 90 days report was reviewed. The Town of Sudlersville has been struggling to pay its invoices.

Ms. Jenkins left the room at 10:30am. Ms. Wojton disconnected from the call at 10:33am.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for on-site GIS support at MDOT/SHA. Dr. Streett made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is to purchase 2 14x14 skid mounted trash pumps for Cox Creek DMCF. Mr. Addison made the motion to approve the Item, Mr. Snee seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is to purchase a 20 ton low ground pressure bulldozer for the Poplar Island DMCF. Mr. Smith made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for the ENR upgrade at MCI WWTP. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for configuration and implementation of an electronic commercial fishing harvest reporting system for the

Board of Directors Minutes

May 31, 2018

Page 6

Maryland Fisheries/DNR. Mr. Addison made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Jenkins returned to the room at 10:41am.

Ms. Crosby introduced Item 6. The procurement is for a pilot dredging and innovative reuse and beneficial use project at the Conowingo Dam. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously

Ms. Crosby introduced Item 7. The procurement is to purchase a wheel loader for the Montgomery County MRF. Mr. Smith made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously

Ms. Crosby introduced Item 8. The procurement is for engineering support services at Midshore II Landfill for Cell 3 construction. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously

The Procurement Notifications are contained in the Board notebooks.

LEGAL REPORT

Mr. Coleman reported that the team has been working with the Bond Counsel and outside financial advisor to prepare for the upcoming Midshore II Cell 3 bond sale. The Board will be asked to approved the documents at the June meeting. The Preliminary Official Statement (POS) will be issued in early July, with the sale of the \$10 million bonds the third week in July. The closing will be scheduled for the first week in August.

Litigation continues with the Harnden Group over closure of the Midshore I landfill. MES' response is due today.

OLD/NEW BUSINESS

Mr. Bhatia demonstrated the website set up for the Environmental Business Leadership Conference. He then demonstrated the differences between the old agency website and newly re-designed website.

The next meeting will be Thursday, June 28th at 10am at MES Headquarters. The Human Resources committee will meet at 9:30am..

ADJOURNMENT

The meeting adjourned at 10:55 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR
Boyd K. Rutherford LT. GOVERNOR
Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 6-18
June 28, 2018**

LOCATION: MES Headquarters
259 Najoles Road, Millersville MD

TIME: 10:00 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO (out at 10:41am)
Beth Wojton, Deputy Director
Michael Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq. (out at 10:52)
J.P. Smith (phone)

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq. (phone)
Priscilla Carroll, Esq.
Stevè Tomczewski
Tammy Banta
Jason Gillespie

Vishal Bhatia
Pamela Fuller
Matthew Sherring – out at 10:25am
Hattie Crosby – in 10:41 to 10:52am

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 10:03 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of May 30, 2018. Mr. Snee made the motion to approve the minutes and Dr. Streett seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath reported that the agency is in the process of closing out FY2018. The performance appraisal process is ongoing. Financial goals have been set for FY2019.

An agreement with Diageo North America is being developed. They are an international brewery and distillery which is opening a Guinness plant in Maryland. MES will be providing environmental assessments and services.

Sagamore Spirit's distillery operation is exploring options for disposal of their spent grain, which is a by-product of the distillation process. A meeting will be held in August to present options.

ELAJO is a company with a de-watering process, that is looking for opportunities in the US, in the area of wastewater treatment.

The inaugural MES Environmental Business Leadership Conference will be held on July 19th. It is likely to be sold out. There are around 200 attendees registered so far, with the capacity set at 230. There are about 40 speakers participating in various presentations and panels.

The existing procurement for the Conowingo project has been cancelled for several reasons. MES is redeveloping the Request for Proposals and will be delivering it to MDE for their approval.

Mr. McGrath, Mr. Tomczewski, and Mr. Harris visited Standards and Poor's in New York last week to discuss the upcoming bond sale for the Midshore II, Cell 3 project. They have given MES a AA rating on existing debt and we expect a similar rating for the new debt. The sale is scheduled for later in July with closing in mid-August.

The MPT Foundation will be presenting its Champion Award to Mr. McGrath this evening.

Mr. McGrath introduced Resolution 18-06-1R to dedicate the main conference at 259 Najoles Road to the memory of former Director, Colonel James W. Peck. Mr. Addison made the motion to approve the Resolution, Dr. Streett seconded. The Resolution was unanimously approved.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board. Dr. Streett inquired about the meeting with Domino Sugar. Mr. Tomczewski reported that MDE has informed Domino that it cannot use its byproduct for daily landfill cover. MES will now research alternatives.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on a busy and productive month. The MES team sponsored, attended, and exhibited at the Maryland Municipal League's (MML) Summer conference in Ocean City, MD. This large event brings together leaders from municipal and State government, along with the private sector to engage and interact on challenges facing the smaller communities in Maryland. All the MES water and wastewater Regional Supervisors were in attendance. Melissa Filiaggi, MES' Manager of Recycling participated in a panel discussion on waste diversion strategies. The MES Mobile Wood Grinder was located in the exhibit hall, which brought a lot of interest and many promising prospects.

MES continues to work with Maryland Dept. of Aging, as they look for a location for their durable medical equipment refurbishment program.

Mr. Sherring left the meeting at 10:25am.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 818 total positions. There are currently 28 vacancies. Once the new hires are on-board, the vacancy rate will be 3.11%.

Ms. Wojton presented several proposed regulation changes for approval. The revisions were a result of the Regulatory Review conducted by the agency. One additional proposed change would increase the maximum number of hours of unused annual leave an employee may carry over into the next year. This change will more closely align MES practice the State Personnel Management System. Mr. Snee made the motion to approve the proposed regulatory changes, and Ms. Jenkins seconded. The proposed regulatory revisions were unanimously approved.

Ms. Wojton presented 2 updated Human Resources policies for review and approval. The changes to Employment Verification and Emergency Essential Duty are minor, and part of the ongoing effort to review and update all Human Resources

policies. Mr. Addison made the motion to approve the two policy revisions, and Dr. Streett seconded. The revisions were unanimously approved.

HUMAN RESOURCES COMMITTEE REPORT

CLOSED SESSION

At 10:31am, in accordance with MD. Code, Ann., Gen. Prov. §3-305(b)(1), Mr. Snee made a motion that the Board enter closed session to discuss compensation issues related to specific employees of the agency, and to approve the minutes of two prior closed meeting sessions. Ms. Wojton seconded the motion, all members voted in favor of closing the meeting. Mr. Bhatia, Mr. Tomczewski, Ms. Banta, and Mr. Gillespie left the room. Board members Mr. Addison, Mr. Snee, Ms. Jenkins, Mr. Smith, Mr. McGrath, Ms. Wojton, and Mr. Harris remained in the meeting, in addition to Mr. Coleman (via phone), Ms. Carroll, and Ms. Fuller.

Mr. Snee requested a motion for the approval of the minutes of the closed session from the meeting of June 17, 2017. Mr. Addison made the motion to approve the minutes and Ms. Jenkins seconded. The minutes were unanimously approved. Mr. Snee also requested a motion for the approval of the minutes of the closed session from the meeting of May 18, 2018. Ms. Jenkins made the motion to approve the minutes, Mr. Snee seconded. The minutes were unanimously approved.

Compensation increases for MES employees were discussed. The State is providing employees in the State Personnel Management system a 2% COLA for FY19, effective January 1, 2019. The HR committee is recommending that management provide salary increases of 3.5% for MES employees who earn "Meets Expectations" on FY 2018 performance evaluations, and 4.5% for employees who earn "Exceeds Expectations." Dr. Streett moved to adopt the committee's recommendation, Mr. Addison seconded. The recommendation was unanimously approved by the Board.

Mr. McGrath and Ms. Wojton then left the meeting, as the remaining Board members discussed the compensation of the Director and Deputy Director for FY2019. During the closed session the Board voted to set the Director's and Deputy Director's FY2019 salaries as recommended by the HR Committee.

At 10:41am, upon motion by Snee, which was seconded by Mr. Addison, the Board came out of closed session. Mr. McGrath, Ms. Wojton, Mr. Bhatia, Mr. Tomczewski, Ms. Banta, and Mr. Gillespie returned to the room. They were joined by Ms. Crosby. Director McGrath advised that he needed to leave the meeting for an

unavoidable prior commitment. He wished everyone a good day and departed the meeting at 10:41. Ms. Wojton then assumed the chair of the meeting.

FINANCIAL REPORT

Mr. Harris presented the May 2018 Financial report and graphs. Strong sales and internal management have contributed to sound financial figures. The net assets graph reveals steady growth over the last five years, which is expected to continue. Cash on hand on May 31st, was -\$834, due to internal accounting. There is actually over \$20 million in the bank. The Town of Sudlersville has paid off one of its delinquent accounts. Discussions continue to be held with Baltimore County.

Mr. Harris then presented the FY19 Budget for the Board's information.

Mr. Harris then presented Resolution 18-06-2R authorizing the issuance, sale and delivery by the Maryland Environmental Service of its Maryland Environmental Service Revenue Bonds (Mid-Shore II Regional Landfill Project) Series 2018 in an aggregate principal amount not to exceed \$10,000,000. Mr. Snee moved to approve Resolution 18-06-2R, and Dr. Streett seconded the motion. The resolution passed unanimously.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for temporary labor at the Prince George's County MRF. The project has 100% MBE and SBR participation. Mr. Smith made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously, with the exception that Ms. Jenkins abstained.

Ms. Crosby introduced Item 2. The procurement is to purchase a new front end loader for the Prince George's County Organic Composting facility. Mr. Addison made the motion to approve the Item, Mr. Snee seconded. The motion passed unanimously, with the exception that Ms. Jenkins abstained.

Ms. Crosby introduced Item 3. The procurement is to purchase a new horizontal grinder for the Prince George's County Organic Composting facility. Mr. Smith made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously, with the exception that Ms. Jenkins abstained.

Ms. Crosby introduced Item 4. The procurement is for temporary labor at the Montgomery County Yard Trim Composting facility and Grinding Operation. Mr. Snee made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks. Ms. Jenkins and Ms. Crosby left the meeting at 10:52am.

LEGAL REPORT

Mr. Coleman reported that the team has been working with the Bond Counsel and the four Counties to prepare for the upcoming Midshore II bond sale.

Mr. Coleman also reminded the Board of its obligation to comply with State Ethics laws, particularly those that prohibit conflicts of interest. The Ethics Commission has training materials on its website, or please contact Mr. Coleman with any specific questions.

OLD/NEW BUSINESS

The next meeting will be Thursday, July 26th at 9:30 am at MES Headquarters.

ADJOURNMENT

The meeting adjourned at 10:55 am.


RICHARD P. STREETT, JR., V.M.D
SECRETARY


ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR
Boyd K. Rutherford LT. GOVERNOR
Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 7-18
July 23, 2018**

LOCATION: MES Headquarters – Conference Call
259 Najoles Road, Millersville MD

TIME: 9:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO (phone)
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary (phone)
William B.C. Addison (phone)
Joseph Snee, Esq. (phone)
Leslie Jackson-Jenkins, Esq. (phone)
J.P. Smith (phone, in at 10:06 am)

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta (phone)
Jason Gillespie

Vishal Bhatia
Pamela Fuller
Matthew Sherring – out at 9:45am
Hattie Crosby – in 9:52, out at 10:19am

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:30 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of June 28, 2018. Mr. Snee made the motion to approve the minutes, and Dr. Streett seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

The inaugural MES Environmental Business Leadership Conference was held on July 19th. There were about 300 attendees, over 50 speakers and panelists, and 20 sponsoring companies. The sold-out event was very well received and feedback has been overwhelmingly positive. Mr. Snee and Dr. Streett agreed the event was spectacular and would like to see it become an annual event. Team members will be analyzing the return on investment and survey results in the coming weeks.

The Governor has been holding regional cabinet meetings. Last Tuesday, the meeting was in Easton for the Midshore Region. There was a very large public turnout. The Bay Cabinet group then visited the University of Maryland lab at Horn Point.

MES is to act as subcontractor for Soltesz, an environmental services company in Montgomery County, on a stormwater management project for the Town of Northeast.

Team members will be meeting with Sagamore Distillery in two weeks, to discuss possible solutions for the disposal of their spent grain.

Mr. McGrath has been invited to be a panelist at an executive level program conference sponsored by the Young Jewish Professionals group in New York.

MES continues to work on the follow-up procurement for the Conowingo dredging project. The revised RFP is in the final stages of development and should be back out to the public soon.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on a busy and productive month. Customer Service visits continue with visits to Hyde Park and the Towns of Millington and Sudlersville. All three had high praise for MES. Team members gave a tour of the Jessup facility to a delegation from ELAJO, a Swedish company with a sludge management technology they are looking to bring to the U.S. Representatives from the Baltimore City DPW toured the Western Branch Composting facility. They were very impressed and are looking for help with a Composting Facility in the City. Mr. Sherring left the meeting at 9:45am.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 819 total positions. Once the new hires are on-board, the vacancy rate will be 3.5%.

BEST 18 FINAL UPDATE

Ms. Wojton reported that FY18 was a very good year for the BEST program. There are long lists of all the ways each goal was achieved. The attached summary lists some of the more recent accomplishments. Mr. Snee inquired into the Leafgro® packaging. Mr. Tomczewski explained that the polyethylene Leafgro bags are being manufactured from corn products, rather than from petroleum sources.

Ms. Crosby joined the meeting at 9:52am.

FINANCIAL REPORT

The FY18 and June 2018 financial reports are still being closed out. Mr. Harris reviewed the major accounts over 90 days report. Mr. Gillespie and Mr. Harris had a productive meeting with the Town of Sudlersville last month. The Town is working on a few ways to pay down its bill. Mr. Coleman continues to work with Baltimore County on their past due invoices. Fatworm Composting paid their invoice after the end of the month.

The monthly cash ended on a positive note.

MES received a double A bond rating from Standard and Poor's. The Sale of the MES Revenue Bonds (Mid-Shore II Regional Landfill Project) Series 2018 is scheduled for July 25th. There are four potential bidders expressing interest so far. The true interest rate will most likely be 3 -5%.

Mr. Snee inquired as to the agency's plans for resolving the outstanding invoices from Baltimore County. Mr. Coleman discussed several possible scenarios. MES is also holding funds from the sale of the recyclable materials that it is authorized to retain as an offset to MES costs.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for Wood Environmental & Infrastructure Solutions, Inc. to provide hydraulic analysis for MDE in support of floodplain mapping in St. Mary's County. Ms. Jenkins made the motion to approve the Item, Ms. Wojton seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is contract renewal with Clean Venture Inc. for hauling of dewatered sludge to Dorchester County Landfill. Mr. Addison made the motion to approve the Item, Dr. Steett seconded. The motion passed unanimously.

Board of Directors Minutes

July 23, 2018

Page 4

Ms. Crosby introduced Item 3. The procurement is for Harbel Inc. to provide drainage remediation services in SHA District 6. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for Century Engineering to provide Stormwater management facility remediation in SHA District 6. Mr. Addison made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

Mr. Smith joined the meeting at 10:06am.

Ms. Crosby introduced Item 5. The procurement is for stormwater management improvements at the Maryland Zoo in Baltimore. Dr. Streett made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Crosby introduced Item 6. The procurement is for Workday and Collaborative Solutions to provide annual subscription, training and implementation of Workday software. Mr. McGrath explained that the agency has been investigating the product for about six months, as a replacement for JD Edwards. Mr. Bhatia gave an overview of Workday. Workday is a cloud based human resources and financial management tool. It would provide a more modern and user friendly platform than JD Edwards. The State of Maryland currently uses it for Human Resources and Payroll, and Harford County is using it for Financial management. The change will involve multiple migrations over the next several months, with expected launch in May 2019. Mr. McGrath reiterated that conversion process would be difficult, but the results would be worth the trouble. Mr. Snee made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby reported that A/E Shortlist was recently re-bid. The agency received 63 bids from non-Small Business Reserve (SBR) firms, and 32 bids from SBR firms. The MBE report for the agency was recently completed. MES achieved a 29.45% MBE participation rate. That is a 40% increase over last year's numbers.

The Procurement Notifications are contained in the Board notebooks. Ms. Crosby left the meeting at 10:19am.

LEGAL REPORT

Mr. Coleman reported that the team has been working to prepare for the upcoming Midshore II bond sale. The Bond Closing will occur within 10 days after the Sale. It was a large team effort to get the Preliminary Official Statement (POS) issued.

Board of Directors Minutes

July 23, 2018

Page 5

Mr. Coleman updated the Board on a matter of litigation. A MES subcontractor, Sachindar Gupta, filed a defamation lawsuit against the agency earlier in 2018. He has now officially served the State Treasurer with the lawsuit, and MES will prepare a response.


OLD/NEW BUSINESS

The expansion planning of the Headquarters onto the adjacent property is moving forward. A more substantial update should be available in September or October.

The MES Reception at MACO will be Wednesday August 15th from 4-6pm at the Dunes Manor. The meeting will be Thursday, August 16th at 9:30 am at the Courtyard Marriott. Breakfast will be available at 8:30am, and the Human Resources Committee will meet at 9:00am. Mr. Addison expressed his regrets that he will not be present, as he is getting married that week. The Board expressed their congratulations. He will attempt to call in to the meeting.

ADJOURNMENT

The meeting adjourned at 10:26 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR
Boyd K. Rutherford LT. GOVERNOR
Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 8-18
August 16, 2018**

LOCATION: Courtyard Marriott,
Two 15th Street, Ocean City, MD

TIME: 9:43 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison (phone)
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta

Jason Gillespie
Vishal Bhatia
Pamela Fuller

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 9:43 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of July 23, 2018. Mr. Snee made the motion to approve the minutes, and Mr. Smith seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath welcomed everyone to the meeting. He advised that 2 RFPs of interest were recently issued. The first RFP is to install a natural gas line through Somerset County to the ECI Co-Gen facility. This will help provide much needed

natural gas supply to the Lower Eastern Shore area, which will help current businesses and future development. At the ECI Co-Gen, the current wood burning operation would be replaced with gas. The second RFP is for the dredging and sediment sampling work at the Conowingo Reservoir. The revised RFP was issued two weeks ago, and responses are due in November. Recent storm events have placed more focus on this project. There have been some changes to the scope, but the general objective remains the same, to find innovative uses for sediment removed from above the dam. The RFP has now been broken into smaller parts that can be bid individually, or in combination. There is a 10% MBE goal.

Another flood related issue involved Cascade Lake in Carroll County. MDE requested that MES be available to assist in dealing with a potential breach of the dam. The lake was drained without MES participation, , but MDE or the County may require MES assistance on long-term solutions.

MDE may be asking MES to assist with a privately-owned water and wastewater project in Cecil County at the Ceco WWTF. It is currently a two lagoon system experiencing violations. This may lead to multiple wastewater opportunities in Cecil County.

The road show team attended a recent meeting at the Sagamore Distillery in Baltimore, at the suggestion of the Maryland Department of Agriculture. The conversation revolved around Sagamore's effluent and monitoring requirements. MES is exploring potential options for their consideration.

The second annual MES All- staff meeting will be taking place on September 10th at the Delta Hotels Baltimore Hunt Valley.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board. A contract is being finalized with Diageo, which just opened the first Guinness brewery in the US. A coalition of interested parties has asked MES to attend their next meeting to share expertise from the water and effluent management perspectives.

STRATEGIC PARTNERSHIP REPORT

Strategic Partnerships Director Matthew Sherring could not attend. Ms. Wojton reported on recent strategic partnership activities. The recent roadshow visits have included a meeting with the State Police, and the Maryland Stadium Authority which is interested in recycling. MES is in discussions with the United States Architect of the Capitol regarding food waste composting. Discussions continue with Baltimore City

regarding food and yard waste composting. The Northeast Maryland Waste Disposal Authority is also involved in these discussions.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 819 total positions. Once the new hires are on-board, the vacancy rate will be 5.22%, which includes 11 new positions.

Ms. Wojton presented two policies for review and approval. There are minor corrections to 3.05 Holidays and 3.14 Leave Without Pay. Mr. Snee made the motion to approve both the policy updates, Dr. Streett seconded. The revisions passed unanimously.

FINANCIAL REPORT

Mr. Harris reported that the Midshore II bond sale closed on August 10th. There were 7 bidders on the bonds. The interest rate was 2.62%. PNC Bank was the winning bidder.

The closing year end preliminary financial figures and pre-audited figures are in this month's report. Labor sales are only down 3% over last year despite the loss of Baltimore County. Almost all of that has been made up in other areas. There is only about \$400,000 difference from last year. Net assets have continued to grow over the last five years.

Mr. Harris and Mr. Gillespie have met with Town officials from Sudlersville regarding their overdue invoices. The Town already has several loans, and MES has put them in touch with the Governor's office for assistance. They recently raised their customers' rates.

PROCUREMENT ITEMS

Ms. Wojton introduced Item 1. The procurement is for ENR (enhanced nutrient removal) upgrades performed by George, Miles & Buhr at Freedom WWTP. Ms. Wojton made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously, with the exception that Mr. Smith abstained.

Ms. Wojton introduced Item 2. The procurement is for construction services provided by Carl Belt at the Rocky Gap WWTP. Mr. Smith made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

Board of Directors Minutes

August 16, 2018

Page 4

Ms. Wojton introduced Item 3. The procurement is to purchase a John Deere 850K crawler tractor dozer for the Midshore II landfill. Mr. Addison made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks.

LEGAL REPORT

Mr. Coleman updated the Board on several litigation matters. MES subcontractor Sachindar Gupta filed a defamation lawsuit against the agency earlier in 2018. He has now officially served the State Treasurer with the lawsuit, and MES will prepare a response. There is a motions hearing scheduled for Monday in a separate case filed by The Harnden Group, a contractor on the Midshore I closure cap project.

OLD/NEW BUSINESS

A letter will be going out soon to the new Baltimore County Executive, advising him of the outstanding invoices due to MES, and the history of those invoices and the project.

HUMAN RESOURCES COMMITTEE REPORT

Mr. Snee advised that the Human Resources committee, consisting of himself, Mr. Addison, Dr. Streett, Mr. McGrath and Ms. Wojton met earlier this morning.

The committee reviewed the BEST incentive guidelines and funding. The BEST program began in 2000. Last year was the largest payout since inception. The BEST pool consists of all eligible employees. BEST Plus is available to employees who have demonstrated extraordinary effort in achieving the BEST goals or consistently outstanding performance. The agency achieved 100% of the BEST goals last fiscal year. The agency also experienced financial success this year, making up an almost half million dollar anticipated loss. The committee recommends a 20% increase in BEST award for achieving 100% of the BEST goals, and for making up this potential shortfall. There are 681 eligible employees. The estimated BEST award would be \$3,245 per employee. The HR Committee recommends allocating available funds as follows: 50% of the funds available for the BEST pool, 20% for the BEST Plus pool, and 20% for the Executive Incentive. Mr. Snee moved to approve the recommended BEST Payout and Funding, Dr. Streett seconded. The proposal passed unanimously.

The Human Resource Committee also recommended changing the date of the BEST and BEST Plus and executive payouts. They recommend making the BEST payout, and executive incentive payout after September 1st, and the BEST Plus payout

Board of Directors Minutes

August 16, 2018

Page 5

after December 1st. Mr. Snee made the motion to change the dates, Dr. Streett seconded, the motion passed unanimously.

Ms. Wojton then handed out the BEST 2019 Goals. They are a result of a lot of effort and creativity on the part of MES employees. Mr. Snee made the motion to approve the goals, Dr. Streett seconded. The motion passed unanimously.

Ms. Wojton then discussed a new, employee recognition initiative, the iAppreciate Recognition Program. Currently, MES has available a program initiated in 2004 to allow supervisors to give on-the-spot rewards to employees doing a good job, in the form of gift cards. Last fiscal year only about 50 (totaling \$1,000) were awarded. iAppreciate is an update and expansion of this program. There is an associated online software platform that tracks and notifies employees of awards. Employees can see which group and which employees are getting rewarded.

The Human Resources committee also discussed Health Care benefits for retirees and spouses. The average length of service at MES is 8 years, and the average age of the employees is 45 years old. To be eligible for retiree health benefits, an employee must have 16 years of service and reach the age of 60 or have 30 years of service. The agency is exploring creating a tiered benefit system for retirees.

Mr. Snee wished to add that the MES/NEMWDA MACO reception was outstanding. The venue and the service were excellent. Mr. Smith also commented that he heard many compliments. Mr. McGrath indicated the agency spent less money this year than last on the reception and received more value than in previous years.

CLOSED SESSION

At 10:58am, in accordance with MD. Code, Ann., Gen. Prov. §3-305(b)(1), Mr. Snee made a motion that the Board enter closed session to discuss compensation issues related to specific employees of the agency, and to approve the minutes of a prior closed meeting session. Mr. Smith seconded the motion, all members voted in favor of closing the meeting. Mr. Bhatia, Mr. Tomczewski, Ms. Banta, Mr. Gillespie and Ms. Wojton left the room. Board members Mr. Addison (via phone), Mr. Snee, Ms. Jenkins, Mr. Smith, Dr. Streett, Mr. McGrath, and Mr. Harris remained in the meeting, in addition to Mr. Coleman and Ms. Fuller.

Mr. McGrath requested a motion for the approval of the minutes of the closed session from the meeting of June 28, 2018. Dr. Streett made the motion to approve the minutes and Ms. Jenkins seconded. The minutes were unanimously approved.

The Board discussed the compensation of the Deputy Director. Noting that the Deputy Director did not receive an annual performance adjustment because the position's salary is frozen, Mr. Snee made a motion that the Deputy Director receive an additional 4.5% Executive Incentive payment for FY 2018. Dr. Streett seconded the motion. The motion passed unanimously.

At 11:10am, upon motion by Snee, which was seconded by Ms. Jenkins, the Board came out of closed session. Ms. Wojton, Mr. Bhatia, Mr. Tomczewski, Ms. Banta, and Mr. Gillespie returned to the room.

ADJOURNMENT

The Audit committee requested a change in time for the September Board meeting. The audit committee will now meet at 9am on Thursday, September 27th, and the Board meeting will start at 9:45am.

The meeting adjourned at 11:13 am.


RICHARD P. STREETT, JR., V.M.D
SECRETARY


ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 9-18
September 27, 2018**

LOCATION: MES Headquarters,
259 Najoles Road, Millersville MD

TIME: 9:45 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT:

William J. Selle, Esq.	Matthew Sherring – out at 10:40
Steve Tomczewski	Sharon Merkel – out at 10:07
Tammy Banta	Maggie Kozloski - out at 10:07
Jason Gillespie	Shaun Cullen – out at 10:07
Vishal Bhatia	Jessica Riesett – out at 10:07
Pamela Fuller	Monique Booker – 10:10 to 10:12
Hattie Crosby – in at 10:26 out at 11:20	Andriy Tarnovetskyk – 10:10 to 10:12

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 10:00 a.m.

BLUE HERON AWARD

Mr. McGrath presented the first Blue Heron award to Maggie Kozloski, Shaun Cullen, and Jessica Riesett for their work in establishing a partnership with Diageo North America. The Blue Heron Award recognizes and rewards individual employees' or teams of employees' outstanding contributions in gaining new strategic partnerships

for the Maryland Environmental Service. MES will provide investigation, design and remediation activities to Diageo North America (Diageo NA) and otherwise assist them in meeting Phase 1 MS4 stormwater requirements. Maggie, Shaun and Jessica played key roles in establishing this new partnership.

INSPIRE AWARD

Alice Freeman and Elsie Leibrand of the Montgomery County Dickerson yard waste composting facility received an Extraordinary Service Inspire award, as well as a Governor's citation, which were awarded at the Cabinet meeting held on Tuesday at the Materials Recovery Facility. Ms. Freeman and Ms. Leibrand went above and beyond their duties when a motorist became disoriented and wandered into the Dickerson Facility. They called a family member and kept the motorist company until the family arrived at the scene.

SB& COMPANY AUDIT REPORT

Monique Booker reported that SB & Company briefed the audit committee earlier this morning on the Year-End Audit report. They are issuing a clean, unmodified opinion, which is the best possible opinion. They reported that the process went well, and all controls are operating well.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of August 16 2018. Mr. Addison made the motion to approve the minutes, and Ms. Jenkins seconded. The minutes were unanimously approved.

DIRECTOR'S REPORT

Mr. McGrath reported on the Governor's Cabinet meeting which was held last Tuesday at the Montgomery County Materials Recycling Facility. Many partners from Montgomery County were in attendance, as well as Lieutenant Governor Rutherford, Secretary Grumbles, and the Mary Beth Tung, Director of the Energy Administration. The MRF is a 57,000 sq. ft facility, operated by over 70 people.

The second annual All Staff meeting was held on September 10th in Hunt Valley. It was attended by over 600 teammates. The Keynote Speaker was David Aaker. The new All-Star program was debuted. This will replace the On-the-Spot awards. This is an online reward system that allows supervisors to make awards directly to teammates in the form of points. Teammates can then go online redeem their points for various prizes. The BEST award was announced to much enthusiasm.

Michael Harris will be starting up a Diversity and Inclusion Workgroup. The workgroup was created to ensure everyone has an opportunity to develop professionally.

Team members have been looking to identify trends, and then act on them, looking for new opportunities to benefit the environment with partners such as Diageo and Sagamore. Maryland has a growing craft beer and spirits industry.

Team members have met with the Charles County Department of Public Works to discuss temporary as well as long-term landfill and recycling opportunities. Together with St. Mary's County and Calvert County, they are looking at a possible regional solution.

The Senior staff review process is being revised. The committee should have recommendations ready by the next meeting. This review process will also include a review procedure for the Director.

Mr. McGrath handed out a press release issued by DMG Productions earlier today. The Innovations Television series hosted by Ed Begley Jr. is going to feature MES on one of its upcoming episodes on groundbreaking environmental solutions. They will feature the Food Waste Composting project at Western Branch. They will be working on this segment over the next 2 months. The finished episode will air on Fox Business in January.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on the highlights from the last month. Team members continue to engage with Maryland Dept. of the Aging regarding the durable medical equipment refurbishment program. They recently visited a potential warehouse space in Cheltenham. Conversations continue with Architect of the Capitol as they look to expand their composting program. Mr. Sherring attended the International City/County Management Association annual meeting in Baltimore. It is a national convention that attracts approximately 4,000 attendees from various cities and counties. He also attended the MML Washington County Chapter meeting.

Team members are also working with MDE and the Secretary of State's office to support the Maryland-Israel Water Conference, which will take place on October 10th in College Park, MD. The conference presents the opportunity to discuss ways to improve water reuse and security.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 821 total positions. Once the new hires are on-board, the vacancy rate will be 4.62%. There has been some difficulty filling certain positions. The agency will be increasing its recruitment efforts.

GROUP UPDATES

Steve Tomczewski discussed the Prince George's County Organics Composting Facility food waste project. The Gore bunker system has been completed and initial materials have already placed. This bunker system will expand capacity to 48,000 tons. The leachate is collected and hauled to WSSC for processing. The entire process takes 9-10 weeks. It is currently the largest food waste composting operation on the East Coast. The product is sold in bulk to landscapers as Leafgro Gold ®. The county is exploring bagging options.

Tammy Banta discussed the Innovated Reuse of Dredged Materials. MES has been working with MPA for many years on dredged materials projects. Over the last few years, MPA has increased their focus on innovated reuse of dredged material. MES was involved in development of the Innovative Reuse technical screening criteria and guidance document and is currently assisting MPA in implementing several innovative reuse demonstration projects. Material from the Cox Creek Dredged Material Containment Facility will be used in the demonstration projects. MPA intends for this facility to be used for innovative reuse in the future

Mr. Gillespie discussed the recently completed wastewater treatment plant upgrade at Rocky Gap State Park and Casino. Because of space issues, the new plant was built on top and around the existing plant. The plant capacity has increased from 8,000 gpd to 150,000 gpd. The plant is now capable of treating for phosphorus and nitrogen. It is the only State park WWTP with membrane technology.

RESOLUTION 2018-09-1R

Ms. Wojton presented Resolution 2018-09-1R for the Board's consideration. The resolution would grant the day after Thanksgiving as an additional day off for MES employees. The financial state of the agency this year is conducive to this Resolution. Ms. Jenkins made the motion to approve the Resolution, Mr. Addison second. The Resolution passed unanimously.

AUDIT COMMITTEE REPORT

Ms. Jenkins reported that the Audit Committee, consisting of Mr. Smith, Mr. Harris, and herself met with the Auditors, SB & Company this morning. The received a full briefing. The audit was for the fiscal year ending June 30, 2018. It included Schedules of Indirect Costs, reports on six separate MES projects, as well as OPEB (other post-employment benefits) reporting. MES paid SB & Company \$37,500 for the FY17 audit, and \$32,000 for the FY18 audit, which included extra work done for the Midshore Bond Sale. All reports were clear, unmodified, with no findings. The final report will be issued by September 30th. SB & Companies contract ends this year, and an RFP will be issued for next year's audit.

FINANCIAL REPORT

Mr. Harris reported labor sales are trending up 4% over last year despite the loss of Baltimore County. MES set the bar higher for labor sales in FY19 than in past years. Labor sales are down in some areas compared to budget due partly to vacant positions. There has been continuous growth in net assets, which are expected to exceed the FY19 goal by 50%. The month ended with \$4M in cash, mostly due to timing of accounts payable checks clearing the bank account and payroll. The 90 day report contained a few new clients. The Calvert Cliffs invoice has been resolved. Staff are working on a new invoice template for SHA.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The procurement is for preliminary engineering, design and bidding for the infrastructure updates at Swallow Falls State Park WTP and WWTP. Mr. Smith made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

Ms. Crosby introduced Item 2. The procurement is for professional support services for SHA HMIS. Mr. Snee made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

Ms. Crosby introduced Item 3. The procurement is for GIS floodplain mapping services for the Seneca Creek & Headwaters Patuxent River. Mr. Smith made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for GIS floodplain mapping services for the Rock Creek Potomac River watershed. Mr. Snee made the motion to approve the Item, Ms. Jenkins seconded. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for temporary labor services provided by Colossal Contractors at the Montgomery County MRF. Ms. Jenkins made the motion to approve the Item, Dr. Streett seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks.

LEGAL REPORT

Mr. Selle reported that the agency will be responding to an amended complaint filed by Mr. Gupta. A motions hearing was held on August 20th in the Harnden v. MES case. The claims have been reduced and consolidated, only the contract claim remains.

OLD/NEW BUSINESS

A letter has been sent to the Baltimore County Executive, advising him of the outstanding invoices due to MES, and the history of those invoices and the project.

Mr. McGrath also showed the new 5 Keys theme which was rolled out at the All Staff meeting. The 5 Keys are part of the bigger 2023 Strategic Plan.

MES has been invited to speak about recycling at the MACO Administrator's meeting in Solomon's Island.


The transition to Workday continues. It will take a lot of time and resources devoted to the transition over the next eight months.

The Conowingo Dam Sediment Characterization and Dredging RFP continues to move forward. The responses are due November 13th.

The next meeting will be Thursday, October 25th. It will be a field trip meeting to the lower eastern shore to visit several projects, possibly including the Town of Vienna and the Harriet Tubman Visitors Center. Details will follow.

ADJOURNMENT

The meeting adjourned at 11:33 am.


RICHARD P. STREETT, JR., V.M.D
SECRETARY


ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 10-18
October 25, 2018**

LOCATION: Hyatt Regency – Chesapeake Bay
Cambridge, MD

TIME: 8:30 am

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
Richard P. Streett, Jr., V.M.D., Secretary
William B.C. Addison (phone)
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq. (phone)
J.P. Smith

DIRECTORS ABSENT:

OTHERS PRESENT: Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia
Pamela Fuller
Matthew Sherring

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 8:30 a.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of September 27, 2018. Mr. Snee suggested two, minor typographical corrections, then made a motion to approve the minutes with the changes, and Mr. Smith seconded. The minutes were unanimously approved by the Board.

DIRECTOR'S REPORT

Mr. McGrath reported that team members remain very busy participating in many events and external engagement. As a follow up to the September All-Staff meeting, an MES leadership team meeting was held in Annapolis on October 16. About 22 MES team members, including the Managing Directors and department chiefs, were in attendance. The strategic plan, and key topics of the agency were discussed, with an emphasis on the MES Five Keys. Mr. David Aaker, IOM, was a guest speaker on the topic of delivering exceptional customer service. Mr. McGrath stated that he looks forward to holding agency leadership meetings more routinely in the future.

A proposal has been drafted for the Charles County Department of Public Works, Solid Waste. The County is also interested in looking into a regional solid waste operation, as well as some other solid waste projects.

Several administrative changes have been implemented to address the concerns of the management at the Rocky Gap Casino regarding water and wastewater operations costs. Among other things, MES has implemented an even cost-share billing over 12 months to reduce the fluctuation due to seasonal usage. The increased costs are driven by regulatory requirements and technology costs associated with meeting the stricter permit limits.

The Maryland Economic Development Association met earlier this week at Rocky Gap. Mr. McGrath and Mr. Sherring attended. Mr. McGrath was able to meet with the Casino's management and briefly reviewed the progress being made.

The Maryland-Israel Water Conference, an initiative of the Maryland Secretary of State's office, took place earlier this month. It was attended by Jason Gillespie, Ellen Frketic, Matthew Sherring, and Roy McGrath. Mr. McGrath spoke on a session panel. The full day event addressed numerous water topics and presented many business opportunities.

Responses to the Conowingo Reservoir dredging RFP are due in early November. MDE is the lead State department. An internal recommendation should be reached in December, with an announcement anticipated for January.

The natural gas pipeline expansion project on the Eastern Shore is progressing. The technical evaluation committee is reviewing proposals. An announcement is anticipated soon. This project presents an opportunity to convert the ECI Co-Gen from using wood to natural gas as a fuel. Gas would provide a more reliable

supply of energy to the prison. This gas-line should also provide more opportunity for economic development in the area.

The Oriole's game planned for last month, which included a number of Board attendees, was mostly rained out. A replacement event will be planned for the future.

AGENCY ACTIVITY REPORT

The Agency Activity Report was presented to the Board. Mr. Addison inquired if there has been any activity with Port Covington. Mr. McGrath said the first tenants have been signed on, and several well-established companies will be moving in. They are moving full speed ahead on design work. MES has engaged with them on several opportunities. MES has also provided support to the Distillery on several fronts related to waste management.

Mr. McGrath pointed out several large projects on the report: medical equipment recycling for the Maryland Department of Aging, Maryland Department of Transportation Task 6 – nutrient load reduction demonstration project, and stormwater remediation work for State Highway Administration.

STRATEGIC PARTNERSHIP REPORT

Mr. Sherring reported on the highlights from the last month.

- MES is drafting a couple of proposals for Sagamore Spirits. One proposal is for a water meter installation at the facility. The other proposal is for a feasibility study on how to process their spent grains.
- The team also continues to work with the Maryland Department of Aging on the durable medical equipment refurbishment program. MES is working with an A/E firm to create schematics for the Central Refurbishment Center.
- The Roadshow team met with the Maryland Center for Foreign Investment/Caljex Energy. They are a group of foreign investors looking for projects to support in the energy sector.
- MES team members attended the US Chamber of Commerce Small Business Summit in DC. The event brought together business leaders from across the nation and overseas.
- MES team members attended the Maryland Clean Energy Center (MCEC) Summit in College Park, which attracted leaders from government and the private sector to discuss strategies and ideas regarding clean energy.

- MES team members attended the inaugural State of the Customer Experience in Maryland event, coordinated by the Governor's Customer Service initiative team. The event featured dozens of speakers from the public and private sectors sharing their insights into customer service.
- Team members also attended the Maryland Municipal League (MML) Fall Conference in Annapolis, and the Cecil-Harford Chapter meeting in Havre de Grace.
- Team members attended the groundbreaking of Howard County's new composting facility in Marriottsville. The facility can accept up to 8,000 tons of food scraps per year.

HUMAN RESOURCES REPORT

Ms. Wojton reported that the agency currently has 816 total positions. Once the new hires are on-board, the vacancy rate will be 5.24%. There has been some difficulty filling certain technical positions.

Ms. Wojton introduced a new HR Policy for approval. The policy is in response to a recent law passed by the State requiring paid maternity leave. The policy allows for up to 60 days of paid maternity leave after the birth or adoption of a child, to be used within 6 months. Employees must exhaust all annual and personal leave before they are eligible to use paid maternity leave. An employee can use maternity leave or short-term disability, but not both, and it runs concurrent with FMLA. Dr. Street made the motion to approve the policy, Ms. Wojton seconded, the policy passed unanimously.

Ms. Wojton then introduced the updated Annual Leave Policy. The updates reflect the recent regulatory change that, among other things, increased the amount of annual leave that an employee may carryover into a new calendar year. Mr. Snee made the motion to approve the updated policy, Ms. Jenkins seconded. The policy change passed unanimously.

FINANCIAL REPORT

Mr. Harris reported labor sales are trending up 3% over last year despite the loss of Baltimore County. Labor sales are still 4% below the ambitious target for FY19, but are being made up with new projects. The 90-day report contained a few items. The Calvert Cliffs invoice has been resolved and payment was issued. SHA has approved the new invoicing model, and payment should be issued soon. A payment is expected from Sudlersville this month, as their quarterly billing is being collected this month. There has been no response yet to the letter sent to the Baltimore County Executive.

The balance sheet is in line with FY18. Difference are due to Accounts Receivable. Cash is strong. Page 11 of the report shows the breakdown of labor sales by Group. The numbers are slightly below projected but are expected to exceed projections as new projects come online.

PROCUREMENT ITEMS

Ms. Wojton introduced Item 1. The procurement is for unarmed security services provided by Stonghold Security at the Montgomery County Yard Trim Compost Facility. Dr. Streett made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Wojton introduced Item 2. The procurement is for the rental of a new office trailer at the Dundalk Marine Terminal. Mr. Snee made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Wojton introduced Item 3. The procurement is for change orders for Workday implementation and training. Mr. Bhatia gave a brief update on the progress of the Workday implementation. The planning stage has been completed, and the team is close to the end of the architect stage. Based on the work done so far, it was determined that the team needed to expand the scope in several areas, such as benefits tracking. The go-live date is anticipated for July 2019. Mr. Smith made the motion to approve the Item, Ms. Wojton seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks.

LEGAL REPORT

Mr. Coleman reported that the agency has filed a Motion to Dismiss the amended complaint filed by Mr. Gupta. The Harnden v. MES case has been narrowed down to a breach of contract case. The case is in the discovery phase now.

OLD/NEW BUSINESS

Mr. Snee handed out an article from the Aegis newspaper, "Recycling oyster shells in Harford County to help Chesapeake Bay" which featured MES and the Harford County Waste Disposal Center Recycling Facility.

Mr. McGrath followed up on several previously mentioned issues. The vacancy rate is high as the agency seeks to fill competitive positions with qualified people who will be successful.

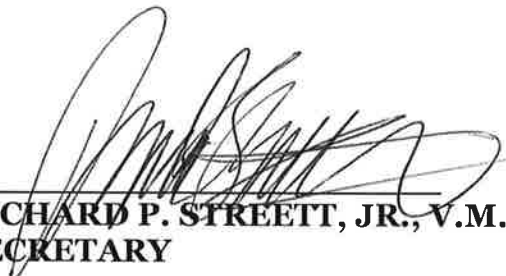
The Innovations television program will begin filming at the Prince George's County Composting facility in November. The Department of the Environment for Prince George's County is very excited. The County is also exploring options for bagging Leafgro ® and Leafgro Gold ® at Western Branch.

Mr. Gillespie informed the Board that Don Reed, the Regional Supervisor for the Eastern Shore, would be joining them for the tour today. The first stop will be the Town of Vienna where MES operates both the water and wastewater treatment facilities. MES took over the Town's operations on very short notice several years ago and has been very successful in keeping everything running efficiently. The next stop will be the Harriett Tubman State Park Visitors Center, owned by DNR. MES operates and maintains the pump station. After lunch, the tour will conclude at the Cambridge wastewater treatment facility. It is the largest wastewater facility that MES operates. It is designed to process 8.1 million gallons per day, though it averages about 2 to 3 million gallons per day. There are 11 employees at the facility and there are 19 pump stations throughout the city which MES also maintains.

The next meeting will be a conference call on Thursday, November 29th.

ADJOURNMENT

The meeting adjourned at 9:33 am.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

Roy McGrath DIRECTOR/CEO

**BOARD OF DIRECTORS
MINUTES
MEETING 12-18
December 11, 2018**

LOCATION: Chart House
300 Second Street, Annapolis, MD

TIME: 5:30 pm

DIRECTORS PRESENT: Roy McGrath, Director / CEO
Beth Wojton, Deputy Director
Michael C. Harris, Treasurer
William B.C. Addison
Joseph Snee, Esq.
Leslie Jackson-Jenkins, Esq.
J.P. Smith (arrived at 5:46 pm)

DIRECTORS ABSENT: Richard P. Streett, Jr., V.M.D., Secretary

OTHERS PRESENT: Sean L. Coleman, Esq.
Steve Tomczewski
Tammy Banta
Jason Gillespie
Vishal Bhatia
Hattie Crosby
Matthew Sherring

CALL TO ORDER

Mr. McGrath called the meeting of the Board to order at 5:42 p.m.

MINUTES

Mr. McGrath requested a motion for the approval of the minutes of the meeting of October 25, 2018. Mr. Snee made a motion to approve the minutes with the changes, and Mr. Addison seconded. The minutes were unanimously approved by the Board members present.

ADMINISTRATION REPORT

Ms. Wojton reported that the agency currently has 817 total positions. Once the new hires are on-board, the vacancy rate will be 3.12%.

PROCUREMENT ITEMS

Ms. Crosby introduced Item 1. The item is for approval of two change orders for the Cunningham Falls State Park Water Treatment Plant Upgrade. Mr. Addison made the motion to approve the Item, Ms. Jackson-Jenkins seconded. The motion passed unanimously by the Board members present.

Ms. Crosby introduced Item 2. The procurement is for general lab services. Ms. Wojton made the motion to approve the Item, Mr. Snee seconded. The motion passed unanimously by the Board members present.

Ms. Crosby introduced Item 3. The procurement is for supply and hauling of fill material to Masonville DMCF. Mr. Snee made the motion to approve the Item, Mr. Addison seconded. The motion passed unanimously.

Ms. Crosby introduced Item 4. The procurement is for construction of a new well and controls at the Savage Mountain Youth Center. Ms. Jackson-Jenkins made the motion to approve the Item, Mr. Snee seconded. Several Board members asked questions about the cost of the work to be conducted, which were answered by Mr. Gillespie. The motion passed unanimously.

Ms. Crosby introduced Item 5. The procurement is for recycling of glycol recovered at BWI Marshall International Airport. Mr. Addison made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 6. The item is for approval of a change order for the design and upgrade of the ECI Wastewater Treatment Plant. Mr. Snee made the motion to approve the Item, Mr. Smith seconded. The motion passed unanimously.

Ms. Crosby introduced Item 7. The procurement is for purchase of impervious area treatment credits. Mr. Smith made the motion to approve the Item, Ms. Wojton seconded. The motion passed unanimously.

Ms. Crosby introduced Item 8. The procurement is for pre-design and design services for the MDTA outfall rehabilitation program. Ms. Jackson-Jenkins made the motion to approve the Item, Mr. Snee seconded. The motion passed unanimously.

The Procurement Notifications are contained in the Board notebooks.

OLD/NEW BUSINESS

Mr. McGrath distributed the draft Board meeting schedule for 2019. Mr. Addison expressed his appreciation to the Board members for accommodating his schedule during the months of January through March.

ADJOURNMENT

Mr. McGrath adjourned the meeting at 6:02 pm.



RICHARD P. STREETT, JR., V.M.D
SECRETARY



ROY MCGRATH
DIRECTOR / CEO