BOARD OF DIRECTORS MEETING MINUTES

May 29, 2025

LOCATION: **Headquarters/Video Call**

TIME: **9:30 a.m.**

DIRECTORS PRESENT:
Shelley Heller, Chair (video)
Judge Frederic Smalkin, Secretary (video)
Brendon Baatz, Treasurer (phone) out at 11:30 a.m.
Robert Witt, II (video)
Moalie Jose, P.E. (video)
James H. Johnson Jr., Ph.D., P.E.
Joanna Kille for Dereck Davis (video) out at 11:15 a.m.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT:

OTHERS PRESENT:
Priscilla N. Carroll, Esq.
Winsome Condra, Procurement
Marni Dolinar, Env. Dredging & Restoration (EDR)
Felicia Gross, Ph.D., 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)
Kanishk Sharma, Administration
Kerri Walsh, Exec, (video)
Kendred Jones, IT
Jason Browne, Env. Operations
Emily Martinazzi, WWW
Monique Booker, SB & Company (out at 9:51 a.m.)

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.

INSPIRE AWARDS

Mr. Lapinsky presented an Inspire Award to Water and Wastewater and Technical & Environmental Services (TES) Maintenance employees for their efforts in upgrading the Rocky Gap State Park Wastewater Treatment plant. The team included Mark Kaiser, Kollin Keister, Ezgi Kurdoglu, Devin Spicher, Chris Sawyers, Brandon Folk, Mohamed Mohamed, Darren Klink, Roger Knox, Hunter Bingaman, and Ben Weller. Their ingenuity and efforts in upgrading the design and installation saved approximately $200,000.

FY25 AUDIT PLAN

Ms. Monique Booker of SB & Company presented an overview of the FY25 audit plan. A full presentation was given to the Audit Committee on May 22, 2025. Ms. Booker reviewed the key phases of the audit and the audit timeline. The planning phase has already begun. Fieldwork is scheduled to begin onsite in June. The final report will be ready by October 30, 2025.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes from the Board meeting on April 24, 2025. There were no comments or corrections. The minutes were approved by consent.

EXECUTIVE DIRECTOR'S REPORT

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

The 2025 Solid Waste Association of North America (SWANA) Road-E-O was held at the Midshore II Landfill on May 16, 2025. MES operators won five of the seven competitions. Seven MES winners will be going to the international competition in Lake Mary, Florida in October. A short video of the event was played.

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

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 April 2025. Total billable labor in FY25 is 2.3% higher than FY24 but 1.6% lower than FY25 budgeted. The FY25 budget was based on a 4% increase. Overhead expenses were budgeted at 5% increase, but are currently much lower, offsetting the reduced labor. Overall, the agency is doing well.

RESOUTION 25-05-1R

Mr. Patel introduced Resolution 25-05-1R to update the Project Contingency Funds. The recent Budget Bill (Chapter 604, Acts of 2025) increased the amount of funds that can be retained in two of the three Project Reserve Funds. This resolution amends Resolutions 03-09-2R, 05-12-2R, and 11-05-2R. The cap on the Reimbursable Contingency Fund is increased from $1,000,000 to $3,000,000. The cap on the Eastern Correctional Institution Turbine Project Contingency Fund is increased from $1,500,000 to $5,000,000. This resolution also eliminates the per-year contribution that can be deposited into the funds. All other terms and conditions remain the same. Dr. Johnson made a motion to approve the resolution; Mr. Baatz seconded. The motion passed unanimously.

AUDIT COMMITTEE REPORT

Ms. Jose reported that the Audit Committee met on May 22, 2025. In addition to the briefing from SB & Company, they reviewed two procurement policies and the Internal Auditor's report.

Ms. Condra summarized the two procurement policies. The Procurement Policy (Proc-1.01) elaborates on the requirements of COMAR 14.27.03. The policy intends to streamline the procurement process by reducing the risks and focusing on cost-reduction efforts for the agency and its clients. The Procurement Card Management Policy (Proc-1.02) covers the use and management of the procurement cards within the agency.

The Audit Committee reviewed each policy and voted to recommend their approval to the full Board. There were no questions. Mr. Witt made a motion to adopt both policies; Ms. Jose seconded. The motion passed unanimously.

Ms. Condra summarized the Internal Audit department's recent activities. The duplicate payment review has been completed and rated effective. Several audits are currently in progress, including Poplar Island contract management review, Midshore II site management review, and an audit of Maintenance department tasks. Upcoming audits include: a biosolids billing process review; a review of safety communication and implementation processes for the Montgomery County Grinding and Materials Recycling Facilities; Masonville inventory management review; a review of marketing contract management processes; and a review of the Reimbursable Contractor Agreements. In addition, Ms. Condra has been completing billable projects for the Maryland Department of Emergency Management's (MDEM) Covid Close-Out Project and Maryland Department of the Environment's (MDE) procurement process review.

HUMAN RESOURCES REPORT

Dr. Gross presented the Human Resources (HR) report. As of May 15, 2025, the agency vacancy rate was 4.6%. There are currently 767 active positions. Of the 39 current openings, 11 are new positions.

Thirteen interns have been selected and placed throughout the agency. They are scheduled to start on June 2, 2025. They will be joined by two Yale Scholars and the two rotational Fellows.

PROCUREMENT ITEMS

Ms. Condra presented Item 1. The procurement is for drilling and development of a production well at the Cheltenham Youth Facility. A.C. Schultes of Maryland, Inc. will provide the services at a cost of $446,650. There is a 3% minority business enterprise (MBE) goal. Mr. Baatz made a motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Ms. Condra presented Item 2. The procurement is for the replacement of the administrative-area HVAC equipment at the Prince George's County Materials Recycling Facility (MRF). Vigil Contracting, Inc. will provide the equipment and installation at a cost of $492,982.18. There is a 20% MBE goal. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. The motion passed unanimously.

Ms. Condra presented Item 3. The procurement is for supply and delivery of GreenClean Liquid 5.0 algaecide for use at the Masonville and Cox Creek Dredged Material Containment Facilities. BioSafe Systems, LLC will provide the product at a cost of $694,000. There is a 0% MBE goal. Approval of the item is contingent upon BioSafe Systems successfully renewing their State Dept. of Assessments Maryland corporate registration status. Mr. Witt made a motion to approve the item; Ms. Jose seconded. The motion passed unanimously.

Ms. Condra presented Item 4. The procurement is for regulatory compliance support services at the Sandy Hill Creative Disposal project. SCS Engineers will provide the services at a cost of $557,131. There is a 10% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Witt seconded. Dr. Johnson asked for clarification on why bids were listed as "NA." Ms.

Condra explained that the vendor was chosen from the A/E Shortlist. In future, procurement items will clarify this. The motion passed unanimously.

Ms. Condra presented Item 5. The procurement is for on-call stormwater drainage construction support for Maryland State Highway Administration (SHA) District 6. Carl Belt, Inc. will provide the services at a cost of $8,325,071.50. There is a 10% MBE goal. Ms. Jose made a motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Ms. Condra presented Item 6. The procurement is for on-call stormwater drainage construction support for SHA Districts 1 and 2. David A. Bramble, Inc. will provide the services at a cost of $10,530,972.50. There is a 9.64% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Baatz seconded. Mr. Baatz inquired about the relatively low MBE goal. Ms. Condra and Ms. Slatnick reported it was due to the geographic region covered and small number of eligible MBE firms that can respond to the emergencies in the area. The motion passed unanimously.

Ms. Condra presented Item 7. The procurement is for transportation model mapping and support for SHA Enterprise Information Services Division (EISD) Task 13. Synergy Systems & Services, Inc. will provide the services at a cost of $474,721.06. There is a 29.24% MBE goal. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. The motion passed unanimously.

Ms. Condra presented Item 8. The procurement is for cleaning and maintenance for Baltimore/Washington International Thurgood Marshall Airport (BWI), SHA, Maryland Transit Administration (MTA) and Maryland Transportation Authority (MDTA) facilities. Kalyani Environmental Solutions, LLC will provide the services at a cost of $2,004,000. There is a 12% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Ms. Condra presented Item 9. The procurement is for lab services for environmental sample analysis for Maryland Port Administration (MPA) projects. Eurofins Environmental Testing Northeast, LLC will provide the services at a cost of $1,750,000. There is a 0% MBE goal. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. Ms. Kille expressed concern about this being a "client-directed" sole source procurement. Ms. Condra and Ms. Slatnick explained that MPA requested this lab as it has several years' worth of historic data, and MPA prefers to keep using it for consistency of data sets. In addition, this is the only lab within a three-hour drive capable of processing the specific type of testing at the required volumes. The justification for the sole source is sufficient, without being client-directed. The motion passed unanimously.

Ms. Condra presented Item 10. The procurement is the first renewal with CMT Services, Inc. for $2,114,789.71. It is for temporary labor provided to the Prince George's County MRF.

There is a 30% MBE goal. Mr. Baatz made a motion to approve the item; Ms. Kille seconded. The motion passed unanimously.

Ms. Condra presented Item 11. The procurement is for landfill gas and air emissions compliance monitoring and reporting at the Brown Station Road Sanitary Landfill. SCS Engineers will provide the services at a cost of $576,648. There is a 20% MBE goal. Dr. Johnson made a motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Ms. Condra presented Item 12. The procurement is for consent order assistance and compliance monitoring and reporting at the Sandy Hill Creative Disposal Project. Arcadis US, Inc. will provide the services at a cost of $565,337. There is a 30% MBE goal. Mr. Witt made a motion to approve the item; Ms. Kille seconded. The motion passed unanimously.

Ms. Condra presented Item 13. The procurement is a change order with Allan Myers MD, Inc. for $211,502. It is for client-requested changes to the access road at Brown Station Road Landfill, Area C construction. There is a 29% MBE goal. Mr. Baatz made a motion to approve the item; Mr. Witt seconded. 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 Office of the Attorney General continues to be very busy with transactional, administrative, and advice issues. Bi-weekly meetings are being held with agency staff, bond counsel, and the financial advisors in preparation for the Midshore II bond sale. A resolution will be brought to the Board in June to approve the issuance, which is scheduled for August 2025. Ms. Carroll introduced Billy Hennessy, who will be working with the office as a law clerk for the summer.

GROUP UPDATES

Mr. Tosi provided a summary of the recently completed 2025 Employee Engagement Survey. He reviewed the 2024 results and completed action items. Three remaining items are on track for completion. The 2025 survey was conducted in February and consisted of the same questions as last year, with three additional questions added. Overall, employee sentiment remains overwhelmingly positive, with about 100 more responses being received this year. The key focus areas identified have been categorized into six areas: employee compensation; retention; communication; employee recognition; training and career development; and operational efficiency and process improvement.

Mr. Jones summarized key Workday enhancements that have launched over the last few months, as well as operational inefficiencies and costs that have been examined. The Information

Technology (IT) department is working on moving away from reliance on external consultants and performing more work in-house. In the last four months, IT has:

- Saved $260,059
- Improved internal knowledge retention
- Improved business processes and logic
- Reduced end-user manual entry
- Increased financial visibility and tracking
- Improved robustness and scalability of our multimillion-dollar enterprise resource planning (ERP) system
- Improved security and data fidelity
- Improved data and process stewardship
- Stopped outsourcing

Ms. Kille left the meeting at 11:15 a.m.

Ms. Dolinar summarized work completed at the University of Maryland Center for Environmental Science's (UMCES) Horn Point Laboratory in Cambridge, MD. UMCES contacted MES for assistance with a discharge pipe that supplies seawater to the oyster hatchery, labs, and ponds. MES staff replaced the entire 144-foot discharge pipe in January 2025, coming in $40,000 under budget. The MES team which completed the project received an Inspire award at the April 2025 Board meeting.

Ms. Slatnick reviewed the bridge projects conducted for the Maryland Department of Natural Resources (DNR) Environmental Review Program. Work is completed to minimize construction impacts on the environment. MES recently completed projects at the Susquehanna Rail Bridge – which is scheduled for replacement – the Nice Bridge demolition, the Chesapeake Bay Bridge Tier 2 Study, and emergency cleanup associated with the Francis Scott Key Bridge collapse.

Mr. Browne presented an update on the compost industry in Maryland. Limited capacity at landfills and recent legislation for food waste generators are driving conversations on organics diversion. There are currently only three large-scale food waste facilities in Maryland, but a large demand for finished compost. Mr. Browne reviewed the challenges and opportunities in the industry. The MD-DC Composting Council and US Composting Council continue to educate the public and collaborate with industry professionals and clients to provide options for small, medium, and large-scale needs.

Ms. Martinazzi discussed the role of MES in water tank maintenance and inspections. Inspections are conducted of above-ground tanks and inside buried tanks. The inspection reports are then used to guide repair and maintenance decisions. A tank typically requires rehabilitation every 15-20 years. MES also helps secure funding for rehabilitation projects through the capital improvement program.

Mr. Baatz left the meeting at 11:30 a.m.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, June 26, 2025, at 9:30 a.m. There is a Human Resources Committee meeting on June 12, 2025, at 1:00 p.m.

CLOSED SESSION

At 11:49 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. Ms. Jose then made a motion that the Board enter closed session for the reasons stated above. Dr. Johnson seconded the motion; all members voted in favor of closing the meeting.

The public meeting closed at 11:49 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 11:57 a.m. Present during the closed session were Board members Glass, Heller, Smalkin, Witt, Jose, and Johnson. They were joined by Ms. Carroll, Mr. Lapinsky, Ms. Fuller, 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 April 24, 2025, 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.

ADJOURNMENT

Upon motion by Dr. Johnson, seconded by Ms. Jose, the meeting adjourned at 12:11 p.m.

Frederic N. Smalkin	[signature]
HONORABLE FREDERIC SMALKIN **SECRETARY**	**SHELLEY HELLER** **CHAIR**