



Wes Moore GOVERNOR
Aruna Miller LT. GOVERNOR
Charles Glass, Ph.D., P.E. EXECUTIVE DIRECTOR

BOARD OF DIRECTORS MEETING MINUTES

December 19, 2024

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

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

DIRECTORS ABSENT: None

OTHERS PRESENT:

Priscilla N. Carroll, Esq.	Hament Patel, Finance
Ellen Frketic, Deputy Director	Kanishk Sharma, Administration
Winsome Condra, Procurement	Melissa Slatnick, Technical & Environmental Services (TES)
Marni Dolinar, Env. Dredging & Restoration (EDR)	
Tim Ford, Environmental Operations (EO)	Pamela Fuller, Board Clerk
Ramona Jones, Human Resources	Casey Powers, IT (video)
Matt Lapinsky, Water/Wastewater	Wendy Doring
	Dave Gostomski

CALL TO ORDER

Ms. Heller called the meeting to order at 9:33 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.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes from the Board meeting on November 21, 2024. Dr. Johnson noted one change to his name on page 1. No other corrections or objections were noted. Dr. Johnson made a motion to approve the amended minutes; Judge Smalkin seconded. The minutes passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

The Executive Director's and Deputy Director's expense reports for the last month were reviewed. They both incurred parking expenses for various meetings.

Dr. Glass reported on external engagements with governmental and private entities over the last month, including a meeting at the Latin American Youth Center. The agency has submitted its report on the Northeast Maryland Waste Disposal Authority to the General Assembly, as required.

There were numerous agency events held during the last month. MES celebrated Native American Heritage Month with a showing of *The Electric Indian*, a movie about hockey player Henry Boucha. On December 5, employees volunteered at the Anne Arundel County Food Bank. MES engineer Jeffrey Landis gave a "Lunch & Learn" presentation on December 10 to discuss creating project cost estimates. The agency reached 96% of its contribution goal for the Maryland Charity Campaign. Staff donated to holiday drives benefiting the U.S. Marine Corps Reserve Toys for Tots program and Frisky's Wildlife & Primate Sanctuary.

The agency is sad to announce the passing of long-time employee Lance Fierro. Mr. Fierro was a Senior Operator at the Freedom District Water & Wastewater Facility. He will be greatly missed. The Board held a moment of silence in his honor.

The summer internship program launched last week, and MES has begun receiving applications for this summer's program. The agency also advertised two two-year rotational fellowship positions in the Environmental Sciences and Engineering divisions.

The Baltimore Sun named MES a "Top Workplace to Work" for the third consecutive year. Selection to the list is based on employee surveys.

Dr. Glass reviewed the long-term projects he will focus on in the coming months. This includes completing agreements with State partners for water and wastewater operations as required by the Legislative Audit and the House Committee. Comments on the Compensation Study have been addressed and will be forwarded to the Board.

Dr. Glass commended Board Chair Ms. Heller, who received the LaMonte Cooke County Service Award at the Maryland Association of Counties (MACo) Winter Conference for her work as the Kent County Administrator and Chair of the MACo Administrators' affiliate group.

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 November 2024. Billable labor was aggressively budgeted to be about 5% higher, so the overall amounts are lower than budgeted. Normal growth would have been a 4% increase; this fiscal year's labor sales are 3.9% higher than in FY24. Billable hours are higher, but so are overhead expenses. Overhead recovery is 2.04% greater.

RSM completed its Indirect Cost Rate Audit, which was distributed to the Board. The overhead rate has been reduced by 1.5% for FY26. The biggest beneficiary of this decrease will be the State, as the State makes up 62% of MES' clients. RSM also completed the Single Audit. There were no findings, and as a result, MES qualifies as a low-risk auditee.

Mr. Patel introduced the revised Targeting Excellence Program guidelines. The Board originally approved this program on March 31, 2022. It allowed the agency to hand out Target gift cards to employees doing a good job, incentivizing commendable actions that did not meet the standards required for an Inspire Award. The IRS has since determined that gift cards are considered cash or salary and must be taxed. The revised guidelines propose replacing the gift cards with direct payments to employees' paychecks. The awards will increase from \$25 to \$35 and \$50 to \$70, with MES withholding the taxes. Employees may receive a maximum of \$140 per year. Under the new guidelines, employees will receive the same amount of money, and the agency will incur a minimal increase in costs. Ms. Jose made a motion to approve the revised program; Dr. Johnson seconded. The motion passed unanimously.

HUMAN RESOURCES REPORT

Ms. Jones presented the Human Resources report. As of December 12, 2024, the agency vacancy rate was 4.65%, with 37 open positions. Winter recruitment events are currently being scheduled. MES has been receiving many applications for the summer internship and fellowship positions.

PROCUREMENT ITEMS

Ms. Condra presented Item 1. The procurement is change order # 2 with Mott MacDonald for \$206,616. It is for bidding and construction services for Point Lookout State Park Water and Wastewater System improvements. There is a 17% minority business enterprise (MBE) goal, and the contractor is currently achieving 3.7%. The contractor is currently working under an approved corrective action plan and should be able to achieve the 17% 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 2. The procurement is for maintenance paving at several Prince George's County facilities. Finley Asphalt & Sealing, LLC will provide the services at a cost not to exceed \$1,822,458. There is a 14% MBE goal. Ms. Jose 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 for trash compactor preventive maintenance, repair, and replacement at the BWI Airport. Proware Systems, LLC will provide the services at a cost of \$886,500. There is a 3% MBE goal. Mr. Baatz 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 bulkhead repairs at the Poplar Island Environmental Restoration Project. Murtech, Inc. will provide the services at a cost of \$436,353. There is a 13.2% MBE goal. Judge Smalkin made a motion to approve the item; Ms. Jose seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 5. The procurement is for change order #7 with Clearwater Mills, LLC for \$80,880. It is for continued maintenance and repair services on the Masonville Cove Trash Wheel. There is a 0% MBE goal. Ms. Jose made a motion to approve the item; Dr. Johnson seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 6. The procurement is for natural gas commodity purchase for the ECI Cogeneration Facility. GWL Energy Services, Inc. will provide the gas at a cost of \$6,526,735. There is a 0% 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 7. The procurement is change order #7 with W.M. Schlosser Co., Inc. for \$334,277. It is for the extension of utility equipment rentals provided to the ECI Cogeneration plant boiler fuel conversion project. There is a 17% MBE goal and the contractor is currently achieving 19.35%. Ms. Kille asked for clarification on the project, and Mr. Ford summarized the long project to convert the boilers at ECI to natural gas. This final invoice is for boiler and backup generator rentals for the final commissioning phase. The funds are coming

from the facility's operating funds. Dr. Glass offered to send a copy of a General Assembly briefing on the project to the Board. Mr. Baatz 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 a change order with Allan Myers MD Inc. for \$568,235. It is for additional work provided to the Brown Station Landfill, Area C Cell C-1 construction. There is a 29% MBE goal, and the contractor is currently achieving 11.6%. Their MBE plan has been updated to capture work already done, and additional MBE work will be conducted in future phases of the project. 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 change order #5 with Stearns, Conrad, and Schmidt Consulting Engineers, Inc. for \$279,655.60. It is for construction services provided to the Brown Station Landfill, Area C Cell C-1 construction. There is a 20% MBE goal and the contractor is currently achieving 18.38%. Mr. Baatz made a motion to approve the item; Dr. Johnson seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 10. The procurement is for the purchase of a 2025 Tana H555 Eco Landfill Compactor for the Midshore II Landfill. GT Mid Atlantic will provide the compactor at a cost of \$1,319,250. There is a 0% MBE goal. Judge Smalkin made a motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Heller, who abstained from the discussion, consideration, and vote.

Ms. Condra presented Item 11. The procurement is for Phase I and II reports for Garrett County Landfill expansion's solid waste permit application. Geosyntec Consultants will provide the services at a cost of \$644,020.40. There is a 20% MBE goal. Ms. Jose made a motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously with the exception of Mr. Witt, who abstained from the discussion, consideration, and vote.

Ms. Condra presented Item 12. The procurement is for pier repairs at Hart-Miller Island. Dissen & Juhn, LLC will provide the services at a cost of \$450,615. There is a 15% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Baatz seconded. No members were opposed. The motion passed unanimously.

Ms. Condra presented Item 13. The procurement is to purchase the solar energy system at the MES headquarters building. MES will purchase the system from Luminace Solar Maryland, LLC for a cost of \$350,000. There is a 0% MBE goal. Dr. Johnson made the motion to approve the item; Mr. Baatz 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

Ms. Carroll reported on the process of selecting a new Assistant Attorney General to backfill her prior position. The vacancy will be re-advertised soon.

GROUP UPDATES

Ms. Dolinar presented an overview of MES contracting efficiencies. She summarized the procurement and contracting options that allow MES to act in the best interest of its clients, vendors, and the public.

Ms. Slatnick presented an overview of the Technical & Environmental Services group. This group handles myriad project types and consists of the following sections: Geographic Information System (GIS), Engineering, National Environmental Policy Act (NEPA) Permits & Cultural Resources, Environmental & Energy, Laboratory Services, and BWI & Maintenance.

Ms. Doring discussed the Harford County Office of Recycling. MES oversees the following recycling activities on behalf of the County: management of data including Maryland Recycling Act reporting, collaboration with the Maryland Green Registry, educational outreach, community outreach, and special marketing programs such as the agricultural plastic recycling program and pumpkin collection.

Mr. Lapinsky updated the Board on several capital construction projects undertaken by MES on behalf of various State clients. These projects include the sewer collection and water distribution systems upgrade at Point Lookout State Park, the wastewater treatment plant (WWTP) upgrades at Cheltenham, WWTP enhanced nutrient removal (ENR) upgrades at Elk Neck State Park, and water systems improvements at Swallow Falls State Park.

OLD/NEW BUSINESS

Dr. Glass mentioned that there will be a presentation on per- and polyfluoroalkyl substances (PFAS) next month. A grant or loan is being sought from Maryland Department of the Environment (MDE) for improvements to the water treatment system at the Town of Darlington.

The next meeting of the Board is Thursday, January 23, 2025, at 9:30 a.m.

CLOSED SESSION

At 11:32 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 consult with staff, consultants, or other individuals about pending or potential litigation. 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. Dr. Johnson 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 11:32 a.m. Staff 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 11:41 a.m. Present during the closed session were Board members Glass, Heller, Smalkin, Witt, Baatz, Jose, Johnson, and Kille. They were joined by Ms. Carroll, Ms. Frketic, Mr. Lapinsky, Ms. Fuller and Mr. Eric Hartlaub who joined the meeting for the closed session.

Ms. Heller requested approval of the minutes of the closed session from the October 31, 2024, meeting. There were no corrections or comments noted. The minutes were unanimously approved.

Ms. Carroll and Mr. Hartlaub briefed the Board on several matters of pending and potential litigation.

ADJOURNMENT

The meeting adjourned at 12:58 p.m.

Frederic N. Smalkin

HONORABLE FREDERIC SMALKIN
SECRETARY

Shelley Heller

SHELLEY HELLER
CHAIR