



Wes Moore GOVERNOR

Aruna Miller LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

March 28, 2024

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Shelley Heller, Chair (video)
Judge Frederic Smalkin, Secretary (video)
Brendon Baatz, Treasurer (video)
Robert Witt, II (video)
Moalie Jose, P.E. (video)
James Johnson Jr., Ph.D., P.E. (video)

DIRECTORS ABSENT: Dereck Davis, State Treasurer
Charles Glass, Ph.D., P.E.

OTHERS PRESENT:

Sean L. Coleman, Esq.	Kanishk Sharma, Administration
Ellen Frketic, Deputy Director	Melissa Slatnick, Technical & Environmental Services (TES)
Tim Barr, Water/Wastewater	Jeff Tosi, Government Affairs
Winsome Condra, Procurement	Pamela Fuller, Board Clerk
Marni Dolinar, Env. Dredging & Restoration (EDR)	Casey Powers, IT (video)
Tim Ford, Environmental Operations (OPS) (video)	Priscilla Carroll, Esq. (closed session only)
Hament Patel, Finance	Eric Hartlaub, Esq. (closed session only)
Stephanie Patton, Human Resources	

CALL TO ORDER

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

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes from the Board meeting on February 29, 2024. No substantive corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass was unavailable for this meeting. Ms. Frketic delivered the Deputy Director's Report. The Executive Director's and Deputy Director's expense reports for the last month were reviewed. Dr. Glass and Ms. Frketic will attend the Mid-Atlantic Utility Conference in April, where both will participate in panel discussions. The conference is hosted by the Chesapeake Section of the American Water Works Association (CSAWWA) in collaboration with the Chesapeake Water Environment Association (CWEA). They are also registered to attend the Maryland Association of Counties (MACo) summer conference in August.

Ms. Frketic extended her congratulations to Ms. Winsome Condra, who has been named the new Chief of Procurement. Ms. Condra has graciously offered to help with the search for a new Chief of Internal Audits (IA) and serve as Acting Chief of IA until a replacement can be found.

Ms. Frketic reported on several external engagements with governmental and private entities within the past month. The spring recruitment season is well underway. Over 200 applications have been received for the summer internship program. Dr. Glass, Ms. Slatnick, and Mr. Bradshaw spoke to an assembly of 255 students in the electrical and mechanical fields at the Woodstock Job Corps event on March 18.

MES sponsored a Women's History Month panel discussion on March 19. Candice Gray, an Education and Outreach Associate for the Maryland Commission on Civil Rights, moderated the discussion. The panelists were Erin Lanagan, Chief of MES Safety & Environmental Compliance; Kerry Strong, Wastewater Treatment Plant Operator in the Southern region; and Danielle Wilson, Deputy Division Chief with the Environmental Operations Group.

One of the Building Excellence and Success Together (BEST) program goals this fiscal year is to provide equal employment opportunity (EEO) training to 50% of MES hiring managers. To this end, Human Resources has held two classes. So far, 149 hiring managers out of the 169 required have attended. A third class is taking place later this afternoon, March 28.

All Board members are invited to several upcoming events being hosted this spring and early summer. The Solid Waste Association of North America (SWANA) Regional Road-E-O will be held at the Midshore II Landfill on May 10. A birding tour scheduled for April 25 at Hart-Miller Island may be rescheduled to a new location on the same date. Visits to the Freedom Wastewater Treatment Plant is currently being scheduled.

The Board is required to hold an annual organization meeting in July of each year to elect officers and members of standing committees and conduct other business. This year the organization meeting will be held on July 25, along with the regular Board meeting. It will be followed by a mandatory annual training which is also required by the MES Reform Act. The meeting agenda is currently being prepared.

EMPLOYEE ENGAGEMENT SURVEY

Mr. Tosi reviewed the third annual employee engagement survey. There were 245 responses to the anonymous survey. Overall, the results were positive. Positive responses outnumbered negative responses on every question. The Agency continues to review and analyze the survey results. Once completed, leadership staff will identify key areas for improvement and develop strategic action initiatives and action plans. A progress report can be prepared and shared with the Board.

NEW BUSINESS REPORT

Ms. Heller presented the New Business Report and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel reported on the Agency's preliminary financial performance as of February 29, 2024. Billable labor is 11% over FY23 across all operating groups. The budget was 4% higher than the previous year, and actual billable labor has been higher than budgeted. FY23 vs. FY24 actual amounts are better than expected and budgeted in all categories. The budget vs. actual projections also all look good. Labor sales are expected to be \$1.8M higher than budgeted, and overhead expenses are lower than expected. This is partly due to multiple overhead vacancies. Net earnings are projected to be \$7.2M.

Mr. Patel had several suggestions for how to utilize the net earnings. Major investments will be made in technology. Several expansions will be made to MES' Workday software, including the addition of training modules for employees. Tablets will be purchased for the water/wastewater treatment plants. Currently, operators enter data onto paper sheets and then transcribe those data into software once they return to an office. Having tablets will allow them to enter data directly into the software at the plants. There will be no charge to customers for these tablets. Mr. Patel is also recommending adding an additional \$500k to the employee Retiree Medical Reimbursement Plan. Additional funds will also be added to the BEST and BEST Plus programs with Board approval.

HUMAN RESOURCES REPORT

Ms. Patton presented the Human Resources (HR) report. As of March 14, 2024, the Agency vacancy rate was 3.8%. There are currently 30 vacancies. Nine new employees were brought on board in March. Offers are currently being made to summer interns.

PROCUREMENT ITEMS

Ms. Condra presented Item 1. The procurement is a change order with Padlands, LLC for \$146,775. It is for trucking and land application of biosolids provided to the Dorsey Run Advanced Wastewater Treatment Facility. There is a 23% minority business enterprise (MBE) goal. The contractor is currently achieving 66.8%. Dr. Johnson made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 2. The procurement is a change order with Stormwater Management Solutions, LLC for \$326,643.03. It is for restoration of campsites damaged due to water and sewer improvements at Point Lookout State Park. There is a 19% MBE goal. The contractor is currently achieving 20.5%. Mr. Witt made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 3. The procurement is Change Order #4 with W. M. Schlosser Co. Inc. for \$1,545,862.00. It is to extend utility equipment rentals to allow for completion of the boiler fuel conversion at the Eastern Correctional Institution (ECI) Cogeneration Plant. There is a 17% MBE goal. The contractor is currently achieving 15.1% but is expected to reach 17% in their next invoices. Mr. Baatz asked why the equipment rentals were not anticipated. Mr. Ford explained that it was determined during start-up that the induction fans were oversized and would need to be re-

designed. New induction fans have been ordered; the equipment rental will cover the period until they can be installed. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 4. The procurement is Change Order #5 with W. M. Schlosser Co., Inc. for \$208,653.00. It is to perform additional conversion activities for the ECI Cogeneration plant boiler fuel conversion. There is a 17% MBE goal. The contractor is currently achieving 15.1% but is expected to reach 17% in their next invoices. Dr. Johnson made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 5. The procurement is for stormwater mapping and condition assessment services for Baltimore County. Rummel, Klepper & Kahl, LLP (RK&K) will provide the services at a cost of \$465,297.17. There is a 45.2% MBE goal. Judge Smalkin made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Jose, who abstained from the discussion, consideration, and vote.

Ms. Condra presented Item 6. The procurement is for stormwater drainage construction for State Highway Administration (SHA) Districts 3 and 5. AB Construction, Inc. will provide the services at a cost of \$8,646,322.88. There is a 14% MBE goal. Mr. Witt made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 7. The procurement is for stormwater drainage construction for SHA Districts 4 and 7. Brawner Builders, Inc. will provide the services at a cost of \$8,392,286. There is a 14% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 8. The procurement is for Phase II floodplain mapping for Maryland Department of the Environment (MDE) Water and Science Administration's Stormwater, Dam Safety and Floodplain Management Program. WSP USA Environment & Infrastructure Inc. will provide the services at a cost of \$360,377. There is a 19.4% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Jose, who abstained from the discussion, consideration, and vote.

Ms. Condra presented Item 9. The procurement is for energy technical and engineering analysis of Commercial, Industrial, Institutional, and Governmental Energy Programs for the Maryland Energy Administration. Energy Shrink, LLC will provide the

services at a cost of \$3,755,000. There is a 29% MBE goal. Mr. Witt made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 10. The procurement is for transportation model mapping and support for SHA. Synergy Systems & Services, Inc. will provide the services at a cost of \$450,509.64. There is a 29.42% MBE goal. Mr. Witt made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 11. The procurement is a pre-solicitation approval for \$450,000 for leasing portable liquid storage tanks for Baltimore Washington International Thurgood Marshall Airport (BWI). There is a 0% MBE goal. Mr. Baatz made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 12. The procurement is a pre-solicitation approval for \$400,000 for leasing glycol recovery vehicles for BWI Deicing. There is a 0% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 13. The procurement is for the purchase of a super-long reach, 30-ton hydraulic excavator for the Paul S. Sarbanes Ecosystem Restoration Project at Poplar Island. McClung Logan Equipment Company will provide the equipment at a cost of \$337,792. There is a 0% MBE goal. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 14. The procurement is a change order with Agri-Services Corp. for \$250,000. It is for loading, hauling, and disposal of leachate collected at the Brown Station Landfill. There is a 30% MBE goal. The contractor is currently achieving 50.5%. Dr. Johnson made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

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

LEGAL REPORT

Mr. Coleman reminded Board members to file their Financial Disclosure Statements with the State and to send a copy to Ms. Fuller, Clerk of the Board, as

required by the MES Conflicts of Interest Policy. Financial Disclosures are due by April 30, 2024. Mr. Coleman advised that the remainder of the legal report would be discussed in closed session.

OLD/NEW BUSINESS

Ms. Heller and the Board held a moment of silence in memory of the construction workers lost during the Key Bridge collapse earlier this week.

The next meeting of the Board is Thursday, April 25, 2024, at 9:30 a.m.

CLOSED SESSION

At 10:32 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(8), Ms. Heller stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session and to receive a briefing from the Office of the Attorney General (OAG) on pending litigation matters. Ms. Heller asked if anyone objected to the Board entering closed session; no objections were heard. She also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Ms. Jose then made a motion that the Board enter closed session for the reasons stated above. Mr. Baatz seconded the motion; all members voted in favor of closing the meeting. Ms. Heller announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 10:32 a.m. Staff members who were not required for the closed session left the meeting room and Zoom session.

Ms. Heller called the meeting of the closed session of the Board to order at 10:34 a.m. Present during the closed session were Board members Heller, Smalkin, Witt, Baatz, Jose, and Johnson. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Hartlaub, Ms. Dolinar, and Ms. Fuller.

Ms. Heller requested approval of the minutes of the closed session from the January 25, 2024, meeting. There were no corrections or comments. The minutes were unanimously approved.

Mr. Coleman and Assistant Attorney General Hartlaub informed the Board that the litigation matter he had previously informed them of has since been dismissed.

Mr. Coleman then left the meeting at 10:40 a.m. Mr. Hartlaub and Ms. Carroll discussed with the Board a second matter that is currently in litigation. Following the discussion, the Board authorized the Office of the Attorney General to attempt to settle the dispute up to the amount approved by the Board.

ADJOURNMENT

The meeting adjourned at 11:17 a.m.

Frederic N. Smalkin

Shelley Heller

**HONORABLE FREDERIC SMALKIN
SECRETARY**

**SHELLEY HELLER
CHAIR**