



Wes Moore GOVERNOR

Aruna Miller LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

June 27, 2024

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

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

DIRECTORS ABSENT: Dereck Davis, State Treasurer

OTHERS PRESENT:

Sean Coleman, Esq.	Stephanie Patton, Human Resources
Ellen Frketic, Deputy Director	Kanishk Sharma, Administration
Winsome Condra, Procurement	Melissa Slatnick, Technical & Environmental Services (TES)
Marni Dolinar, Env. Dredging & Restoration	Pamela Fuller, Board Clerk
Tim Ford, Environmental Operations	Jana Leech (video)
Matt Lapinsky, Water/Wastewater	Casey Powers, IT (video)
Hament Patel, Finance	

CALL TO ORDER

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

INSPIRE AWARDS

Mr. Sharma presented an Inspire Award to Procurement Administrator Qieon Graham. During the division's recent organizational change, Mr. Graham stepped up by training the new Procurement Administration even though it is not part of his job description. Mr. Graham consistently supports the team and shows he is a leader in the Procurement Administrator role. He does not complain and addresses all questions regardless of operating group assignment.

Mr. Ford presented an Inspire Award to the Brown Station Sanitary Landfill Leachate Pretreatment team of Xavier Alexander, Preston Fuller, Melissa Cheatham, William Eubanks, and Robert Hill. In March 2024, a tank at the landfill sprang a leak. It was quickly discovered by MES personnel, who immediately went into action to contain the spill, drain the tank, and make arrangements for repairs. The team worked around the clock to fix the problem at the tank farm, an area outside of MES' normal scope of work. Prince George's County was very pleased with the team's performance and initiative.

Ms. Slatnick presented an Inspire Award to Senior Maintenance Supervisor Casey Hanna. On May 10, 2024, Mr. Hanna received an emergency call on his scheduled day off to respond to the Grumman Water Treatment Plant, where he discovered the fire suppression system pump controls were malfunctioning and the 250,000-gallon fire suppression tank was empty. Recognizing safety concerns for the community related to the empty fire suppression tank, Mr. Hanna worked to identify and repair the malfunction, which included a climb up the 30-foot tank to ensure his repairs corrected the problem in the system. He remained on site all day to make certain the tank was in proper working order and filling adequately to restore the fire protection system.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes from the Board meeting on May 30, 2024. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director and Deputy Director's expense reports for the last month were reviewed. Dr. Glass and Ms. Frketic incurred expenses for registration, membership, and travel arrangements to the Water Environment Federation Technical Exhibition and Conference (WEFTEC) in New Orleans in October.

Dr. Glass reported on external engagements with governmental and private entities over the last month. There were several site visits during the last month, including to Dundalk Marine Terminal and the Prince George's County Organics Composting Facility.

The inaugural year of the Grants program has been very successful. MES submitted \$163,426,701 in grant proposals. To date, MES has been awarded or helped its clients to be awarded \$63,241,873. A number of proposals are still pending.

After several years of revamping the Human Resources (HR) department and enhancing recruitment efforts, the Executive office is now passing the torch fully back to HR to continue the recruitment progress. MES' third Manager/Supervisor training class graduated on June 11, 2024.

MES has been awarded 2024 Top Workplace honors from *USA Today* and *The Washington Post*.

MES participated in the Maryland Municipal League (MML) summer conference in Ocean City, MD, from June 23-June 26. Staff were honored to meet Governor Moore and Maryland Attorney General Brown.

BEST FY25 GOALS

Ms. Frketic presented the proposed FY25 Building Excellence & Success Together (BEST) Goals. The goals continue to fall into six categories: 1) Safety; 2) Education; 3) Diversity, Equity, and Inclusion; 4) Customer and Community Service; 5) Environment; and 6) Administrative Enhancements.

Mr. Baatz recommended a change to one goal. As originally written, one of the "Environment" goals stated that MES would "ensure it is awarded at least one grant for environmental justice projects." Mr. Baatz suggested that the goal be modified to measure something more within the control of the Agency. It was suggested the goal should be, "In collaboration with our client partners, MES will ensure at least five grants for environmental justice projects are submitted." The Board and staff concurred that this would be a more appropriate goal. Mr. Baatz made a motion to approve the amended goals; Mr. Witt seconded. The motion passed unanimously.

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 May 2024, which remains strong. Labor sales have been steadily increasing across all groups. The budget was 5% higher than the previous year, and actual billable labor has been 5.5% higher than the budget. Actual amounts from FY23 vs. FY24 are better than expected and budgeted in all categories. The budget vs. actual projections also looks good. Revenues are \$12.2M greater than in the prior year, with much of this passing through to third party vendors. Labor sales are expected to be higher than budgeted and overhead expenses are lower than expected.

HUMAN RESOURCES REPORT

Ms. Patton presented the Human Resources (HR) report. As of June 13, 2024, the Agency vacancy rate was 4.13%. Staff attended about 100 recruitment events over the last year. The fall recruitment fair calendar is filling up. All of the summer interns have now started.

HUMAN RESOURCES COMMITTEE

Mr. Witt reported that the HR Committee met on June 20, 2024, to consider multiple matters.

Performance-Based Compensation

The Agency has recommended that performance-based compensation (PBC) be awarded based on annual employee evaluation scores as follows.

Score	Percentage of Increase
2.99 and under	No PBC
3.0 – 3.49	3%
3.5 – 3.99	4%
4.0 – 5.0	5%

The salary increases would be effective with the pay period beginning July 10, 2024. The MES salary card would also need to be increased by 5%. The HR Committee

recommended adoption of these increases to the full Board. Judge Smalkin made a motion to approve the increases as presented; Mr. Baatz seconded. The motion passed unanimously.

401k Contribution

Maryland Environmental Service's employees have done excellent work in providing services to our clients and the citizens of Maryland. Based on the financial performance as of April 30, 2024, and year-end projections for FY 2024, the Agency is recommending that eligible MES employees receive a \$1,500 lump-sum contribution to their 401k account.

This 401k contribution will be awarded to all current MES employees except those employees who are participants in the State Retirement/Pension System, Chesapeake Bay Trust employees, interns and any MES employee who is not currently eligible for MES contribution to their 401k account. Part-time employees will receive a lump-sum contribution prorated in proportion to the number of hours they are employed. MES will reduce the amount of the lump sum contribution if necessary to comply with applicable IRS regulations and the 401k Plan. The contributions would be awarded on June 28, 2024, to eligible employees who are current active employees as of June 28, 2024, and who were hired prior to May 28, 2024.

The HR Committee recommended adoption of this action. Dr. Johnson made a motion to approve the proposed 401k contribution; Judge Smalkin seconded. The motion passed unanimously.

HR Policies

Several Human Resources (HR) policies were submitted for review and approval. Four updated policies contained minor revisions, title changes, or clarifications. Two policies are new policies.

The new Policies reviewed were:

- HR 6.02 Performance Improvement Plan (PIP)
- HR 7.01 Bullying

The updated Policies were:

- HR 3.09 Bereavement Leave Policy (to be effective October 1, 2024)
- HR 3.11 Family Medical Leave
- HR 8.01 Tuition Assistance Program
- HR 11.03 Whistleblower Complaint

The HR Committee recommended approval of the new policies and updates to the existing policies. Dr. Johnson made a motion to approve the policies; Judge Smalkin seconded. The motion passed unanimously.

PROCUREMENT ITEMS

Procurement Item 1 was withdrawn prior to the meeting.

Ms. Condra presented Item 2. The procurement is for engineering design services for the dike raising at Masonville Dredged Material Containment Facility (DMCF) to +42ft. Gahagan & Bryant Associates, Inc. (GBA) will provide the services at a cost of \$748,840.10. There is a 13.8% Minority Business Enterprise (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 3. The procurement is change order #6 with VLS Environmental Solutions LLC for \$665,000. It is for facilities cleaning and maintenance for Baltimore/Washington International (BWI) and Martin State Airports, and State Highway Administration (SHA), Maryland Transit Administration (MTA), and Maryland Transit Authority (MDTA) facilities. There is a 24% MBE goal. Participation to date is 7.67%. A corrective action plan is in place to address MBE participation. Judge Smalkin made a motion to approve the item; Dr. Johnson seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 4. The procurement is for consent order assistance and compliance monitoring and reporting at the Sandy Hill Creative Disposal Project. Arcadis U.S., Inc. will provide the services at a cost of \$504,030. There is a 35% 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 5. The procurement is for landfill gas collection system maintenance at the Sandy Hill Creative Disposal Project. SCS Engineers, Inc. will provide the services at a cost of \$519,172. There is a 10% MBE goal. Judge Smalkin made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 6. The procurement is for compliance monitoring and reporting at the Brown Station Road Sanitary Landfill. SCS Engineers, Inc. will provide the services at a cost of \$555,000. There is a 20% MBE goal. Mr. Witt made a motion to approve the item; Dr. Johnson seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 7. The procurement is Renewal #2 with ACV Environmental Services, Inc. for \$677,491. It is to pack, haul, and dispose of household

hazardous waste collected at the Brown Station Road Sanitary Landfill. There is an 18% MBE goal; current participation is 13.7%. A corrective action plan is in place. Dr. Johnson made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 8. The procurement is change order #1 with Allan Myers MD, Inc. for \$509,009. It is for material and labor escalation for construction of the C-1 landfill cell at the Brown Station Sanitary Landfill. There is a 29% MBE goal, with current participation of 20%. Mr. Witt made a motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 9. The procurement is Renewal #2 with South Atlantic Marine Services, Inc. for \$672,792. It is for the purchase of bailing wire for the Prince George's and Montgomery County recycling centers. 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.

The Board notifications for contracts, purchase orders, amendments, and change orders between \$25,000 and \$200,000 were reviewed.

LEGAL REPORT

Mr. Coleman introduced the updated Board Bylaws that were presented to the Board at the May meeting. The recently enacted MES statute allows the Board Secretary to authorize an employee of the Service to serve as the Deputy Secretary, much like the Board Treasurer who has designated a Deputy Treasurer. The updates would be effective July 1, 2024. Judge Smalkin made a motion to approve the updated Bylaws; Dr. Johnson seconded. The motion passed unanimously.

GROUP UPDATES

Mr. Lapinsky discussed the Freedom District Water Reclamation Facility. The facility is the largest owned by MES and was MES' first non-state contract. The plant, located in Carrol County, treats wastewater from the Springfield Hospital, Maryland State Police Training Center, Central Maryland Correctional Facility, and the communities of Sykesville and Eldersburg. Several members of the Board and Agency staff will tour the facility after the meeting.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, July 25, 2024, at 9:30 a.m. The required annual Board training will occur after the meeting.

CLOSED SESSION

At 10:53 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1), Ms. Heller stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session and to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom the public body has jurisdiction; any other personnel matter that affects one or more specific individuals. 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. Judge Smalkin then made a motion that the Board enter closed session for the reasons stated above. Ms. Jose 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 10:54 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 10:57 a.m. Present during the closed session were Board members Heller, Smalkin, Witt, Baatz, Jose, Johnson, and Glass. They were joined by Mr. Coleman and Ms. Fuller.

Ms. Heller requested approval of the minutes of the closed session from the May 30, 2024, meeting. There were no corrections or comments. The minutes were unanimously approved.

Based on the recommendation of the Executive Director, the HR Committee recommended to the full Board of Directors a salary increase of 6% for the Deputy Director, effective as of July 10, 2024. The Board approved that recommendation.

Dr. Glass and Mr. Coleman left the closed session at 11:15 a.m. The Board then performed an administrative function. Mr. Witt reported that the HR Committee had reviewed the financial disclosure statements for the Board members. There were no concerns about any of the disclosures.

ADJOURNMENT

The meeting adjourned at 11:19 a.m.

Frederic N. Smalkin

HONORABLE FREDERIC SMALKIN
SECRETARY

Shelley Heller

SHELLEY HELLER
CHAIR