BOARD OF DIRECTORS MEETING MINUTES

April 24, 2025

LOCATION:	**Headquarters/Video Call**
TIME:	**9:30 a.m.**
DIRECTORS PRESENT:	Shelley Heller, Chair Judge Frederic Smalkin, Secretary (video) Brendon Baatz, Treasurer (phone) Robert Witt, II (video) Moalie Jose, P.E. (video) James H. Johnson Jr., Ph.D., P.E. Joanna Kille for Dereck Davis (video) Charles Glass, Ph.D., P.E.
DIRECTORS ABSENT:	
OTHERS PRESENT:	Priscilla N. Carroll, Esq. Winsome Condra, Procurement Marni Dolinar, Env. Dredging & Restoration (EDR) Tim Ford, Environmental Operations (EO) Ramona Jones, Human Resources Matt Lapinsky, Water/Wastewater Hament Patel, Finance Melissa Slatnick, Technical & Environmental Services (TES) Jeff Tosi, Gov. Affairs Pamela Fuller, Board Clerk Casey Powers, IT (video) Felicia Gross, Human Resources Kanishk Sharma, Administration Kerri Walsh, Exec, (video)

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

Ms. Dolinar presented an Inspire award to Mark Lennon, Chris Heyrend, Chris Green, Mickey Newport, and Oluwatosin Bello for their customer service excellence and exceptional contract performance for the construction management and inspection support services for the Cox Creek Dredged Material Containment Facility +60 dike raising and expansion project.

Ms. Dolinar presented an Inspire award to Bill Buszinski, Travis Rowe, Wanita David, John Ell, Danny Hayes, Jason Doty, Manning Budd, James Smith, and Justin Riesett for their work to repair a pipe for the University of Maryland Center for Environmental Science (UMCES) at their Horn Point Laboratory in Cambridge, Maryland. They exhibited excellent customer service which resulted in acquiring a new contract and increased revenue for the Service while responding to an emergency by a State supported institution.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes from the Board meeting on March 27, 2025. There were no comments or corrections. The minutes were approved by consent.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass reported one expense for parking last month. He then reviewed his list of external engagements with governmental and private entities over the last month.

A Project Improvement Team (PIT) continues to examine ways to improve the performance and speed of payments to vendors. The team has now met multiple times and made great progress in assessing the agency procurement process, which includes the use of credit cards, purchase orders, contracts, supplier invoice requests, and expense reports. The goal of the PIT is to identify the optimum balance between process efficiency and risk. The team is recommending the use of P-cards for purchases of up to $2,500. This would result in an 80% reduction in the number of purchase orders. Two policies are being drafted and should be ready to be sent to the Audit Committee by May 8, 2025.

The summer Internship program is ramping up. Twelve interns have been selected and placed throughout the agency, with a few more awaiting confirmations. Two rotational Fellows have been chosen from over 200 resumes. The Environmental Specialist and Engineer will rotate throughout the agency over the course of the year.

Earth Day activities were held throughout the agency on Tuesday, April 22.

Dr. Glass reviewed his list of long-term projects he will focus on in the coming month. Several new items were added.

LEGISLATIVE UPDATE

Mr. Tosi updated the Board on several recently passed bills that may impact the agency. HB344/SB315 alters the membership of the MES Board. The bill removes the State Treasurer and replaces the Treasurer with the Secretary of the Maryland Department of Planning. It also adds two members of the General Assembly (one Senate and one House) as non-voting members. Quorum and voting thresholds remain the same. The bill will be effective July 1, 2025.

Other bills reviewed include:

- Budget Reconciliation & Financing Act (BRFA – HB352) This bill increased the fund balances on two MES contingency funds. The State Reimbursable project fund cap was increased to $3 million. The ECI Steam Turbine project contingency fund cap was increased to $5 million.
- Capital Budget Projects – all MES projects were fully funded
- Procurement Reform Act (HB500) –made adjustments to the Small Business Reserve (SBR) program
- Family & Medical Leave Insurance Program (HB102) – delays implementation to January 1, 2027
- Extended Producer Responsibility (SB901) – implements new program for product packaging.

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 March 2025. Total billable labor in FY25 is higher than FY24 but lower than FY25 budgeted. There are no major cuts to ongoing projects, and new projects continue to rise steadily. Overhead expenses have also been lower, offsetting the reduced labor. Overall, the agency is doing well.

HUMAN RESOURCES REPORT

Dr. Glass introduced Dr. Felicia Gross, the new Chief of Human Resources. Ms. Jones presented the Human Resources (HR) report. As of April 9, 2025, the agency vacancy rate was 2.62%. There are numerous spring recruitment events currently scheduled, with more being added.

HUMAN RESOURCES COMMITTEE

Mr. Witt advised the Human Resources (HR) committee met last week to discuss several matters. Several policies were reviewed and approved. Ms. Jones summarized the changes to each policy.

- HR 1.11 Scheduled Hours. Changes were made to the policy scope and definitions.
- HR 3.02 Annual Leave. Changes clarified eligibility criteria, and utilization and carryover provisions.
- HR 3.22 Sick and Safe Leave. The changes clarified accrual, use, and denial provisions. This policy only applies to a small group of employees who would otherwise not earn sick leave and will be administered in the same way that traditional sick leave is handled. The proposed changes bring the policy into compliance with State law.
- HR 4.03 Abandonment of Employment. The changes update the procedures to be followed.
- HR 5.02 Attendance Standards – Lateness. The changes clarified employee and supervisor's responsibilities and the procedures to be followed.
- HR6.05 Appeal of Disciplinary Procedure. The changes clarified the definitions and updated several titles.
- HR 8.03 Apprenticeship Policy for Operator in Training (OIT) Program. The changes allow for the substitution of academic credit for up to 1 year of experience at various levels of the program. The changes also added the designation "OIT Pending" between OIT 1 and OIT 2.
- HR 10.04 Overtime and Compensatory Time Accrual and Use.

Mr. Witt advised that the HR Committee reviewed and approved of all the proposed changes. Dr. Johnson made a motion to approve all of the policy updates; Ms. Kille seconded. There were no questions or comments. The motion passed unanimously.

Mr. Lapinsky summarized the proposed changes to the OIT and Operator career ladders. The changes are part of HR Policy 8.03 discussed earlier. The OIT ladder adds a rung for "OIT Pending" for those OITs who are struggling to pass the required exams. It allows them to remain in the program and allows MES to retain quality operators. They can remain at this level for no more than three years, while they work to pass the exams necessary to maintain their licenses. The ladders are also being updated to allow one year of college coursework to be substituted for up to 1 year of experience. This change has already been approved by the Board of Waterworks and Waste System Operators (WWSO). The WWSO Board has also recently allowed high school students to accumulate hours before they graduate that can be applied toward their licenses. Mr. Witt advised that the HR Committee reviewed and approved both career ladder updates. Dr. Johnson made a motion to approve the updates; Mr. Witt seconded. The motion passed unanimously.

Mr. Witt proposed the following schedule for conducting Dr. Glass' performance evaluation. The evaluation forms will be distributed to the Board today. All completed evaluations should be submitted to Mr. Witt by May 29. He will then compile the responses and distribute them to the Board members. He proposed the Board members meet on June 5, at 9:00 a.m. to review and discuss. The HR Committee would then meet on June 12 to discuss a salary recommendation proposal. Mr. Witt and Ms. Heller will deliver the evaluation to Dr. Glass after the June 26 Board meeting.

PROCUREMENT ITEMS

Ms. Condra presented Item 1. The procurement is for the purchase of aluminum sulfate for statewide water and wastewater projects. Tricon Chemical Corporation will provide the chemicals at a cost of $409,293.00. There is a 0% MBE goal. Mr. Witt made the motion to approve the item; Ms. Jose seconded. The motion passed unanimously.

Ms. Condra presented Item 2. The procurement is for algae analysis lab services at the various dredged material containment facilities. Cyano Holdings, Inc./GreenWater Laboratories will provide the services at a cost of $225,800.00. There is a 0% MBE goal. Dr. Johnson made the motion to approve the item; Mr. Witt seconded. The procurement is a sole source, as they are the only laboratory that can accommodate the volume of tests and needed quick turn-around time. The motion passed unanimously.

Ms. Condra presented Item 3. The procurement is for avian rehabilitation and mortality response at various dredged material containment facilities. Tri-State Bird Rescue and Research, Inc. will provide the services at a cost of $223,505.00. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Ms. Jose seconded. The motion passed unanimously.

Ms. Condra presented Item 4. The procurement is for paving of River and Holly Roads adjacent to the Midshore II Landfill. David A. Bramble, Inc. will provide the services at a cost of $392,151. There is a 12% MBE goal. Mr. Witt made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously, except for Ms. Heller who abstained from the discussion, consideration, and vote.

Ms. Condra presented Item 5. The procurement is for the purchase of a new 2025 Caterpillar MH3024 material handler (excavator) for the Prince George's County Materials Recovery Facility (MRF). Carter Machinery Co., Inc. will provide the equipment at a cost of $397,460.00. There is no MBE goal. Dr. Johnson made the motion to approve the item; Judge Smalkin seconded. The motion passed unanimously.

Ms. Condra presented Item 6. The procurement is for the supply and delivery of 11- and 12-guage baling wire for the Prince George's County MRF and Montgomery County Recycling

Center. South Atlantic Marine Service, Inc. will provide the wire at a cost of $318,978.00. There is a 0% MBE goal. Mr. Witt made the motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Ms. Condra presented Item 7. The procurement is for dredging, transportation, unloading, and dewatering of dredged material into geotextile tubes adjacent to the Colgate Creek. McLean Contracting Company will provide the services at a cost of $17,121,000.00. This project was approved in February for $14,340,000 based on the engineers' estimate. All bids came in higher than this amount due to the limited construction period and specific polymer requirements. There is a 10% MBE goal. Dr. Johnson made the motion to approve the item; Ms. Jose seconded. Ms. Kille inquired about the 10% MBE goal. Ms. Dolinar advised that dredging projects typically have fewer qualified MBE firms. Also, the use of the geotextile tubes increased the cost, and decreased the opportunities for MBE participation. The motion passed unanimously.

Ms. Condra presented Item 8. The procurement is for the purchase of a 2025 CBI 6400 CT Horizontal Grinder for the Montgomery County Grinding lot. Aggregate Screens & Crushers, LLC will provide the equipment at a cost of $1,275,950.00. There is no MBE goal. Mr. Baatz made the motion to approve the item; Judge Smalkin seconded. The motion passed unanimously.

Ms. Condra presented Item 9. The procurement is a renewal with EARN Contractors, Inc. for $1,268,780.00. It is for temporary labor services provided to Montgomery County Yard Trim and Composting Facility. There is a 15.97% MBE goal, contracting is currently achieving 30%. Mr. Witt made the motion to approve the item; Judge Smalkin seconded. The motion passed unanimously.

Ms. Condra presented Item 10. The procurement is for the purchase of a 2025 Powerscreen Phoenix 3300 Trommel Screen for the Prince George's County Organics Composting Facility. Aggregate Screens and Crushers, LLC will provide the equipment at a cost of $484,589.00. There is no MBE goal. Dr. Johnson made the motion to approve the item; Mr. Witt seconded. The motion passed unanimously.

Ms. Condra presented Item 11. The procurement is a change order with SCS Engineers for $280,566.95. It is for additional engineering, permitting & construction support for Area C infill area at the Brown Station Landfill. There is a 20% MBE goal, they are currently achieving 17.53%. Mr. Baatz made the motion to approve the item; Mr. Witt seconded. The motion passed unanimously.

Ms. Condra presented Item 12. The procurement is for the installation of an aerated static pile composting system at the Harford County Mulch and Compost Facility. Sustainable Generation will provide the proprietary system at a cost of $314,700.00. There is a 0% MBE goal. Dr. Johnson made the motion to approve the item; Judge Smalkin seconded. Ms. Heller asked why this was a sole source. Mr. Ford indicates that due to the location of the project, the County wanted maximum odor control. The Gore cover system allows them to do this. Food scraps may be added in the future. 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 that the filing period with the State Ethics Commission for the filing of financial disclosures closes next week on April 30, 2025.

CLOSED SESSION

At 11:02 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b) (7) and (8), Ms. Heller stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, to consult with counsel to obtain legal advice, and to consult with staff, consultants, or other individuals about pending or potential litigation. Ms. Heller asked if anyone objected to the Board entering the 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. Mr. Baatz 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 return to the open session following the closed session.

The public meeting closed at 11:03 a.m. Staff not required for the closed session left the meeting room and Zoom session. A five-minute recess was held before the closed session commenced.

Ms. Heller called the meeting of the closed session of the Board to order at 11:14 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, Mr. Lapinsky, Ms. Fuller and Mr. Eric Hartlaub and Mr. Joshua Welborn, who joined the meeting for the closed session.

Ms. Heller requested approval of the minutes of the closed session from the December 19, 2024, meeting. There were no corrections or comments noted. The minutes were unanimously approved.

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

At 11:48 a.m. Dr. Johnson made a motion to return to the open session, seconded by Mr. Witt. All members were in favor.

OLD/NEW BUSINESS

The Board returned to the open session at 11:49 a.m.

RESOLUTION 25-04-1R

Mr. Lapinsky presented a history of the Southern Hills Shared Use Facility. The Shared Use system documents were executed in 2015 after the MES Board of Directors approved MES's service as the Controlling Authority. The MES Board of Directors relied on representations made by the developer, Southstar, in approving Resolution 15-03-1R, which authorized the agency to serve as the Controlling Authority and enter into a series of agreements with Southstar and Anne Arundel County. Southstar then failed to deliver on the agreed-upon plans and its many commitments to MES. Mr. Lapinsky listed many of the deficiencies in the wastewater system that was provided. The facility's inadequacies in addition to the high influent quantity and poor influent quality issues have led to a premature failure of the treatment system. In addition, homeowner use of salt-based water softeners has damaged the plant and membranes. To maintain environmental compliance, the facility has been taken out of service, and all influent is being pumped and hauled to another facility for proper treatment. In accordance with MDE regulations, no new building permits can be issued in the community while it is on pump and haul status. This has upset many of the homeowners. Mr. Baatz left the meeting at 12:03 p.m.

The developer has not fully paid MES for its operations and maintenance costs. Improvements to the plant will be costly. There are insufficient funds in the sinking fund to cover rehabilitation. The developer, the County and MES are now at an impasse. Southstar never completed the facility. MES never accepted the facility, nor does it own the facility, and MES is not the permittee. The County delegated operation of the plant to MES but has continued to grant permits that increase the capacity and negatively impact operations. In short, the plant will never operate properly under present conditions.

Dr. Glass presented Resolution 25-04-1R, which addresses that for the reasons discussed, MES is no longer in a position to provide the necessary construction, operation, maintenance, expansion, relocation, replacement, renovation, or repair of the Southern Hills Wastewater Facility. It is in MES's best interest to rescind Resolution 15-03-1R and withdraw from the role of Controlling Authority for Southern Hills. The agency believes this is also in the best interest of the Homeowners, as the County will be permitted to provide services related to their wastewater system. This Resolution gives the agency the authority to issue a Certification to this effect, in accordance with the Annotated Code of Maryland, Natural Resources Article §3-104(w). Mr. Witt made a motion to approve the Resolution, Judge Smalkin seconded. The motion passed unanimously.

ADJOURNMENT

The next meeting of the Board is Thursday, May29, 2025, at 9:30 a.m. There is an Audit Committee on May 22, 2025, at 9:30 a.m.

Upon motion by Mr. Witt, seconded by Mr. Baatz, the meeting adjourned at 12:10 p.m.

Frederic N. Smalkin

HONORABLE FREDERIC SMALKIN
SECRETARY

SHELLEY HELLER
CHAIR