



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 1-22
January 27, 2022**

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary
Robert Neall, Treasurer
Honorable Dereck Davis, Treasurer of Maryland
Shelley Heller
Marian Hwang, Esq.
Hiram Tanner

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

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic
Tim Barr
Hattie Crosby
Marni Dolinar
Tim Ford
Pamela Fuller
Hament Patel

Melissa Slatnick
Jewel White
Casey Powers
Jana Leech
Priscilla Carroll, Esq.
Eric Hartlaub, Esq.
Christy Fisher, Esq.
Carla Loving

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:33 a.m. Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

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Judge Smalkin extended his welcome to new Board member, Dereck Davis who was just sworn in as State Treasurer, replacing retiring State Treasure Nancy Kopp.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of December 16, 2021. No corrections or objections were noted. The minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense report for the last month. Dr. Glass's credit card statement included hotel stays for himself and Mr. Tosi for their trip to Western Maryland. Deputy Director Frketic had no expenses last month.

In appreciation of their dedication and hard work, and taking into consideration rising costs nationwide, Dr. Glass recommended bonuses and salary increases for agency employees who were hired prior to January 1, 2022. He recommended a \$1,500 bonus payment and a general 3% salary increase, similar to what the State recently granted to State employees. The salary increase will be effective February 9, 2022, which is the start of the first full pay period following the Board meeting. The bonus will be paid from contingency funds and will not impact the FY22 net operating income. Secretary Neall made a motion to approve the recommendation, Mr. Davis seconded. The motion passed unanimously.

The Operator in Training (OIT) program is a 3-year program to train employees to become licensed operators of water and wastewater facilities. It has been several years since this program has been modified. Step one will be to examine the wages offered, as compared to other water and wastewater operators in the State, to help hire and maintain current OITs. A new workgroup has also been formed to help recruit new applicants. The group is reaching out to high schools, technical programs, job fairs, and veteran's associations. Last year, out of 200 applicants, only 14 accepted the position.

The 2022 Legislative session has kicked off. The Governor's FY2023 budget has been released and included all of MES' requested funds in operating and capital projects. In addition, \$6 million was included to further study and implement a dredging program with beneficial and innovated reuse of Conowingo sediment. A \$7.2 million item was included for the ECI Co-Generation plant conversion to natural gas.

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The agency budget hearings are scheduled for February 9 and 10 for the State reimbursable operating budget, and February 22 and 23 for the State capital budget.

The Covid state of emergency has again prevented site visits over the last month. Dr. Glass did have a busy month of meetings with clients and potential clients, and several engineering firms.

A workgroup has been formed between the Executive Office and IT to create an HR Dashboard that gives real-time data on the state of the Human Resources Group. The Group Administrators have been trained and the data in Workday is being kept up to date. Training of Hiring Managers is planned for the end of the week.

The quarterly All-Teams meeting was held on Tuesday. The themes of the Strategic Plan were presented, and a SWOT (Strength, Weakness, Opportunity, Threat) analysis has begun with a questionnaire to all MES employees.

Russell Brown, Senior Manager, Operations for the Prince George's County Materials Recycling Facility has retired after more than 30 years. Mr. Brown is an example of who the agency needs to recruit now. He started at the agency in 1988 as a heavy equipment operator, and through training and education, progressed to the position of Senior Project Manager. He will receive a Governor's Citation and the Executive Director's Citation.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

FINANCIAL REPORT

The December financial statements were included in the Board packet. Labor sales have remained steady over the last six months. They are about \$900,000 lower than FY21 at this same point. While the agency has not lost any projects or clients, the scope of work on many projects has been reduced or altered. Billable labor has been lower than expected, but expenses have also been lower. The change in net assets is an increase of \$2.6 million, like last year. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. This amount fluctuates throughout the year, but usually is near 50/50 at year end. Any increase in net assets at the end of the year can be used for BEST payments or investments in capital assets. The 2022 Financial plan provides the details for the Budget v. Actual report.

The Accounts Receivable past-due over 90 days is similar to last month. Collection activity continues.

HUMAN RESOURCES REPORT

Ms. White presented the newly revised Human Resources Report. The agency has 727 active positions. The vacancy rate is 8.78%. Now that the position control system has been activated in Workday, a snapshot report will be generated every pay day. The vacancy trends report continues to climb. It is hoped new recruitment efforts will help reduce this trend.

RESOLUTION 22-01-1R

Ms. White presented Resolution 22-01-1R to provide two hours of Covid-19 vaccine booster leave to eligible employees of the Service. This resolution is the same as the practice followed by the State. Employees must provide evidence of their vaccination status to the agency before they can be credited with the leave. Ms. Heller made the motion to approve the Resolution, Ms. Hwang seconded. The motion passed unanimously.

GROUP UPDATES: **ENVIRONMENTAL DREDGING AND RESTORATION**

Ms. Marni Dolinar, Managing Director of the Environmental Dredging and Restoration Group presented an overview of the Group and several of its major projects. The team consists of 125 people across six units. She summarized the major service areas covered by the Group, including a major role supporting projects for the MDOT MPA. Ms. Dolinar then summarized current activities at:

- Cox Creek DMCF – the facility is preparing for Corps inflow of dredged material, recently completed pilot testing of the floating weir, and is preparing for +60-dike construction.
- Masonville DMCF – new permits were finalized, a breeding eagle pair is back, dike construction continues.
- Poplar Island DMCF – sand recovery is underway for future dike raisings, no permit non-compliances have occurred, snowy owls have been spotted onsite.
- Hart-Miller Island DMCF – trench maintenance continues, Blue Heron crew boat was taken to contractor to install new diesel engines.
- Dundalk Marine Terminal – groundwater treatment plant upgrades underway.
- Hawkins Point Hazardous Waste Landfill – new permits being prepared.

- Conowingo Pilot Dredging Project – project began in September 2021, trucking to processing facility completed in October 2021.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with HRI Construction LLC/M2 Construction for \$259,000. It is for UV oxidation system installation at the Cunningham Falls State Park Water Treatment Plant. There is a 10% MBE goal, contractor is currently achieving 9.7%. Mr. Witt made the motion to approve the item, Treasurer Davis seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is a pre-solicitation approval for \$260,000 for purchase of a road grader for the Poplar Island environmental restoration project. There is no MBE goal. Mr. Tanner made the motion to approve the item, Judge Smalkin seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is a change order with Delval Equipment Corporation for \$613,541.46. It is to furnish new dual burners, economizers, fuel trains, and controls for the ECI Co-Gen fuel conversion upgrade. There is a 0% MBE goal. Treasurer Davis made the motion to approve the item, Mr. Tanner seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is a change order with ReliaStar Life Insurance Company for \$1,021,947.36. It is for year two of a two-year contract for short term disability, long term disability, and life insurance provided to eligible employees of the Service. There is no MBE goal. Treasurer Davis made the motion to approve the item, Mr. Witt seconded. No members were opposed, the motion passed unanimously.

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

OLD/NEW BUSINESS

Dr. Glass announced the agency is bringing back the Supervisor/Manager training program offered through the Anne Arundel Community College. It is a five-month training program. Candidates have already been selected.

Judge Smalkin welcomed Treasurer Davis to the MES Board. Treasurer Davis served in the General Assembly for 27 years. The State Treasurer is a member of 27

Boards and Commissions. He thanked everyone for their welcome and looks forward to learning more about the agency.

The next meeting of the Board is Thursday, February 24, 2022, at 9:30 a.m.

CLOSED SESSION

At 10:35 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1), (7) and (8) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed meeting session, to consult with counsel on open litigation matters, and to discuss the performance of an individual employee of the Service. Judge Smalkin asked if anyone objected to the Board entering closed session, and no objections were heard. He also stated that any member of the viewing public who objected, could submit their objection via email to the agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Ms. Heller seconded the motion, all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting then ended at 10:35 a.m. The online Board members were then transferred to a secure conference video line.

Judge Smalkin called the meeting of the closed session of the Board to order at 10:39 a.m. Present during the closed session of the Board were Board members Smalkin, Davis, Heller, Hwang, Neall, Witt, Tanner, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Hartlaub, Ms. Fisher, Mr. Ford, Ms. Loving, and Ms. Fuller. All other attendees left the meeting.

At the start of the closed session Judge Smalkin requested approval of the minutes of the closed session from the meeting of October 28, 2021. Mr. Witt made a motion to approve the minutes, Ms. Heller seconded. The minutes were unanimously approved.

Counsel updated the Board on the status of several pending litigation matters. Following the update Mr. Ford, Mr. Hartlaub, Ms. Fisher, and Ms. Frketic left the meeting.

Ms. Loving then briefed the Board on a discrimination complaint submitted by a former employee and the subsequent investigation. Ms. Loving, Ms. Carroll, and Dr. Glass then left the meeting.

The Board then reviewed and discussed modifying the salary for the Executive Director and Deputy Director. After discussion, the Board approved a salary increase of

3% and a bonus payment of \$1,500 for the Executive Director and the Deputy Director.
The salary increase will be effective February 9, 2022.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 11:34 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS AUDIT COMMITTEE MEETING MINUTES

February 14, 2022

LOCATION: Video Call

TIME: 3:15 p.m.

Committee Members PRESENT: Shelley Heller, Chair
Robert Neall, Treasurer
Charles Glass, Ph.D., P.E., Executive Director

Committee Members ABSENT: Dereck Davis

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic
Pamela Fuller
Hament Patel
Winsome Condra

Melissa Slatnick
Casey Powers
Jana Leech
Valerie Colimon, RSM

CALL TO ORDER

Ms. Heller called the meeting to order at 3:15 p.m. Board members and staff participated via Zoom videocall. The meeting was streamed live to the public on YouTube.

MINUTES

Ms. Heller requested discussion or a motion for the approval of the minutes of the Audit Committee meeting of October 27, 2021. Mr. Neall made a motion to approve the minutes; Ms. Heller seconded. No corrections or objections were noted. The minutes were unanimously approved.

INTERNAL AUDIT REPORT

Ms. Condra presented her Internal Audit Report of the FY21 Service Centers. Service Centers were account/cost centers set up several years ago to manage unbillable projects in the TES Group. The Technical and Environmental Services (TES) group handles stormwater projects, BWI Deicing, and GIS/GES work, among other things. Dr. Glass explained that a loss traced to this Service Centers was observed when preparing budgets, leading him to ask Ms. Condra to audit the Service Centers. Ms. Condra reviewed the Project Set Up, Project Management, and Projected Billing service centers and identified eleven areas of concern (see attached Internal Audit Report Summary).

The practice of using service centers has now been eliminated. A management plan has been implemented and is scheduled to be completely enacted by July 1, 2022. Under this plan, TES management will: (1) implement procedures to manage unbillable accounts including the necessary criteria, guideline, and approvals; (2) document and implement monthly invoice review and approval processes; and (3) eliminate the labor rate billing structure and Piper system from the unbillable account process.

Several questions were addressed. Judge Smalkin asked if these new procedures would require more employees. It will not; the new process will be managed by the current TES Administrators, who will merely be changing procedures. The updated management plan should simplify the administrators' work, and not require additional manpower. Secretary Neall inquired about the policies currently in place. Dr. Glass explained that moving forward, the new procedures under this management plan will be more consistent with other Agency billing practices. The previous practice (using Service Centers) began approximately 15 years ago and had since become inefficient and unwieldy. The updated management plan replaces those practices with a cleaner process; all future financial processes will be managed in Workday.

Ms. Heller asked how the management and procedure changes have been received by staff. Dr. Glass replied that the revenue loss was initially discovered last year, at which point he asked the Internal Auditor to investigate. In the meantime, there has been considerable change in the management chain of the TES group. They have been moving in this direction for about a year.

CLOSED SESSION

At 3:45 p.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1), Ms. Heller stated that the Committee intended to enter closed session to approve the

**Board of Directors
Audit Committee Meeting
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minutes of a prior closed session and discuss compliance with Agency procedures by specific employees. Ms. Heller asked if anyone objected to the Committee entering closed session; no objections were heard. She also stated that any member of the viewing public who objected could submit their objection to the Agency via email.

Secretary Neall made a motion that the Committee enter closed session for the reasons stated above. Ms. Heller seconded the motion; all members voted in favor of closing the meeting.

Ms. Heller announced that the meeting of the Audit Committee would immediately adjourn following the closed session. The public meeting ended at 3:45 p.m., and online Board members were transferred to a secure conference video line. Staff members who were not required for the closed session left the meeting.

Ms. Heller called the meeting of the closed session of the Committee to order at 3:46 p.m. Present during the closed session of the Committee were Committee members Heller, Neall, Smalkin, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Mr. Patel, Ms. Colimon and Ms. Fuller.

Ms. Heller requested approval of the minutes of the closed session from the meeting of October 22, 2020. Secretary Neall made a motion to approve the minutes; Ms. Heller seconded. The minutes were unanimously approved.

Valerie Colimon (RSM) summarized the agency FY22 Executive Expense Audit. Ms. Colimon and Mr. Patel answered several questions.

ADJOURNMENT

Upon motion by Mr. Neall, seconded by Mr. Ms. Heller, the meeting adjourned at 4:05 p.m.



**SHELLEY HELLER
CHAIR, AUDIT COMMITTEE**



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 2-22
February 24, 2022**

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video, portions of meeting)
Shelley Heller
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic
Tim Barr
Hattie Crosby (video)
Marni Dolinar
Tim Ford
Pamela Fuller

Hament Patel
Melissa Slatnick
Jewel White
Casey Powers (video)
Jana Leech (video)
Greg Green (video)

Inspire Recipients (9:30 – 9:45)

Zackery Lyon
Robert Dishon
Justin Derr
Ben Carr
Mapa Mapagunarathe
Joe Drescher
Steve Mastro

James Falkenhan
Alphonzo Russell
Justin Riesett
Tyler Williams
Bob Barnhart
Tim Strite
Chase Clark

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:30 a.m. Some Board members and staff were present at MES Headquarters, other Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

INSPIRE

Ms. Slatnick presented the Extraordinary Service Inspire award to Zackery Lyon, Robert Dishon, Jason Derr and Ben Carr for their work on the BWI Bike & Pedestrian Trail. The team made structural repairs to the stormwater channels that had been impacted with sediment, debris, overgrown vegetation, and large roots. The team completed all the work under budget, while keeping the trail open to pedestrians.

Ms. Dolinar presented the Extraordinary Service Inspire award to Mapa Mapagunarathne, Joe Drescher, Steve Mastro, James Falkenhan, Alphonzo Russell, Justin Riesett, and Tyler Williams for their work developing a floating weir system for the Masonville Dredged Material Containment Facility. The team researched, designed, and developed a prototype system that will provide the client a significant cost savings, and benefit operations at the site with a flexible, inexpensive, and mobile solution.

Mr. Barr presented the Extraordinary Service Inspire award to Bob Barnhart, Tim Strite, and Chase Clark for their work on the San Mar Children's Home water tank rehabilitation. The contractor's estimate to keep the water flowing to the Children's home during the tank rehabilitation was over \$13,000. The team, through ingenuity and creative use of resources was able to complete the bypass and keep the water flowing for \$246. The client was extremely pleased.

Mr. Tim Ford presented the Extraordinary Service Inspire award to Leonard Haley and Jack Higgins for their coverage of the MCI Hagerstown Steam Plant. For a week in January, all but two of the facility's engineers were out sick on quarantine. Mr. Higgins and Mr. Haley covered the entire plant, each working 12-hour shifts for the entire period to keep the boilers running and maintain the steam flow to the State prison. Mr. Haley and Mr. Higgins were unable to attend today because they were just coming off, or just starting shifts this morning.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of January 27, 2021. No corrections or objections were noted. Ms. Heller made a motion to approve the minutes, the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. Due partly to the State of Emergency, neither had any expenses over the last month. Now that restrictions are being lifted, events are being scheduled for the future.

Dr. Glass congratulated Ms. Slatnick who was recently appointed as the Managing Director of the Technical & Environmental Services (TES) group. Ms. Slatnick has 24 years of experience with MES in the Environmental Dredging Group.

The Legislative session continues. MES' operating and capital budget hearings went well. A Department of Legislative Service budget analyst requested that the \$6 million to implement a dredging program with innovative reuse of Conowingo sediment be deleted from the State budget. MES and MDE have presented a defense of the funding. Mr. Tosi will present a full report of bills that may impact MES at the March meeting.

The Covid state of emergency has again prevented site visits over the last month. Dr. Glass did have a busy month of meetings with clients and potential clients. He attended the first Infrastructure Bill Subcabinet meeting last month. Ms. Frketic and Dr. Glass are sifting through the numerous opportunities that may arise with the infrastructure funds.

The Executive group has been actively working on agency recruitment. The Executive Director or Deputy Director have been logging into the weekly new-hire onboarding sessions to welcome new employees. Agency staff have been attending numerous job fairs and recruitment events with many contacts being made.

The Strategic Plan effort continues to move along. Client and teammate surveys have been completed. A draft plan will be shared with the Board in the future.

Dr. Glass congratulated 2 teammates on their retirements after more than 30 years of service: Kathy Waters from the EDR Group and Greg Brown from the WWW Group.

Along with enhanced recruiting, the Executive Director has been working with both IT and HR to make sure the data in Workday is up to date and can be relied on to make business decisions. Mr. Greg Green, Senior Application Programmer presented a demonstration of the MES Executive Dashboard. This dashboard allows Managing

Directors and Group Administrators to view headcount reporting and see vacant positions in real time. Staff can also explore turnover and analyze trends.

All members of the MES Board have been confirmed by the State Senate. The Senators appeared pleased with all of the appointments to the MES Board.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

MES SERVICES FOR NON-GOVERNMENTAL ENTITY

Mr. Ford presented this Item for approval. MES has provided solid waste management services to the W.R. Grace Landfill since 2014. MES is currently in the final one-year extension of the contract. A new contract has been negotiated with a value of \$511,054. The MES Reform Act now requires Board of Public Works (BPW) approval for service contracts where the value of the contract is at least \$250,000. MES staff will be meeting with the BPW staff next week to discuss how to process these contracts for BPW approval. Secretary Neall made a motion to approve the item, Mr. Tanner seconded. The item passed unanimously.

FINANCIAL REPORT

The January financial statements were included in the Board packet. Labor sales have remained steady over the last six months. They are about 6% lower than FY21 at this same point, but only about 3.6% less than budgeted. While the agency has not lost any projects or clients, the scope of work on many projects has been reduced or altered. Billable labor has been lower than expected, but expenses have also been lower. The change in net assets is about \$700,000 less than last year but should meet the year-end target. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. This amount fluctuates throughout the year, but usually is near 50/50 at year end. The agency will be investing in electric vehicles and charging stations in the coming year. The 2022 Financial plan provides the details for the Budget v. Actual report.

AUDIT COMMITTEE REPORT

Ms. Heller reported that the Audit Committee met on February 14th to discuss two items. The first was a report from the agency Internal Auditor. Dr. Glass explained that a loss was observed when preparing budgets that was traced to the TES Service Center

cost center. Several years ago, this cost center was created to account for non-billable tasks by billable employees on certain projects. This practice and this service center cost center have now been eliminated. Ms. Heller indicated the auditor identified 11 areas of concern. A management plan has been implemented and is scheduled to be completely enacted by July 1, 2022.

The Committee also review the Executive Expense audit conducted by RSM in closed session, since the report identified specific employees. There were 3 findings that have all been corrected.

HUMAN RESOURCES REPORT

Ms. White presented the newly revised Human Resources Report. The agency has 729 active positions. The vacancy rate is 7.95%. The vacancy trends report shows a dip for February.

HUMAN RESROUCES COMMITTEE REPORT

Ms. Hwang reported that the Human Resources Committee met last week on February 15th to discuss 2 items. The first was the Evaluation criteria for the Executive Director which is required by the MES Reform Act. The committee, with assistance from Mr. Coleman reviewed, revised, and is now recommending 33 criteria which fall into 5 categories. Ms. Hwang reviewed the 5 categories: Overall Organizational Performance, Community Leadership, Administration and Human Resources, Financial Sustainability and Mission Impact, and Board of Directors. Judge Smalkin made a motion to approve the evaluation criteria as presented by the Committee, Ms. Heller seconded. The motion passed unanimously.

The second matter considered was an increase to the Operator in Training (OIT) pay scale. Dr. Glass discussed the proposition to increase the starting salary for OITs to make it more competitive. The entire operator series will also be evaluated in an effort to retain licensed water and wastewater operators. The committee is recommending raising the starting salary for OITs from \$15 per hour to \$17 per hour. Mr. Witt made the motion to approve the increase, Mr. Tanner seconded. The motion passed unanimously.

FY22 BEST UPDATE

Ms. Frketic updated the Board on the status of the FY22 BEST Goals. Many of the goals have already been completed. The rest are on track for completion by the end of the Fiscal Year.

GROUP UPDATES:
ENVIRONMENTAL OPERATIONS

Mr. Ford presented an overview of the Environmental Operations (EO) Group. EO consists of 268 employees who are equipment operators, engineers, administrators, scientists, marketing specialists, and innovators and planners. The Group handles solid waste management, recycling operations and marketing, landfill operations, solid waste transfer operations, solid waste collections, composting organics, a biomass to energy project, environmental monitoring, and scrap tire management. Mr. Ford also described the recent upgrade to the equipment at the Prince George's County Materials Recycling Facility (MRF) with a time lapse video.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is for engineering services related to the water main replacement at Camp Fretterd Military Reservation. George, Miles & Buhr, LLC will provide the services at a cost of \$220,100. There is a 34.15% MBE goal. Mr. Tanner made the motion to approve the item, Secretary Neall seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for FY2022 Agricultural Scrap Tire Collection Event. Auston Contracting Inc. will provide the services at a cost of \$340,000. There is a 0% MBE goal. Mr. Neall made the motion to approve the item, Judge Smalkin seconded. No members were opposed, the motion passed unanimously, with the exception of Ms. Heller who did not participate in the discussion and abstained.

Ms. Crosby presented Item 3. The procurement is for pre-design dam investigation services at the Fishing Creek Dam. RK&K will provide the services at a cost of \$367,687. There is a 10% MBE goal. Judge Smalkin made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for engineering support at the Deep Creek Lake Arrowhead Cove dredging project. Anchor QEA will provide the services at a cost of \$290,000. There is a 10% MBE goal. Secretary Neall made the motion to approve the item, Mr. Tanner seconded. No members were opposed, the motion passed unanimously, except for Mr. Witt who did not participate in the discussion and abstained.

Ms. Crosby presented Item 5. The procurement is a change order with Concrete General Inc. for \$3,000,000. It is for drainage management, remediation and

maintenance services provided to MDOT SHA by Concrete General, Inc. There is a 10% MBE goal. Secretary Neall expressed concern over the growth of this contract. Dr. Glass indicated there had been a reduction in services during the covid restrictions, and that work is now ramping back up to complete the backlog. Project managers will investigate when this contract will be re-bid. Judge Smalkin made the motion to approve the item, Secretary Neall seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is for traffic monitoring system support and asset management for MDOT SHA. Synergy Systems & Services Inc. will provide the services at a cost of \$448,555. There is a 29% MBE goal. Mr. Tanner made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

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

LEGAL REPORT

Mr. Coleman will update the Board on a litigation matter in closed session. He reminded the Board members and staff that they need to file their Financial Disclosure forms by the end of April.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, March 31, 2022, at 9:30 a.m.

CLOSED SESSION

At 11:26 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(7) and (8) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed meeting session, and to consult with counsel on an open litigation matter. Judge Smalkin asked if anyone objected to the Board entering closed session, and no objections were heard. He also stated that any member of the viewing public who objected, could submit their objection via email to the agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Mr. Witt seconded the motion, all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting then ended at 11:30 a.m. The online Board members were then transferred to a secure conference

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video line. Staff members who were not required for the closed session then left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:30 a.m. Present during the closed session of the Board were Board members Smalkin, Heller, Hwang, Neall, Witt, Tanner, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Ford, and Ms. Fuller.

At the start of the closed session Judge Smalkin requested approval of the minutes of the closed session from the meeting of January 27, 2021. Secretary Neall made a motion to approve the minutes, Ms. Heller seconded. The minutes were unanimously approved.

Counsel updated the Board on the status of a pending litigation matter and discussed a proposed settlement of the litigation.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 11:42 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
February 15, 2022**

LOCATION: Conference/Video Call

TIME: 10:00 a.m.

DIRECTORS PRESENT: Marian Hwang, Esq. (Chair)
Judge Frederic Smalkin
Robert Witt
Hiram Tanner
Charles Glass, Executive Director (out at 10:16am)
Robert Neall

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean Coleman, Esq.
Pamela Fuller
Jana Leech
Casey Powers (IT)(video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 10:00 a.m. Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

MINUTES

Ms. Hwang requested discussion or a motion for the approval of the minutes of the meeting of November 18, 2021. There was no discussion. The minutes were unanimously approved.

WATER/WASTEWATER OIT SALARY SCALE REVISION

Dr. Glass presented a memo outlining his proposal to increase the salary scale for the Water/Wastewater Operator in Training (OIT) job classification. An analysis was performed comparing the MES salaries to other W/WW operators in the State. MES' starting salary of \$15 per hour was the lowest in the State. An increase would help with recruitment and retention of quality operators. Over the last year, out of 200 potential contacts, only 14 candidates accepted positions. The proposal would raise the starting rate to \$17 per hour, putting it in line with other employers. This increase would only cost about 1.5% more than currently expended. The agency will next evaluate all careers in this series in an effort to retain current employees.

Several questions were addressed. The time it takes to progress from OIT up the chain can depend on many factors, including opportunities that open in the chain and across the agency. The series is tied to employees obtaining and keeping their licenses. The agency will next look at other positions within the Operator scale for adjustments with the aim of retaining licensed operators. This is the first time the OIT scale has been adjusted in six years. MES management will also ensure that new hire OITs do not make more than current OITs.

Ms. Hwang asked for a motion to recommend increasing the OIT starting salary from \$15 to \$17. Judge Smalkin made the motion to approve the recommendation, Mr. Tanner seconded. The motion passed unanimously. Dr. Glass left the meeting at 10:16 a.m.

EXECUTIVE DIRECTOR PERFORMANCE EVALUATION CRITERIA

The MES Reform Act requires the Board to develop performance criteria to evaluate the Executive Director (ED). RSM and Mr. Coleman provided several sample criteria which have been merged into one draft document. There are five general categories for review. Dr. Glass had an opportunity to review and comment on the draft.

The committee then reviewed each section of the draft criteria and provided comments and revisions.

1. Overall Organizational Performance

Mr. Coleman suggested including the Governor's Standard of Conduct language as item 1 in this section. The committee agreed. Accounting duties were removed as these are the responsibility of the Treasurer. Retention and support of Environmental Compliance and Safety issues was added.

2. Community Leadership

No revisions were suggested. Mr. Tanner suggested a reference to social media presence could be included. Ms. Hwang suggested this could be evaluated as part of section c.

3. Administration and Human Resources

Ms. Hwang highlighted sections g and h which came from the RSM survey. The committee agreed with the inclusion of these provisions.

4. Financial Stability and Mission Impact

The Committee recommended adding "Cooperates with the Treasurer and Deputy Treasurer" to sections b and c. Ms. Hwang asked the group to consider item g and h concerning the ED's role in fundraising. It was suggested that these two sections be removed. Secretary Neall suggested an item concerning evaluating performance against the agency Strategic Plan and Operating Plan. He also suggested a 360-comprehensive review involving consultants, clients, Board members, employees etc. Judge Smalkin suggested this review perhaps be added in the future. Ms. Hwang suggested they add a provision for the ED to help the Board develop a strategic plan and implement as appropriate. The committee agreed to add this provision.

5. Board of Directors

The committee recommended the removal of Section f, which concerned the ED's role in recruiting new Board members. The committee agreed to remove this provision, as the ED does not recruit Board members, they are appointed by the Governor.

Senior Staff on Executive Director Review – the Committee elected to remove this section for now. This review might be more appropriate for the 360-review mentioned earlier. Mr. Coleman advised that the Board can change the review process and criteria at any time with full Board approval.

The committee then reviewed the procedures for the review of the ED. Mr. Coleman advised that the MES BEST program is entwined with the financial performance of the agency. It might be appropriate to conduct the ED's evaluation in July when the end of year statements are available. The Committee agreed that the ED's evaluation should be conducted in July, "after the close of the Fiscal Year." The evaluation should be retained by HR in the ED's personnel file.

Human Resources Committee Meeting
February 15, 2022
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Judge Smalkin made the motion to approve the Executive Director performance evaluation criteria and present the updated document to the full Board for approval, Mr. Witt seconded. The motion passed unanimously.

ADJOURNMENT

Upon motion by Ms. Hwang the meeting adjourned at 11:00 a.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR

Executive Director Evaluation Survey Form

Process

- A. The board should assign a small group or one person to managing the ED's evaluation. This can be the officers, or a task force created for the job.
- B. The ED should go over the process and instrument(s) with that committee prior to the start. This can be as simple as an email or as deep as a group discussion about goals of the evaluation.
- C. The board can collect the information from respondents. Rather than compile an "average," it's important to report how many board members marked "outstanding," how many marked "needs improvement," and so forth. Having all board members mark "fine" is quite different from half of them marking "outstanding" while another half mark "improvement needed."
- D. An executive session of the board (perhaps 1 hour without any staff present) to discuss the survey results and comments in general.
- E. Relaying the information to the executive: by the board chair or another assigned member or two.
- F. The executive's chance to respond (in person or in writing) to the full board.
- G. The review and the response (if there is one) are placed in the executive's personnel file.

TIP: Involve HR to make sure the review takes place. Most supervisors would not complete reviews of their staff if there were not someone from HR reminding and nagging them. An HR or finance staff person can keep reminding the board officers that a review must be completed for the executive's personnel file and that salary documentation must be provided.

Please do not use any of these templates "as is." Instead, use them as a basis for forms that are relevant to your organization's circumstances:

1. OVERALL ORGANIZATIONAL PERFORMANCE	OUTSTANDING	VERY GOOD	FINE	IMPR NEEDED	DON'T KNOW
a. Works with the board and management staff to develop strategies for achieving mission goals and financial viability.					
b. Appropriately provides both support and leadership to board.					
c. Demonstrates quality of analysis and judgement related to progress and opportunities, and need for changes.					
d. Maintains and utilizes a working knowledge of significant developments and trends in the field.					
e. Builds respect and profile for the organization in its various constituencies. Supports the overall field/movement in which the organization works.					
f. Establishes ambitious goals for excellence and impact and initiates, maintains, and adapts programs with excellence and impact.					
<u>g. Assures that MES has in place:</u> <u>a. Sound risk management policies including adequate insurance coverage</u> <u>b. Accounting, payroll and cash management systems</u> <u>c. Appropriate personnel policies and systems for staffing</u> <u>d. Appropriate space management plans</u> <u>e. Plans for the appropriate use of technology and technological systems.</u>					
h. Comments on overall organizational performance:					

Deleted:


2. COMMUNITY LEADERSHIP	OUTSTANDING	VERY GOOD	FINE	IMPR NEEDED	DON'T KNOW
a. Serves as an effective spokesperson. Represents the organization well to its constituencies, including clients/members/patrons, other nonprofits, government agencies, elected officials, funders, and the general public.					
b. Establishes and makes use of working relationships with organizations and individuals in the field.					
c. Sees that communication vehicles are developed and utilized well.					
d. Comments on community leadership:					

3. ADMINISTRATION AND HUMAN RESOURCES	OUTSTANDING	VERY GOOD	FINE	IMPR NEEDED	DON'T KNOW
a. Establishes and leads an effective management team.					
b. Recruits and retains a diverse staff (as the organization has identified diversity).					
c. Maintains appropriate balance between programs and administration.					
d. Ensures compliance with relevant workplace and employment laws.					
e. Sees that employees are licensed and credentialed as required and that appropriate background checks are conducted.					
f. Leads staff in maintaining a climate of excellence, accountability, and respect.					
g. Models effective behaviors and skills, and builds morale among staff.					
h. Ensures that there are appropriate systems in place to facilitate the day-to-day operations					
i. Comments on administration and HR:					

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4. FINANCIAL SUSTAINABILITY AND MISSION IMPACT	OUTSTANDING	VERY GOOD	FINE	IMPR NEEDED	DON'T KNOW
a. <u>Is knowledgeable regarding budgeting and management of MES's resources.</u>					
b. .Assures adequate control and accounting of all funds, including maintaining sound financial practices.					
c. Ensures that a clear and accurate accounting system is maintained, allowing the board to monitor MES' finances and operation in relationship to the approved budget and to make informed financial decisions.					
d. Sees that program and activities are developed, executed, modified, and dismantled to maximize mission impact.					
e. Works with the staff, finance committee and the board to prepare budgets, monitor progress, and initiate changes (to operations and/or to budgets) as appropriate.					
f. Sees that official records and documents are retained; sees to compliance with federal state and local regulations (examples: Form 990, payroll withholding).					
g. Develops realistic, ambitious plans for acquiring funds TO BE DISCUSSED.					
h. Jointly with the President and Secretary of the board, conducts official correspondence for the organization, and jointly with designated officers, executes legal documents appropriately.					
i. Successfully involves others in fundraising and in earned income generation. TO BE DISCUSSED					
j. ▼					

k. 					
l. Comments on financial sustainability and mission impact:					

Deleted:
donors.

DRAFT

5. BOARD OF DIRECTORS	OUTSTANDING	VERY GOOD	FINE	IMPR NEEDED	DON'T KNOW
a. <u>Understands the differences between the respective roles of Executive Director and the Board.</u>					
b. With the Board Chair, appropriately involves/does not involve board members in decisions.					
c. Provides appropriate leadership to the board.					
d. Sees that board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it.					
e. Sees that board committees are appropriately supported.					
f. Works with the board officers to ensure that the board is effective as a body and that recruitment, involvement and departures of individual board members are effective.					
g. Comments on the Board:					

6. Are there additional comments you would like to make that are not within the above categories?

DRAFT

SENIOR STAFF ON EXECUTIVE DIRECTOR REVIEW

Please help the Board of Directors conduct its review of the Executive Director's performance over the last year by sharing your thoughts. Your comments will be shared with members of the Board of Directors, but your name will not be identified with specific comments.

Please submit this to [insert name] via [describe preferred method] by [insert date].

1. Overall organizational performance

2. Community leadership

3. Administration and HR

4. Financial sustainability and mission impact

5. Board of Directors

6. Miscellaneous

7. Are there any specific suggestions for professional development or individual work plan that the board might consider recommending to the Executive Director?



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
March 28, 2022**

LOCATION: Conference/Video Call

TIME: 4:00 p.m.

DIRECTORS PRESENT: Marian Hwang, Esq. (Chair) (video)
Judge Frederic Smalkin (video)
Robert Witt (video)
Hiram Tanner (phone)
Charles Glass, Executive Director
Robert Neall (video)

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean Coleman, Esq.
Ellen Frketic
Pamela Fuller
Casey Powers (IT)(video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 4:04 p.m. Some Board members and staff participated via Zoom video, some were present at MES Headquarters. The meeting was streamed live to the public on YouTube.

MINUTES

The February 2022 HR Committee minutes were inadvertently left out of the materials sent to Committee members. They will be presented for approval at the next meeting of the HR Committee in April.

TELEWORKING POLICY

Dr. Glass presented the draft Teleworking Policy. About 500 MES employees are classified as emergency essential personnel and required to report to their assigned job locations. About 235 employees have more flexible space requirements and could complete their job duties remotely. This policy would authorize continued telework options for those employees whose job classifications permit. This policy is in line with the DBM policy for the State Personnel Management System and includes accountability measures, controls and limitations.

Dr. Glass summarized the provisions in the proposed policy. Several questions were addressed. Work done on home computers is still saved to the MES servers. There has been no loss of performance or complaints from the clients and/or MES supervisors. Overtime and comp time must be pre-approved. Teleworking is a benefit not a right, subject to supervisory approval. With these questions addressed, Judge Smalkin made a motion to recommend that the proposed telework policy be recommended to the Board for its approval, with several minor revisions noted. Mr. Witt seconded the motion. The motion passed unanimously.

WATER/WASTEWATER OPERATOR CAREER PATH

Dr. Glass presented a memo outlining the proposal to modify the Water and Wastewater Operator career path. The committee and Board adjusted the Operator in Training (OIT) program last month. The Operator career path picks up after completion of the OIT program when the employee becomes licensed. The goal is to keep qualified operators by offering them a clear progression and plan for career advancement. The steps to progress from OIT to Senior Lead Operator are included. Promotions above Lead Operator are dependent on supervisory positions becoming available. The agency pays for the additional training and certifications required for the different promotional levels.

Once this path is approved, evaluations of other career paths will begin. The agency-wide compensation study is almost complete and will be made available next month. Mr. Witt made a motion to recommend that the proposed Water and Wastewater Operator career path be recommended to the Board for its approval. Mr. Tanner seconded the motion. The motion passed unanimously.

TARGETING EXCELLENCE PROGRAM

Ms. Frketic presented the Targeting Excellence Gift Card Award Program ("Program"). This program is for those employees who go above and beyond their normal duties, but for actions that do not meet the standards required for an Inspire Award. Employees will be rewarded with \$25 gift cards. Recommendations are made by staff to the Group Administrators who forward them the Managing Directors. There is a \$100 limit per year per employee. Ms. Hwang asked that a provision be added that the gift cards purchased for this program, ONLY be used for this program. Finance will set up a tracking control system. Mr. Witt asked if the total MES budget for the program for the year should be included. Judge Smalkin made a motion that the Program be recommended to the Board for its approval. Mr. Tanner seconded. The motion passed unanimously.

OLD/NEW BUSINESS

Ms. Hwang indicated that a letter received by the Board on March 21st from a former employee would be taken under consideration at the next meeting of the HR Committee. The HR Committee will also be meeting in April to discuss agency compensation issues. That meeting will be on April 20th at 11:00 a.m.

ADJOURNMENT

Upon motion by Ms. Hwang the meeting adjourned at 4:55 p.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 3-22

March 31, 2022

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair (video)
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video, portions of meeting)
(Joann Kille, Treasurer's Designee)
Shelley Heller (video)
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq. (video)
Priscilla Carroll, Esq.
Ellen Frketic
Tim Barr
Hattie Crosby
Marni Dolinar
Tim Ford

Pamela Fuller
Hament Patel
Melissa Slatnick
Steven King
Chuck Ingram (a portion of mtg)
Casey Powers (video)
Jana Leech (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:30 a.m. Some Board members and staff were present at MES Headquarters, and other Board members and staff participated via Zoom video. The meeting was streamed live to the public on YouTube.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of February 24, 2022. No corrections or objections were noted. Ms. Heller made a motion to approve the minutes, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There was only one parking expense. Now that Covid related restrictions are being lifted, events and site visits are being scheduled for the future.

Work on the Strategic Plan continues, a draft will be presented to the Board next month. The staff engagement survey revealed three themes that have already been acted on: Telework, Compensation, and HR Responsiveness. The Classification and Compensation Study was already underway and will be presented to the HR Committee and Board in April. The Operator Career ladder and a Teleworking policy were presented to the HR Committee last week and will be discussed later at this meeting. A ticketing system is being developed for the HR department, similar to what is already utilized by the IT department.

The 2022 Legislative session is almost over. MES has completed its operating and capital budget hearings, both of which went well. Many engagements over the last month were with Government clients. Dr. Glass was able to visit a few sites over the last month including Montgomery County Grinding Lot and Materials Recycling Facility (MRF) and the Elk Neck State Park water/wastewater plants.

Congratulations to Preston Fuller and his team at the Brown Station Landfill for winning WSSC's Pretreatment Recognition Bronze Award for 2021.

The MES Manager and Supervisor Training Program is underway. The program, in cooperation with the Anne Arundel Community College, will help train staff and ensure they are ready for the next steps in their career. Facility tours and classroom instruction are completed over five months. The current class will graduate in June.

On Sunday, March 27, MES received a Directive from Secretary Ben Grumbles to work with Baltimore City to bring the Back River WWTP back into compliance. The MES preliminary assessment team was onsite this week conducting inspections. The MES team will consist of experts in Water/Wastewater, Engineering, Biosolids and Maintenance. A team of 12 operators and 1 supervisor will begin work next week. A

plan will be developed to get the plant back into compliance. Mr. Neall asked what the implications for current operations of existing projects would be. One or two staff members from each region are being pulled to spread the workload across the agency, and they will work at Back River for about 90 days before being rotated out with other operators. MES has also reached out to other W/WW service providers and facilities to see if they have available operators. The project is fully billable.

On March 23, MES took its first "services for non-governmental entity" item to the Board of Public Works (BPW). The item was the renewal with W.R. Grace for solid waste management services at their landfill. Comptroller Franchot deferred the item. MES is providing further documentation and will request that the item be considered at the next BPW meeting.

Dr. Glass asked for a moment of silence in memory of MES employee David Miller who passed away suddenly earlier this month.

AVIAN INFLUENZA RESPONSE

Mr. Ingram, the Division Chief with Environmental Operations, discussed MES' response to the avian influenza outbreak. On March 3, Secretary Bartenfelder, of the Maryland Department of Agriculture (MDA) contacted MES for assistance dealing with an outbreak at a poultry laying operation in Cecil County. Additional sites have been added since that date. MES is furnishing wood mulch for on-site composting of the carcasses. The heat from the compost process breaks down the bodies and kills the virus. So far, MES has provided about 5,500 cy of mulch. Last week, MDA requested assistance identifying disposal options for about 19 million eggs. MES provided a list of options, including disposal at the Midshore II landfill, which was approved by the Midshore counties. The first batch of eggs began arriving at the landfill yesterday. A convoy of trucks arrived yesterday containing 84 tons of eggs (about 1 million eggs). This operation will continue for several weeks, or into the summer.

Mr. Ford thanked Mr. Ingram and Mr. Lasako for their round the clock efforts to coordinate shipping of the eggs and the mulch. In addition, Environmental Operations is also in the middle of the Agricultural Tire collection event, and about to start helping Salisbury with their waste sludge.

2022 MARYLAND GENERAL ASSEMBLY SESSION UPDATE

Mr. Tosi, Director of Government Affairs, presented an overview of bills with potential impact on MES. Over 2,500 bills were filed this session. MES monitored

about 183 of them with potential impacts on the agency. The Operating and Capital budgets passed with no major concerns.

Other bills that may impact MES include:

- Conservation Financing Act (HB653/SB348)
- Climate Solutions Now Act (SB528)
- Extended Producer Responsibility (HB292/SB307)
- Environmental Justice (HB1200/SB818)
- Open Meetings Act (HB375/SB269) (HB246)
- Independent Agency Health Insurance Option Act (SB417/HB379)
- Family Medical Leave Act (HB8/SB375)

There are two weeks left in the session. MES will be meeting with the Baltimore City delegation tomorrow.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

FINANCIAL REPORT

The February financial statements were included in the Board packet. Labor sales have remained steady over the last six months. While labor sales are lower than previous years, overhead has also been lower. The change in net assets is about \$700,000 less than last year but should meet the year-end target. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. This amount fluctuates throughout the year, but usually is near 50/50 at year end. The \$1,500 payment to employees came out of the previous year's variance. The 2022 Financial Plan provides the details for the Budget v. Actual report.

SPONSORSHIP POLICY

MES has participated in sponsorships with organizations such as MACO and MML, but prior to now, had no formal Sponsorship policy. This policy provides uniform guidelines and helps prevent conflicts of interest. Several questions were addressed. Mr. Neall made a motion to approve the policy as presented, Mr. Tanner seconded. The motion passed unanimously.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is less than 8%. This rate is slightly lower than February's rate. Over the last week there were 12 new hires and 10 separations. Dr. Glass commented that compared to other entities, MES is doing very well with its vacancy trends. In addition, the total number of positions is increasing.

HUMAN RESOURCES COMMITTEE REPORT

Ms. Hwang reported that the Human Resources Committee met on March 28 to discuss 3 items: the MES Teleworking Policy, the Water & Wastewater Operator Career Path, and the Targeting Excellence program. The Committee reviewed materials, suggested edits were made, and those materials were distributed to the full Board on March 29th.

Dr. Glass explained that the Teleworking Policy resulted from the recently completed employee surveys. About 500 MES employees are emergency essential and required to report to their assigned job locations. About 235 employees have more flexible space requirements and could complete their job duties remotely. This policy would authorize continued telework options for those employees whose job classification permits. This policy is in line with the DBM policy and includes accountability measures, controls, and limitations. Ms. Hwang reported that the HR Committee unanimously approved this policy and recommends its approval by the full Board. Judge Smalkin made a motion to approve the policy, Mr. Tanner seconded. The motion passed unanimously.

Dr. Glass explained the ongoing process to examine agency salaries. Last month the Board approved the revamped OIT program. This month they presented the updated Water/Wastewater Operator career path. This plan details the path from OIT to Senior Operator that can be accomplished in 8 years. It is hoped that this plan will put the agency in a good position to keep experienced and licensed operators. This process will next be repeated with other Groups and career paths. Ms. Hwang reported that the HR Committee unanimously approved this career path plan and recommends its approval by the full Board. Mr. Witt made a motion to approve the plan, Ms. Heller seconded. The motion passed unanimously, except for Mr. Tanner who abstained.

Ms. Frketic presented the Targeting Excellence Program. This program will award \$25 Target gift cards to employees whose actions go beyond their normal job duties but may not rise to the level of an Inspire award. Each employee is eligible to

receive up to \$100 per year, and gift cards purchased for this program can only be used for this program. Supervisors will make recommendations to the Managing Director who will submit the requests to Finance. An annual allotment of \$10,000 will be made to the program each year. A prorated amount of \$2,500 has been allocated for FY22. Executive Staff and Managing Directors are not eligible for the program. Ms. Hwang reported that the HR Committee unanimously approved this program and recommends its approval by the full Board. Judge Smalkin made a motion to approve the policy, Mr. Tanner seconded. The motion passed unanimously.

GROUP UPDATES: WATER/WASTEWATER

Mr. Tim Barr, Managing Director of the Water & Wastewater Group, presented an overview of his group. The W/WW group consists of 151 employees who are operators, inspectors, engineers, administrators, and construction managers. The Group provides engineering, construction, and operating services to municipalities, Counties, privately-owned facilities, correctional facilities, health facilities, rest areas and State parks. Mr. Barr described MES activities at several water and wastewater facilities.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is for the purchase of a John Deere 744L 4WD Wheeled Loader for the Prince George's County Composting Facility. Jesco will provide the Loader at a cost of \$379,000. There is a 0% MBE goal. Secretary Neall made the motion to approve the item, Mr. Witt seconded. No members were opposed, the motion passed unanimously, except for Ms. Hwang who abstained.

Ms. Crosby presented Item 2. The procurement is for the purchase of a John Deere 744L 4WD Wheeled Loader for the Prince George's County Composting Facility. Jesco will provide the Loader at a cost of \$377,000. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item, Mr. Witt seconded. No members were opposed, the motion passed unanimously, except for Ms. Hwang who abstained.

Ms. Crosby presented Item 3. The procurement is a change order with Tactical Security Solutions, Inc. for \$78,895.98. It is for unarmed security services provided to the Prince George's County Materials Recycling Facility (MRF). There is a 0% MBE goal. Mr. Tanner made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for hydraulic modeling and floodplain mapping in Howard County. Wood Environmental & Infrastructure

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March 31, 2022
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Solutions, Inc. will provide the services at a cost of \$455,543.73. There is a 29% MBE goal. Secretary Neall made the motion to approve the item, Ms. Hwang seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 5. The procurement is a change order with Allstate Power Vac (dba ACV Enviro) for \$173,205. It is for equipment rental provided to Hawkins Point Landfill and Dundalk Marine Terminal. There is a 1% MBE goal. Ms. Heller made the motion to approve the item, Judge Smalkin seconded. No members were opposed, the motion passed unanimously, except for Ms. Hwang who abstained.

Ms. Crosby presented Item 6. The procurement is a pre-solicitation approval for \$300,000 for aboveground storage tank repair at Dundalk Marine Terminal. There is a 1% MBE goal. Ms. Hwang made the motion to approve the item, Judge Smalkin seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 7. The procurement is to purchase a low ground pressure dozer for the Poplar Island Environmental Restoration Project. Jesco will provide the dozer at a cost of \$230,305. There is a 0% MBE goal. Secretary Neall made the motion to approve the item, Mr. Witt seconded. No members were opposed, the motion passed unanimously, except for Ms. Hwang who abstained.

Ms. Crosby presented Item 8. The procurement is for drainage repair at various locations. Allied Contractors Inc. will provide the services at a cost of \$750,000. There is a 10% MBE goal. Mr. Tanner made the motion to approve the item, Ms. Hwang seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is a change order with Shah & Associates for \$56,916. It is for boiler plant electrical distribution system improvements at the MCI-Hagerstown facility. There is a 10% MBE goal. Mr. Witt made the motion to approve the item, Ms. Hwang seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for boiler plant conversion at the ECI Co-Gen facility. W.M. Schlosser Company Inc. will provide the services at a cost of \$9,895,000. There is a 17% MBE goal. Secretary Neall made the motion to approve the item, Ms. Hwang seconded. No members were opposed, the motion passed unanimously.

Ms. Crosby presented Item 11. The procurement is a change order with RSM US LLP for \$203,107. It is for an additional 3 years of audit services provided to the agency. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item, Ms

Heller seconded. No members were opposed, the motion passed unanimously, except for Ms. Hwang who abstained.

Ms. Crosby presented Item 12. The procurement is for the purchase of algaecide for the Masonville Cove DMCF. BioSafe Systems will provide the algaecide at a cost of \$273,000. There is a 0% MBE goal. This item is a sole source as this is the only firm who produces this type of algaecide which has been shown to be safe and effective at this location. Ms. Hwang made the motion to approve the item, Ms. Heller seconded. No members were opposed, the motion passed unanimously.

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

LEGAL REPORT

Mr. Coleman will update the Board on a litigation matter in closed session. He reminded the Board members and staff that they need to file their Financial Disclosure forms by the end of April.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, April 28, 2022, at 9:30 a.m.

CLOSED SESSION

At 11:25 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(7) and (8) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed meeting session, and to consult with counsel on an open litigation matter. Judge Smalkin asked if anyone objected to the Board entering closed session, and no objections were heard. He also stated that any member of the viewing public who objected, could submit their objection via email to the agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Mr. Witt seconded the motion, all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 11:25 a.m. The online Board members were then transferred to a secure conference video line. Staff members who were not required for the closed session left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:30 a.m. Present during the closed session of the Board were Board members Smalkin, Heller, Hwang, Neall, Witt, Tanner, Davis, Kille and Glass. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Hartlaub, Ms. Dolinar, and Ms. Fuller.

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March 31, 2022
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Judge Smalkin requested approval of the minutes of the closed session from the meeting of February 24, 2021. Judge Smalkin made a motion to approve the minutes, Secretary Neall seconded. The minutes were unanimously approved.

Counsel updated the Board on the status of two pending litigation matters.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 11:42 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
April 20, 2022**

LOCATION: Conference/Video Call

TIME: 11:00 a.m.

DIRECTORS PRESENT: Marian Hwang, Esq. (Chair) (video)
Judge Frederic Smalkin (video)
Robert Witt (video)
Hiram Tanner
Charles Glass, Ph.D., P.E., Executive Director
Shelley Heller (video)

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean Coleman, Esq.
Ellen Frketic
Pamela Fuller
Steven King (video)
Linda Brent (video)
Sheena Horton, MGT Consulting (video)
Casey Powers (IT) (video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 11:00 a.m. Some Board members and staff participated via Zoom videocall; the remainder were present at Maryland Environmental Service (MES) Headquarters. The meeting was streamed live to the public via YouTube.

MINUTES

Ms. Hwang requested discussion or a motion for the approval of the February 15, 2022, and March 28, 2022, meeting minutes. There were no questions or comments. The minutes were unanimously approved.

Ms. Hwang acknowledged receipt of a letter dated March 14, 2022, from a former Agency employee regarding MES's compensation practices. At the time of the receipt, MES had already contracted to have a salary study conducted in April 2021. That study was completed in February 2022 and distributed to the Board earlier this month.

COMPENSATION STUDY – MGT Consulting Group

Sheena Horton (MGT Consulting Group) presented the Compensation and Classification Study to the Board members. After reviewing the objectives and methodology of the study, she presented the three proposed pay plans. The first consisted of 13 grades (each grade set 10% apart in pay), with a 38% pay range spread between the minimum and maximum salaries. It would cover the majority of Agency employees. The second plan (Executive Pay Plan) would cover the Managing Directors, Deputy Director, and Executive Director. The third plan (Operator-in-Training Pay Plan) has already discussed at a prior Human Resources Committee meeting.

Implementation of these proposed salary plans would occur over a two- to three-year period, with the initial goal to bring all employees' salaries up to at least the market minimum. MGT will provide ongoing support and will re-evaluate every other year. There were no questions or comments regarding the study. Ms. Horton left the meeting at 11:23 p.m.

HIRING AND COMPENSATION PRACTICES

Dr. Glass thanked MGT and MES staff for their commitment to completing the salary review for the full Agency. The first objective in addressing compensation will be to ensure all employees' salaries meet the minimum for their designated grade. Additional changes will be made over the next year. Dr. Glass stated that the recommendations made in the study are feasible for the Agency, and that a full evaluation will be completed every other year moving forward. Several questions were addressed regarding the timing of changes. The new salary structure can go into effect as soon as it is approved. HR can begin planning and processing changes to be implemented July 1, 2022, as soon as the updated structure is approved by the Board.

Human Resources Committee Meeting
April 20, 2022
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Ms. Hwang asked for a motion for the Committee to recommend approval of the salary study (with implementation in FY23) to the full Board. Mr. Tanner made the motion to recommend referral to the full Board; Mr. Witt seconded. The motion passed unanimously.

Dr. Glass reported that he will respond to the former employee's letter with the help of the Committee, the Office of the Attorney General, and the Board. Judge Smalkin indicated he had already sent a short response acknowledging receipt of the letter. He felt a formal response should come from the Agency, not the Board.

Ms. Hwang suggested the Agency's HR Department should consider implementing a policy similar to the Governor's STAR (Skilled Through Alternative Routes) Initiative. The STAR program, announced by the Governor's office on March 15, 2022 lays out alternatives for qualified candidates who don't possess a four-year college degree to achieve employment.

ADJOURNMENT

Upon motion by Ms. Hwang, the meeting adjourned at 11:38 p.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 4-22

April 28, 2022

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video)
Shelley Heller (video)
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E. (video)
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.	Hament Patel
Ellen Frketic	Melissa Slatnick (video)
Tim Barr	Steven King
Hattie Crosby	Casey Powers (video)
Marni Dolinar	Jana Leech (video)
Tim Ford	Phillip James
Pamela Fuller	Landon Carnell

CALL TO ORDER

Judge Smalkin 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 and staff participated via Zoom videocall. The meeting was streamed live to the public on YouTube.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of March 30, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There was only one expense to report during this period, which stemmed from the site visit to Elk Neck State Park water and wastewater treatment plants.

Dr. Glass toured the Masonville Cove Urban Wildlife Refuge Partnership, visiting with staff at the Environmental Education Center and the Dredged Material Containment Facility.

Work on the Strategic Plan continues. A draft plan was distributed to Board members on April 27, 2022. Any feedback, comments or changes from the Board would be welcomed. The plan is based on the "3 pillars" of Safety, Level of Service, and Education & Training. This draft plan was done completely in-house. Mr. Neall liked the employee focus components. He would like to see a section on the financial goals of the Agency. He will provide written comments.

Based on a Board member suggestion after Veterans Day, a workgroup was formed to recognize and honor families of deployed service members. Gift baskets and gift cards are being presented to families of Agency employees who are deployed, or who have a deployed immediate family member.

On Sunday, March 27, 2022, MES received a Directive from Secretary Ben Grumbles to work with Baltimore City to return the Back River Wastewater Treatment Plant (WWTP) to compliance. During the first three weeks of the project, MES personnel reviewed the operation and maintenance of the plant and provided 12 operators and 5 maintenance staff to support operations. Removal of the backup of biosolids has been identified as the first priority. There have been weekly meetings with the Maryland Department of the Environment (MDE) and Baltimore City, and updates to the City and Governor. Secretary Neall urged the Agency to fully document all its costs. A written assessment of the project will be completed by June 6, 2022. MES' work may continue for about a year.

Board of Directors Meeting
April 28, 2022
Page 3

On March 23, 2022, MES took its first "services for non-governmental entity" item to the Board of Public Works (BPW). The item was the renewal with W.R. Grace agreement for solid waste management services at their landfill. Comptroller Franchot deferred the item. MES provided further documentation and answered questions. The item was subsequently approved unanimously by the BPW.

Dr. Glass and the Board expressed their gratitude and best wishes to Bryan Winklemeyer, who is retiring after more than 33 years with the Agency.

Dr. Glass turned the meeting over to Judge Smalkin to announce the new motto for the Agency. Several months ago, Judge Smalkin had suggested that the Agency needed a motto. An Agency-wide competition was held. The Communications Team reviewed all 235 entries and narrowed the choices to the best four submissions. The winning motto was selected by the MES Managing Directors through an anonymous vote. The winning motto is "Environmental Solutions for a Better Tomorrow." The winning submissions were submitted by Phillip James and Landon Carnell. Because the motto was developed by combining two employees' suggestions into one, two winning employees will share the prize.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions. Ms. Hwang asked about the Loan Underwriter for the Maryland Department of Emergency Management (MDEM) Resilient Revolving Loan Fund. Ms. Slatnick indicated the contract is for 2 years.

FINANCIAL REPORT

Mr. Patel reported that the Legislative Auditors have been at MES since April 1, 2022. They are scheduled to remain in the building to conduct field work until May 15. Agency staff have provided them with everything they have asked for, and no issues have arisen. The Harford County auditors have also visited the Harford County sites to conduct an audit. All information they requested was provided within ten days.

Notice was given to the Darlington water treatment system residents of a State assistance plan for water services for low-income families. MES Finance staff are proactively attempting to help as many residents as possible.

The March financial statements were included in the Board packet. Labor sales have remained steady over the last few months. While labor sales are lower than in previous year, overhead has also been lower. The change in net assets is less than last

year but should meet the year-end target. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. This amount fluctuates throughout the year, but usually is near 50/50 at year-end. The \$1,500 bonus payment to employees came out of the previous year's funds. No major capital expenditures are anticipated. The 2022 Financial Plan provides the details for the Budget v. Actual report.

Secretary Neall asked about Back River WWTP billing. Mr. Patel has been in contact with the Baltimore City CFO. The first billing for the project will go in May. Substantial backup and details will be provided. Regardless of whether the City issues a Purchase Order, the City is obligated to pay MES' invoices pursuant to State law.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is 9.1%. Two to three new hires have been brought on board each week. Separations and new hires appear balanced.

HUMAN RESOURCES COMMITTEE REPORT

Ms. Hwang reported that the Human Resources Committee met on April 20, 2022, to review the Compensation Study prepared by MGT Consulting. The salary study was commissioned in 2019 to evaluate the MES personnel system and ensure it is accurate, equitable, and competitive. MGT reviewed current salary ranges, organizational charts, and job descriptions. Among other things, they evaluated three pay plans: the Proposed Pay Plan (which covers most MES employees); the Executive Pay Plan (covering the Managing Directors, Deputy Director, and Executive Director); and the Operator in Training (OIT) Pay Plan.

The initial goal is to ensure all MES employees earn at least the minimum for their grade. Then within 5 years, each employee should be at the midpoint. The plan will be implemented on July 1, 2022. The OIT pay plan has already been implemented, as approved by the Board previously. The feasibility and cost impact were also examined. The Agency will be able to implement these changes without impact on its clients.

Ms. Hwang and the Human Resources Committee recommend approval of the Compensation Study by the full Board. Secretary Neall made a motion to approve the study, which includes the pay plans, Judge Smalkin seconded. The motion passed unanimously.

GROUP UPDATES: TECHNICAL AND ENVIRONMENTAL SERVICES

Ms. Melissa Slatnick, Managing Director of the Technical and Environmental Services (TES) Group, presented an overview of the group. The TES group consists of six sections and an administration. The six sections are: GIS, Engineering, NEPA/On-site, Environmental Services, Laboratory Services, and BWI. Ms. Slatnick provided a brief overview of each section and highlighted a specific project from each section.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with Anchor QEA for \$101,816.05. It is for an additional year of work on TSA III Task 21 – Pearce Creek exterior monitoring program. There is a 29% MBE goal. The contactor is currently achieving 38.19%. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for rehabilitation of two clarifiers at the Back River WWTP. GMH and Associates of America, LLC will provide the services at a cost of \$2,045,344. There is a 10% MBE goal. Mr. Tanner made the 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 the Board members and staff that they need to file their Financial Disclosure forms by the end of April and send a copy to the Clerk of the Board.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, May 26, 2022, at 9:30 a.m. The Audit committee will also meet on May 26 at 8:30 a.m.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 10:39 a.m.

A handwritten signature in blue ink, appearing to read "R L Witt II", with a horizontal line underneath.

ROBERT L. WITT, II
SECRETARY

A handwritten signature in blue ink, appearing to read "Frederic N. Smalkin", with a horizontal line underneath.

HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
AUDIT COMMITTEE
MEETING MINUTES
May 26, 2022**

LOCATION: Video Call

TIME: 8:30 a.m.

Committee Members PRESENT: Shelley L. Heller, Chair
Honorable Robert R. Neall, Treasurer
Charles Glass, Ph.D., P.E., Executive Director

Committee Members ABSENT: Dereck E. Davis

OTHERS PRESENT:

Honorable Frederic N. Smalkin
Hiram L. Tanner, P.E.
Sean Coleman, Esq.
Ellen Frketic
Pamela Fuller
Hament Patel

Winsome Condra
Casey Powers
Jana Leech
Valerie Colimon, RSM
Kayla Lipston, RSM

CALL TO ORDER

Ms. Heller called the meeting to order at 8:32 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

MINUTES

Ms. Heller requested discussion or a motion for the approval of the minutes of the Audit Committee meeting of February 14, 2022. Mr. Neall made a motion to approve the minutes; Ms. Heller seconded. No corrections or objections were noted. The minutes were unanimously approved.

RSM FY21 EXPENSE AUDIT

Ms. Valerie Colimon reviewed the preliminary Audit report of non-executive expenses. This audit included a review of P-card (credit card) and expense reimbursements. The auditors reviewed a sample of 30 transactions against agency policies. There were no issues with supplier invoice or purchase card transactions. Five minor issues were noted among expense reimbursements that were not filed within 5 days, as required by the policy in effect at that time. There were no findings of missing receipts or approvals.

RSM FY22 AUDIT PLAN

Ms. Colimon and Ms. Lipston introduced the RSM audit team. Ms. Lipston will be the project manager for this audit. They will begin the audit in June and July with planning, research and interim fieldwork. (Mr. Tanner arrived at 8:39 am). The final report will be issued in October 2022. The items to be audited were presented. The goal is to identify areas of risk assessment and identify risks of material misstatement. Mr. Neall asked for the work plan to include analysis of fraud, waste, and abuse. Ms. Colimon assured the Board that those issues will be included.

RSM will conduct the standard financial audit. The Internal Auditor (IA) is responsible for conducting on-site field audits, and tracking compliance with the MES Reform Act requirements.

INTERNAL AUDIT REPORT

Ms. Condra presented the Internal Audit report and update. Four internal audits will be performed in FY22: Rocky Gap operations, BWI Maintenance Shop, Poplar Island operations, Harford site management. There were no calls or emails to the MES Fraud Hotline.

Ms. Condra will be gathering benchmark data to compile the internal audit benchmarks. She will examine how MES compares to other industries and companies. She will also be working with IT to conduct an IT risk assessment. She presented the Top 15 Risks faced by MES, based on interviews with Managing Directors and Division Chiefs. Mr. Neall expressed his concern for IT security. Ms. Condra will be working closely with the Chief of IT on IT assessment issues. They will then meet with the Executive and Deputy Director, and then report back to the Audit Committee.

The Audit unit will concentrate on the following issues in this order:

**Board of Directors
Audit Committee Meeting
May 26, 2022
Page 3**

1. Operational (compliance, invoices, billing)
2. Human Resources and Affirmative Action
3. Integrated (multi-level)
4. Financial controls
5. Information Systems

Ms. Condra then presented the plan for tackling the 15 identified risk areas.

ADJOURNMENT

Upon motion by Mr. Neall, the meeting adjourned at 9:28 a.m.



**SHELLEY HELLER
CHAIR, AUDIT COMMITTEE**



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 5-22

May 26, 2022

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video)
Joanna Kille (Treasurer's Designee) (video)
Shelley Heller (video)
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.	Melissa Slatnick
Priscilla Carroll, Esq. (video)	Steven King
Ellen Frketic	Casey Powers (video)
Tim Barr	Jana Leech (video)
Hattie Crosby	Winsome Condra
Marni Dolinar	Gary Lasako (out at 9:40 a.m.)
Tim Ford	Martin Goeller (out at 9:40 a.m.)
Pamela Fuller	Valerie Colimon, RSM (out at 10:15 a.m.)
Hament Patel	

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:34 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom videocall. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Ms. Slatnick presented an Extraordinary Service Inspire Award to Martin Goeller, a Senior Mechanic in the TES Group. Mr. Goeller received this award for finding an effective and cost-saving solution for the in-house commercial driver's license (CDL) training program at BWI.

Mr. Ford presented the Extraordinary Service Inspire Award to Gary Lasako, a Senior Project Manager in the Environmental Operations Group. Mr. Lasako received this award for his efforts coordinating a rapid response to the recent H5N1 avian influenza outbreak on behalf of the Maryland Department of Agriculture (MDA).

RSM FY22 AUDIT PLAN

Ms. Colimon from RSM presented an overview of the fiscal year (FY) 2022 audit plan. A detailed presentation was given to the Audit Committee earlier in the day (May 26, 2022). She summarized the engagement team and timeline; engagement objectives; management responsibilities; auditor's responsibilities and area of audit focus; and required communications.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of April 28, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There were no expenses.

Dr. Glass presented a list of external engagements which included site visits to Freedom WWTP and Dorsey Run WWTP. A second Health and Wellness event was live-streamed on May 17, 2022. The first event was a Yoga class recorded last month, and the recent class was High Intensity Interval Training (HIIT). The MES Quarterly All-Staff meeting was presented on May 10, 2022.

Dr. Glass announced that the EPA Water Environment Coalition recognized three MES facilities for their efforts. The facilities that achieved Platinum recognition were Rocky Gap Wastewater Treatment Plant (WWTP), Freedom WWTP, and Dorsey Run WWTP.

The updated FY2023-2027 Strategic Plan was distributed to the Board members during the week of May 23-27, 2022. This version incorporated feedback and comments provided by the Board since April. The plan is based on the “3 Pillars” of Safety, Level of Service, and Education & Training. The report also contains the results of the MES Employee Engagement and MES Client survey conducted in 2022. He also reviewed the results of the strengths, weaknesses, opportunities, and threat (SWOT) analysis. The strategic goals for the Agency are Safety, Improving Employee Morale, and Business Growth.

The strategic goal of Business Growth was added to the updated version of the Strategic Plan at the suggestion of Secretary Neall. MES' revenue is primarily generated by charging its clients fees for services the Agency provides ("labor sales") and by managing capital projects. Both sources are dependent on the clients' specific needs and current budgets and are thus difficult to project. Approximately 80% of Agency revenues are generated from capital projects performed for State agencies and County governments. MES provides the engineering and project management for these projects; however, the bulk of the revenues that MES collects on those projects are passed through to contractors for supplies and services. The Agency is tentatively estimating a 4% increase in billable labor over the next 5 years.

Any comments to the draft Strategic Plan are welcome. Dr. Glass hopes to present the final plan to the Board at the June meeting for final approval.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

FINANCIAL REPORT

The April financial statements were included in the Board packet. Labor sales are about 5% lower this fiscal year than last fiscal year. While labor sales are lower than in previous year, overhead has also been lower. An increase of 4% is expected by next year. The change in net assets is less than last year but should meet the year-end target. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. The 2022 Financial Plan provides the details for the Budget v. Actual report. The Back River WWTP project has had no impact on labor sales at this point, as existing employees are being used to staff the project.

AUDIT COMMITTEE REPORT

Ms. Heller reported that the Audit Committee met earlier today (May 26, 2022). In addition to the FY22 audit plan presented by RSM, they also considered two other items of business. RMS presented the Independent Report of Agency Expenses. No significant exemptions were noted. Ms. Condra, the Agency Internal Auditor, also presented the FY23 and FY24 Risk Assessment and Internal Audit Plan.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is 9.1%, which is the same as it was last month. Separations and new hires appear balanced. A number of new positions have been added for new projects.

FY22 BEST UPDATE

Ms. Frketic presented a status update for FY22 BEST goals. Most goals have been completed or are on track to be completed by the end of the fiscal year.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a pre-solicitation approval for \$673,500 for baler tying wire for the Prince George's and Montgomery County Materials Recycling Facilities (MRFs). There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for a 2023 CAT 973K waste handling Loader for the Midshore II Regional Landfill. Carter Machinery Company will provide the Loader at a cost of \$683,057. Mr. Tanner made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Heller who abstained.

Ms. Crosby presented Item 3. The procurement is for engineering design services for the Eastern Correction Institution (ECI) propane fuel conversion project. HDR Engineering, Inc. will provide the services at a cost of \$484,649. There is a 15% MBE goal. Secretary Neall made the motion to approve the item; Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Item number 4 was withdrawn prior to the meeting.

Board of Directors Meeting
May 26, 2022
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Ms. Crosby presented Item 5. The procurement is a change order with HGS, LLC (dba Angler Environmental) for \$550,000. It is for stormwater management and remediation services for Central Maryland provided to the Maryland Department of Transportation, State Highway Administration (MDOT SHA). There is a 19% MBE goal. Judge Smalkin made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Hwang who abstained.

Ms. Crosby presented Item 6. The procurement is for traffic monitoring system support and asset management professional services (Phase 2) for the MDOT SHA. Synergy Systems & Services, Inc. will provide the services at a cost of \$449,466.09. There is a 33.2% MBE goal. Ms. Hwang made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 7. The procurement is for side slope repairs at the St. Andrews Landfill. The American Asphalt Paving Company, LLC will provide the services at a cost of \$448,702.16. There is a 5% MBE goal. Mr. Witt made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is a change order with CMT Services for \$2,188,515.16. It is for the third of four 1-year contract renewals for temporary labor provided to the Prince George's County MRF. There is a 25% MBE goal. Ms. Hwang made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is for preliminary engineering design work for the Masonville Urban Wildlife Refuge Partnership Shared Use Path. Rummer, Klepper & Kahl (RK&K) will provide the services at a cost of \$475,000. There is a 34% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is a pre-solicitation approval for \$500,000 for 10 trucks for various projects. There is a 0% MBE goal. Mr. Tanner made the 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 will present his legal report in closed session.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, June 30, 2022, at 9:30 a.m. The Human Resources committee will also meet on June 30 at 8:30 a.m.

CLOSED SESSION

At 10:50 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(8) Judge Smalkin 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. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Mr. Tanner seconded the motion, and all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 10:50 a.m. The online Board members were then transferred to a secure conference-video line. Staff members who were not required for the closed session left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 10:55 a.m. Present during the closed session of the Board were Board members Smalkin, Heller, Hwang, Neall, Witt, Tanner, Kille, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Ms. Carroll, Mr. Patel, and Ms. Fuller.

Judge Smalkin requested approval of the minutes of the closed session from the March 31, 2021, meeting. Dr. Glass suggested one minor change. Judge Smalkin made a motion to approve the minutes as revised. The minutes were unanimously approved.

Counsel updated the Board on a matter of potential litigation. No official action was taken.

ADJOURNMENT

Upon motion by Judge Smalkin, the closed session and the meeting adjourned at 11:24 a.m.

A handwritten signature in blue ink, appearing to read "RL Witt II", with a horizontal line underneath.

ROBERT L. WITT, II
SECRETARY

A handwritten signature in blue ink, appearing to read "Frederic N. Smalkin", with a horizontal line underneath.

HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
June 30, 2022**

LOCATION: Conference/Video Call

TIME: 8:30 a.m.

DIRECTORS PRESENT: Marian Hwang, Esq. (Chair) (video)
Judge Frederic Smalkin
Robert Witt (video)
Hiram Tanner
Charles Glass, Ph.D., P.E., Executive Director

DIRECTORS ABSENT: None

OTHERS PRESENT: Sean Coleman, Esq.
Ellen Frketic
Pamela Fuller
Casey Powers (IT) (video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 8:30 a.m. Some Board members and staff participated via Zoom videocall; the remainder were present at Maryland Environmental Service (MES) Headquarters. The meeting was streamed live to the public via YouTube.

MINUTES

Ms. Hwang requested discussion or a motion for the approval of the April 20, 2022, meeting minutes. There were no questions or comments. The minutes were unanimously approved.

PERFORMANCE BASED COMPENSATION

Dr. Glass reviewed his recommendation for Performance Based Compensation (PBC) increases for agency personnel. The following recommendations were made:

Performance 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%

State employees were approved for a 3% COLA increase and step increases of about 1.87%. Most Counties are granting about 5% increases. These increases would impact 599 employees. Employees have to be employed at least 6 months and be off of probation to qualify for PBC. He would like to recommend those hired between October 1, 2021 and March 31, 2022 be granted a 3% COLA at the time they successfully complete their probation.

Ms. Frketic explained the scoring system. A score of 5 equates to Exceeds Expectations. A 4 is Meets Expectations, and 3 is Meets Most Expectations. A score of less than 3 is generally not meeting basic expectations. Supervisors complete the evaluations for the employees who directly report to them. Scores of less than 3 are further reviewed by Human Resources. The Executive and Deputy Director review the Group's scores. To date, over 560 evaluations have been completed and reviewed, only 2 have scored below 2.99.

Several questions were addressed. Dr. Glass confirmed that State employees would be getting close to 5% increases. Finance has confirmed that the agency has sufficient funds to support these recommended increases. The scores have been reviewed by management and will continue to be reviewed.

Judge Smalkin made a motion to recommend approval of the requested salary increases as presented to the full Board. Mr. Witt seconded the motion. The motion passed unanimously.

EXECUTIVE DIRECTOR'S PERFORMANCE EVALUATION

In February 2022, the MES Board approved the evaluation form and general process to review the performance of the Executive Director as required by the MES

Human Resources Committee Meeting
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Reform Act. The Committee and Board now need to establish a timeline for completing the FY22 evaluation. Ms. Hwang suggested the following timeline:

- July – distribute survey form and preliminary FY22 financial information to Board members for completion
- Early August – Board members to hold a closed executive session to discuss the evaluation
- August 25th – at Board meeting - formally approve the evaluation and consider salary recommendation.

Judge Smalkin suggested several minor updates to the form. He suggested spelling out "Improvement" rather than the "Impr" abbreviation. He also suggested changing "Don't Know" to "N/A." Those changes will be made before the form is distributed to the entire Board for completion.

The creation of an ad hoc committee to oversee the process was discussed. The administrative meeting to discuss the evaluations will consist of Board members only, no MES staff will be involved. Ms. Hwang volunteered to coordinate the process by sending out and collecting the forms and setting up the review meeting. Every Board member will participate in the review process. An ad hoc committee may be created if needed.

CLOSED SESSION

At 8:59 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) Ms. Hwang stated that the Committee intended to enter closed session to approve the minutes of a prior closed meeting session, and to discuss the performance and compensation of one or more employees of the agency. Ms. Hwang asked if anyone objected to the Committee entering closed session, and 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 Committee enter closed session for the reasons stated above. Mr. Witt seconded the motion, all members voted in favor of closing the meeting. Ms. Hwang announced that the meeting of the Committee would immediately adjourn following the closed session. The public meeting then ended at 9:00 a.m. The online Board members were then transferred to a secure conference video line. In-person Board members and Mr. Coleman and Ms. Fuller remained in the room, while all other staff left the meeting.

Ms. Hwang called the meeting of the closed session of the Board to order at 9:00 a.m. Present during the closed session of the Board were Board members Hwang,

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Smalkin, Witt, Tanner, Glass (for a portion of the closed session), Assistant Attorney General Coleman, and Ms. Fuller.

At the start of the closed session Ms. Hwang requested approval of the minutes of the closed session of the HR Committee from the meeting of October 21, 2021. The minutes were unanimously approved.

During the closed session the Committee reviewed various materials related to executive salaries and discussed modifying the salary of the Deputy Director. The Committee then unanimously approved recommending to the full Board of Directors an annual salary increase of 6% for the Deputy Director, effective as of July 13, 2022.

Dr. Glass left the closed session at 9:06 a.m. After discussion, Judge Smalkin made a motion to approve an annual salary increase of up to 6%, contingent upon the Executive Director achieving a satisfactory performance evaluation by the Board. Notwithstanding the date the Board completes the Executive Director's performance evaluation, any salary increase for the Executive Director will be effective as of July 13, 2022. Mr. Tanner seconded. The motion was unanimously approved.

ADJOURNMENT

Upon motion by Ms. Hwang, the meeting adjourned at 9:25 a.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 6-22

June 30, 2022

LOCATION: Conference/Video Call

TIME: 10:00 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video)
Shelley Heller
Marian Hwang, Esq. (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: None

OTHERS PRESENT:

Sean Coleman, Esq.	Steven King
Ellen Frketic	Casey Powers (video)
Tim Barr	Jana Leech (video)
Hattie Crosby	Jerome Lucky (out after Inspire Awards)
Marni Dolinar	Larry Chambliss (out after Inspire Awards)
Tim Ford	TerryAnn Murray (out after Inspire Awards)
Pamela Fuller	Jamaal Downs (out after Inspire Awards)
Hament Patel	
Melissa Slatnick	

CALL TO ORDER

Judge Smalkin called the meeting to order at 10:01 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Mr. Barr presented an Extraordinary Service Inspire Award to Jerome Lucky, Larry Chambliss, TerryAnn Murray, and Jamaal Downs of the Water/Wastewater Group for their design and implementation of a temporary clarifier during repairs of the primary clarifier at the Dundalk Marine Terminal groundwater treatment plant.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the meeting of May 26, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There were no expenses.

Dr. Glass presented a list of external engagements with public and private entities. On the way back from the Maryland Municipal League (MML) summer conference Dr. Glass and Ms. Frketic stopped by the Midshore I and II landfills, and the Cambridge Wastewater Treatment Plant (WWTP).

Linda Beck of the Water and Wastewater Group received a Governor's Citation honoring her service in the U.S. Army as part of the Maryland Department of Veterans Affairs Women Veterans Day program.

The MES Supervisory and Management Training program held its graduation on June 16. After the successful re-launch of this program, the agency looks forward to holding it again next year.

On May 13 the Keystone Chapter of the Solid Waste Association of North America (SWANA) hosted the annual landfill equipment and truck ROAD-E-O at the Cecil County Landfill. Ten MES operators participated on a very rainy day. The top 2 winners in each event are invited to compete in the international ROAD-E-O in El Paso, TX in October. Four MES operators earned placement on the podium:

- Tami Scarborough – 3rd place – articulated wheel loader
- Anne Dixon – 2nd place – compactor
- Bruce Pepper – 2nd place – dozer

- Tony Roe – 3rd place – articulated off-road truck; 3rd place – front loader collection truck

Dr. Glass then asked for a vote to approve the FY2023-2027 Strategic Plan which was originally distributed to the Board members in May. This final version incorporated feedback and comments provided by the Board. The plan is based on the “3 Pillars” of Safety, Level of Service, and Education & Training. The first step will be the development of a Performance Management Program to track agency productivity across the 25 measures identified in the Plan. Ms. Heller made a motion to approve the plan, Ms. Hwang seconded. The motion passed unanimously.

Dr. Glass advised that Baltimore City and MDE have finalized a Consent Order regarding the Back River WWTP, which has now been approved by the City Board of Estimates. A Revised Directive has been issued by MDE to MES, and it includes new procedures for reimbursement of MES expenses by the City. Discussions regarding possible MES assistance at the Patapsco WWTP have begun.

Conversations are also occurring with the Maryland Department of Information Technology (DoIT) regarding its authority over MES. An update will be provided next month.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

FINANCIAL REPORT

The May financial statements were included in the Board packet. Labor sales are lower this fiscal year than last fiscal year. While labor sales are lower than in previous year, overhead has also been lower. It looks like the agency will meet budget expectations by fiscal year end. The change in net assets is less than last year but should meet the year-end target. Project variances are improving with the removal of service center projects. Used oil revenues are higher this year than last year. The total net assets by the end of the year are typically a 50/50 mix of invested capital assets and unrestricted net assets. The 2022 Financial Plan provides the details for the Budget v. Actual report. A 4% increase in billable labor is the goal moving forward.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is 9.38%. Separations and new hires appear balanced. Seventeen new positions have been added since March. Onboarding has been accelerated.

HUMAN RESOURCES COMMITTEE REPORT

Ms. Hwang reported that the HR Committee met earlier today to discuss several matters.

The first matter was approval of the recommended Performance-Based Compensation (PBC) increases based on employees FY22 performance. The committee agreed with Dr. Glass recommendation as set forth below:

Performance 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%

This recommendation is in line with COLA and step increases for State employees, and within the FY23 MES budget. Secretary Neall made the motion to approve the recommended PBC salary adjustments, to be effective July 13, 2022; Ms. Heller seconded. The motion passed unanimously.

The second matter was to allow employees who were hired between October 1, 2021 and March 31, 2022 to be eligible to receive a 3% increase, effective July 13, 2022, upon satisfactory completion of their probation. Those employees are not currently eligible to receive PBC. Secretary Neall moved to approve this recommendation; Judge Smalkin seconded. The motion passed unanimously.

The third matter was to establish the timeline for completing the Executive Director's FY22 performance evaluation. The evaluation criteria and process were approved by the Board in February 2022. The committee recommended distribution of the evaluation forms and preliminary FY22 financial information by mid-July. An executive session of the Board members will occur in early August to discuss the evaluations. The Board will approve the evaluation and make salary recommendations at the August 25 Board meeting.

GROUP UPDATE

Steve King, Managing Director of Administration presented an overview of the MES Administration Group. The Administration Group consists of six departments: Human Resources, Safety & Environmental Compliance, Administrative Services, Procurement, Diversity Equity & Inclusion, and Grants.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is to rebuild a CAT compactor powertrain at the Harford Waste Disposal Center. Carter Machinery will provide the services at a cost of \$407,664.81. There is a 0% Minority Business Enterprise (MBE) goal. Judge Smalkin made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is a change order with Padlands, LLC for \$148,125. It is for trucking and land application services for Freedom District WWTP biosolids. There is a 10% MBE goal. Ms. Heller made the motion to approve the item; Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is a change order with A.D. Marble for \$184,940.72. It is for final design engineering provided to the Cox Creek Expanded Swan Creek Nature Trail. There is a 24% MBE goal. Ms. Hwang made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is to purchase a Doppstadt Inventhor T-9 Slow Speed Shredder, as requested by the Client, for the Montgomery County Yard Trim Composting Facility. Ecoverse Industries Ltd will provide the shredder at a cost of \$1,075,000. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 5. The procurement is a change order with Curtis Power Solutions, LLC for \$1,273,080. It is for operations and maintenance of the Brown Station Landfill gas power plant. There is a 10.3% MBE goal. Ms. Heller made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

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Ms. Crosby presented Item 6. The procurement is a change order with Brawner Builders, Inc. for \$2,500,000. It is for stormwater management and remediation services provided to MDOT SHA. There is a 9% MBE goal. Mr. Tanner made the motion to approve the item; Judge Smalkin seconded. No members were opposed, but Ms. Hwang abstained from the discussion, consideration and vote. The motion passed unanimously.

Ms. Crosby presented Item 7. The emergency procurement is for the purchase of four Yeomans Pumps for the Back River WWTP. Hill's Industrial will provide the pumps at a cost of \$359,883.80. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is a change order with HRI Construction LLC/M2 Construction LLC for \$310,428.37. It is for repair work to the Woodstock Job Corp Center WWTP tanks. There is a 14% MBE goal. Ms. Heller made the motion to approve the item; Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is for sludge facility upgrades at the Eastern Correctional Institution (ECI) WWTP. HRI Construction LLC/dba M2 Construction LLC will provide the services at a cost of \$2,381,700. There is a 15% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for the purchase of a 10,000-gallon water truck for the Cox Creek Dredged Material Containment Facility. National Auto Fleet Group will provide the truck at a cost of \$275,960. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Secretary Neall 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 reported that with the end of the fiscal year the attorneys in his office have been busy reviewing proposals and contracts. They have also been working with Baltimore City and MDE on the Back River agreements.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, July 28, 2022, at 9:30 a.m.

CLOSED SESSION

At 11:24 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, and to discuss the performance and compensation of one or more employees of the agency. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Ms. Heller seconded the motion, and all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 11:24 a.m. The online Board members were then transferred to a secure conference-video line. Staff members who were not required for the closed session left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:28 a.m. Present during the closed session of the Board were Board members Smalkin, Heller, Hwang, Neall, Witt, Tanner, and Glass. They were joined by Mr. Coleman, and Ms. Fuller.

Judge Smalkin requested approval of the minutes of the closed session from the May 26, 2022, meeting. Judge Smalkin made a motion to approve the minutes as presented. The minutes were unanimously approved.

During the closed session the Board reviewed the HR Committee's recommendation related to the salary of the Deputy Director. Mr. Tanner made a motion to approve an annual salary increase of 6% for the Deputy Director as recommended by the HR Committee, to be effective July 13, 2022. Ms. Hwang seconded. The motion passed unanimously.

Dr. Glass left the closed session 11:35 a.m. The Board reviewed the HR Committee's recommendation related to the salary of the Executive Director. Ms. Hwang made a motion to approve an annual salary increase of up to 6%, contingent upon the Executive Director achieving a satisfactory performance evaluation by the Board. Notwithstanding the date the Board completes the Executive Director's

performance evaluation, any salary increase for the Executive Director will be effective as of July 13, 2022. Secretary Neall seconded. The motion was unanimously approved.

ADJOURNMENT

Upon motion by Judge Smalkin, the closed session and the meeting adjourned at 11:42 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan **GOVERNOR**

Boyd K. Rutherford **LT. GOVERNOR**

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 7-22

July 28, 2022

LOCATION: Conference/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Honorable Dereck Davis (video)
Marian Hwang, Esq. (video)
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: Shelley Heller
Hiram Tanner, Jr., P.E.

OTHERS PRESENT:

Sean Coleman, Esq.
Joanne Kille
Ellen Frketic
Tim Barr
Hattie Crosby
Marni Dolinar
Tim Ford

Pamela Fuller
Hament Patel
Melissa Slatnick
Steven King
Casey Powers (video)
Jana Leech (video)

CALL TO ORDER

Judge Smalkin 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 and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Ms. Frketic presented an Extraordinary Service Inspire Award to the following recipients for their mammoth efforts at Back River Wastewater Treatment Plant (WWTP) over the last three months. Due to the large size of the group, the award was given prior to the start of the Board meeting.

Al Razik	Greg Stehli	Randy Gaver
Amy Kline	Heather Fritz	Ryan Zacherl
Casey Hanna	Jamaal Downs	Scott Kearney
Chris Dallas	Joe Wright	Skip Immler
Cynthia James	Josh Grant	Steve Saccone
Demond Miller	Kayla Hammer	Timothy Barnes
Dwayne Biles	Lance Fierro	Wayne Jackson
Erin Lanagan	Matthew Hammons	
Garrett Scheller	Paul Zimmerman	

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meeting on June 30, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. The reported expenses are associated with meals during the Maryland Municipal League (MML) summer conference and the purchase of a book about building company culture.

Dr. Glass presented the list of partner engagements over the last month. Rather than focus on new business opportunities, management will focus on improving services and providing additional services to existing clients.

Dr. Glass continued visiting MES sites in July and completed site trips to the Montgomery County Yard Waste Composting Facility and Cunningham Falls State Park Water Treatment Plant (WTP).

The focus for the foreseeable future will be on lowering the vacancy rate across the Agency. In addition to exhibiting at numerous job fairs, staff are working to develop relationships with various other potential sources of employees. The goal is to get the vacancy rate below 5%, with an eventual aim of 0%.

For the past seven weeks (approximately), the Back River WWTP has been in compliance with its effluent parameters. The revised directive from the Maryland Department of the Environment (MDE) stated that the consent order would end after compliance was maintained for three consecutive months. If current performance holds, this goal will be achieved by late August. With the WWTP now nearly back in permit compliance, MES is planning an orderly transition out of its engagement with the Baltimore City Department of Public Works. The April invoice has been approved by Baltimore City but has not yet been paid and is now 60 days past due. If it has not been paid within 90 days, MES will seek assistance from MDE. Secretary Neall inquired if action could be taken sooner to put pressure on the City to pay, as MES personnel had to be pulled off other paying projects to work on problems at Back River WWTP. Dr. Glass and Mr. Coleman indicated that the process to pursue payment is written into the MES statute, and that those provisions become effective when the payment is 90 days past due. Treasurer Davis stated that slow payment has been an issue across all levels of the State. Ms. Hwang asked what response MES received from Baltimore City in response to the assessment. Dr. Glass replied that there was considerable negativity from Baltimore City in the first few weeks. Since then, however, everyone has been working toward addressing the issues identified in the Back River WWTP Assessment Report. The report helped get the Consent Order signed and has also stimulated Baltimore City to begin working on the issues at the Patapsco WWTP.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report and asked if there were any questions.

FINANCIAL REPORT

The June financial statements were included in the packet provided to Board members. All financial transactions have been submitted for the 2022 fiscal year (FY), and the financial auditors will start their review on August 8, 2022. The final audit report is due by September 30, 2022.

While labor sales are lower than during the previous fiscal year (FY22 labor was \$1.4 million less than in FY21), overhead expenses have also been lower. Contracts are in place for work, and the Agency only needs more employees to achieve a 4% increase in billable labor, which drives Agency revenues. Overhead recovery on billable labor was lower than last year, but overhead expenses were also lower. Fringe recovery was also lower, as were overhead fringe expenses.

Finance plans to set aside money for several items during FY23 including reserves for the allowance of bad debt; electric vehicle charging stations; IT equipment; and other post-employment benefit (OPEB) contributions.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is holding steady at 9.6%. Additionally, a new Chief of Human Resources has been selected.

GROUP UPDATE: FINANCE

Mr. Patel presented an overview of the MES Finance Group. The Finance Group consists of several departments: Payroll; Accounts Payable; Banking/Financial Reporting; Accounts Receivable; and Fleet Management.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with Padlands, LLC for \$104,175. It is for trucking and land application services for Dorsey Run Advanced Wastewater Treatment Plant's biosolids. There is a 1% MBE goal. Ms. Hwang made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is for cleaning of Hi-Rate Digestors 1 and 4 at the Back River WWTP. Synagro Central, LLC will provide the services at a cost of \$1,285,544. There is a 12% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. Ms. Hwang abstained from the discussion, consideration, and vote. This resulted in less than the number of votes required to approve the item. This item will be held until a sufficient number of members can vote on it. A meeting will be scheduled as soon as possible (before the next scheduled Board of Directors meeting) for this purpose.

Ms. Crosby presented Item 3. The procurement is a change order with CMT Services, Inc. for \$94,500. It is for skilled labor for the Central Maryland Correctional Facilities. There is a 15% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for program/project management and environmental compliance support services for Montgomery County projects. Barton & Loguidice D.P.C. will provide the services at a cost of \$425,000. There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Board of Directors Meeting
July 28, 2022
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Ms. Crosby presented Item 5. The procurement is for engineering services for the design and construction management of lagoon and WWTP improvements at Swallow Falls State Park. Watek Engineering Corporation will provide the services at a cost of \$416,679. There is a 29% MBE goal. Mr. Witt made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is for the purchase of two John Deere 260E-II (or equivalent) articulated dump trucks for use at the Hart Miller Island dredged material containment facility (DMCF). There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 7. The procurement is for the purchase of two John Deere 460E-II (or equivalent) articulated dump trucks for use at the Poplar Island Environmental Restoration Project. There is a 0% MBE goal. Mr. Witt made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is for a sediment study and conceptual engineering for the +80' dike design at the Cox Creek DMCF. Gahagan & Bryant Associates (GBA) will provide the services at a cost of \$368,518. There is a 58% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is for the purchase of a road grader for the Poplar Island Environmental Restoration Project. Carter Equipment will provide the grader at a cost of \$304,732.02. There is a 0% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for Consent Order assistance and compliance monitoring at Sandy Hill Creative Disposal Project. Arcadis will provide the services at a cost of \$491,595. There is a 31% MBE goal. Mr. Witt made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 11. The procurement is for compliance monitoring and reporting at Sandy Hill Creative Disposal Project. SCS Engineers will provide the services at a cost of \$495,652. There is a 10% MBE goal. Judge Smalkin made the

Board of Directors Meeting
July 28, 2022
Page 6

motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 12. The procurement is for compliance monitoring and reporting at Brown Station Road Landfill. SCS Engineers will provide the services at a cost of \$499,000. There is a 20% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 13. Ms. Hwang abstained from the discussion, consideration and vote. This resulted in less than the number of votes required to approve the item. This item will be held until a sufficient number of members can vote on it. A meeting will be scheduled as soon as possible (before the next scheduled Board of Directors meeting) for this purpose.

Ms. Crosby presented Item 14. The procurement is for Statewide Household Hazardous Waste collection, transfer, and disposal. There is a 19% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 15. The procurement is for the purchase of Leafgro® bags for the Montgomery County Composting Facility. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 16. The procurement is a change order with Allied Contractors, Inc. for \$2,000,000. It is for activities related to drainage and stormwater remediation and construction. There is a 9% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 17. The procurement is for drainage repair at various locations. Concrete General, Inc. will provide the services at a cost of \$1,000,000. There is a 10% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Witt 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 reported that the attorneys in his office have been busy with transactional matters and reviewing proposals, agreements, and contracts.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, August 25, 2022, at 9:30 a.m.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 10:56 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 7-22b

August 10, 2022

LOCATION: Conference/Video Call

TIME: 3:50 p.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair (video)
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer (phone)
Joanne Kille, delegee for Dereck Davis (video)
Marian Hwang, Esq. (video)
Shelley Heller (video)
Hiram Tanner, Jr., P.E. (video)
Charles Glass, Ph.D., P.E. (video)

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean Coleman, Esq. (video)
Hattie Crosby (video)
Tim Ford (video)

Pamela Fuller (video)
Casey Powers (video)
Jana Leech (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 3:53 p.m. Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

This meeting was called to approve two procurement items that could not be approved at the July 2022 Board of Directors meeting due to a lack of a sufficient number of members required to approve those two items.

PROCUREMENT ITEMS

Ms. Crosby presented Item 2. The procurement is for cleaning of High-Rate Digestors 1 and 4 at the Back River Wastewater Treatment Plant. Synagro Central, LLC will provide the services at a cost of \$1,285,544. There is a 12% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. Ms. Hwang abstained from the discussion, consideration and vote.

Ms. Crosby presented Item 13. This procurement is for offsite processing of stream residential commingled materials from the Montgomery County Materials Recycling Facility. There is a 28% MBE goal. Mr. Tanner made the motion to approve the item; Judge Smalkin seconded. No members were opposed. Ms. Hwang abstained from the discussion, consideration and vote.

ADJOURNMENT

Upon motion by Judge Smalkin, the meeting adjourned at 3:57 p.m.

ADMINISTRATIVE SESSION

Following the adjournment of the public meeting of the Board, the Board met privately to carry out an administrative function as permitted by §§ 3-101(b) and 3-103 of the General Provisions Article of the Annotated Code of Maryland and §3-103(c)(2)(iii) of the Natural Resources Article of the Annotated Code of Maryland. Dr. Glass did not participate in this meeting of the Board.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 8-22

August 25, 2022

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary
Robert Neall, Treasurer
Honorable Dereck Davis
Marian Hwang, Esq.
Shelley Heller
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic
Tim Barr
Steven Barzal
Hattie Crosby
Marni Dolinar

Tim Ford
Pamela Fuller
Hament Patel
Melissa Slatnick
Steven King
Casey Powers (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:30 a.m. All Board members and staff were present at Maryland Environmental Service (MES) Headquarters. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Mr. Ford presented an Inspire award to **Bruce Carroll, Logan Milby, Eric Frase,** and **Andre Stanley** at the Midshore I Regional Landfill Transfer Station for their work in researching, procuring and implementing a payload tracking system that increased productivity and saved the client money.

Mr. Ford presented an Inspire award to **Bruce Carroll** for going above and beyond to rescue to a box of abandoned guinea pigs that were left at a residential recycling drop-off area in Talbot County.

Mr. Barr presented an Inspire award to **Bob Barnhart** and **Chase Clark** for going above and beyond to help a sampling client make improvements to the client's facility to address repeated violations. Their recommendations resulted in lower violations and a new contract for MES to take over operations of the facility.

Ms. Dolinar presented an Inspire award to **Laura Baker, Emily Sperling, Tim Carney, Kristina Motley, Jessica Macer,** and **Elana Kellner** for their work assisting MDOT MPA plan and implement the first annual youth birding week camp.

Ms. Frketic presented an Inspire award to **Maurice "Mo" Boddie** for his suggestion to place magnetic "We're Hiring" signs on MES vehicles to help reduce the Agency vacancy rate.

All Inspire awardees left the meeting after the awards were distributed.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meetings on July 28, 2022, and August 10, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. The reported expense was for the nutrition expert hired for a third Agency Health and Wellness event.

Dr. Glass presented the list of partner engagements over the last month. He discussed engagement with several clients and potential clients. He also met with the Office of Legislative Audits which is completing their routine audit. Dr. Glass and

Board of Directors Meeting
August 25, 2022
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various staff members attended the Maryland Association of Counties (MACo) summer conference from August 16-20, 2022. Follow up contacts are currently being analyzed.

The third Health and Wellness event was held August 16, 2022. Guest speaker Adam Moore from Priority Fitness discussed nutrition.

Dr. Glass visited Point Lookout State Park and met with onsite staff Trish Lyons, Jerome Lucky Jr., Bill Shreve and Robert Henderson. The water and wastewater systems are scheduled for major improvements. Maryland Department of the Environment (MDE) has issued a grant for Enhanced Nutrient Removal (ENR) upgrades at the site. Dr. Glass also visited LaPlata Wastewater Treatment Plant (WWTP). The Director of Operations for the Town of LaPlata, Mr. Bobby Stahl, expressed his high esteem for MES' operator James Brown, Jr., who leads the operators working at the plant.

The Executive Office will be kicking off the first Strategic Advance meeting tomorrow, August 26, 2022, at Maryland Department of Transportation The Secretary's Office (MDOT TSO) headquarters. The Strategic Advance will be a program lead by the leadership team evaluating (Key Performance Indicators) KPIs and developing strategies for implementing the recently approved Strategic Plan. The meeting will consist of team building and program development.

Dr. Glass stressed that filling vacancies is a critical factor in achieving financial goals for Fiscal Year 2023 (FY23). He introduced Mr. Steve Barzal, the new Chief of Human Resources. All staff continue to work on this goal and will be meeting with several community colleges and attending other recruitment events. Secretary Neall asked about the feasibility of offering hiring incentives to current employees who make successful referrals of new employees.

Dr. Glass and Ms. Frketic will be attending the 2022 Chesapeake Tri-Association Conference from August 30 to September 2, 2022. Dr. Glass will be the Keynote speaker and will be earning continuing education credits toward his Professional Engineer (P.E.) license.

A video posted by NBC Washington entitled "Back to Poplar: Battling Climate Change by Building Islands" was played. The video, posted August 17, 2022, described the Poplar Island Ecosystem Restoration Project.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

A formal financial report was not prepared this month as the new fiscal year has just begun. Labor sales one month into FY23 are 4% higher than FY22. Mr. Patel is confident the Agency will achieve the 4% increase in revenue by fiscal year-end. All expenses in July 2022 will be higher than July 2021, due to higher salaries, and fringe and overhead expenses. Many annual IT expenses (such as Workday and Microsoft licenses) are paid in July.

A discussion was held regarding MES investments. Based on its statutory authority, MES can have its own bank accounts and make its own investments within similar parameters to the State's investments.

The Office of Legislative Audits recently completed its tri-annual audit. They reported one finding related to contracts with State agencies. They also provided suggestions and recommendations. Staff will be meeting next week to review the report and respond.

HUMAN RESOURCES REPORT

Mr. King presented the Human Resources Report. The vacancy rate is currently 8.21%, which is lower than the vacancy rate reported during the previous month's Board of Directors meeting.

FY23 BEST GOALS

Ms. Frketic presented the FY23 BEST (Building Excellence and Success Together) goals. The new goals fall into six categories: Safety; Education; Diversity and Inclusion; Customer and Community Service; Environment; and Administrative Enhancements. The Board suggested adding a goal of reducing injuries reportable to the Occupational Safety and Health Administration (OSHA). They also suggested adding specific, measurable objectives to the BEST goal regarding Minority Business Enterprise (MBE) participation increases. Ms. Hwang made a motion to approve the goals, with the suggested additions. All members voted in favor of the motion; the motion passed unanimously.

GROUP UPDATES

Ms. Dolinar provided the Board with updates about the Port of Baltimore Terrapin Education and Research Partnership (TERP) Program. To date, over 2,900 terrapins raised in classrooms around the State have been released into the Chesapeake Bay. A new cohort of terrapins will be in the tank at headquarters beginning in September.

Mr. Ford updated the Board on two Environmental Operations projects. MES provides support to the Montgomery County Commercial Food Scrap Collections program. The program collects food from about 40 commercial organizations and converts it to compost at the Prince George's County Organic Composting Facility. The program won a 2022 National Association of Counties Achievement Award. Mr. Ford also summarized the partnership with the Maryland Department of Aging for the Durable Medical Equipment (DME) Re-Use program. Over 13,000 pieces of equipment have been restored.

Ms. Slatnick discussed a new contract with the Maryland Department of Emergency Management (MDEM) for the creation of a statewide Mesonet system. The TES group will provide project support to the entire Mesonet system, which consists of about 70 small weather stations located across the State. Staff will help locate State properties on which to install the stations; help design the station specifications; and help with the permitting, procurement, construction and eventual monitoring of the stations.

Mr. Barr discussed a new contract to operate the water and wastewater facilities serving the Brook Lane Health Services campus in Hagerstown, Maryland. Each plant processes about 10,000 gallons per day.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is for bidding and construction services for improvements to the water distribution and collection system at Point Lookout State Park. Mott MacDonald, LLC will provide the services at a cost of \$211,756. There is a 17% MBE goal. Treasurer Davis made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Hwang who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 2. The procurement is for engineering services for the design and construction management of the lagoon and WWTP improvements at

Board of Directors Meeting
August 25, 2022
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Swallow Falls State Park. Watek Engineering Corporation will provide the services. There is a 29% MBE goal. This item was presented and approved at the July 2022 meeting; however, the dollar amount of the contract was incorrectly listed as \$416,679. The actual value of the contract is \$461,987. All other details remain the same as Item 5 from July 28, 2022. Mr. Witt made the motion to approve the item; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is for janitorial services for the MES headquarters. Logansmith, Inc. dba ServiceMaster Chesapeake will provide the services at a cost of \$216,941.50. There is a 18% MBE goal. Treasurer Davis made the 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 will provide his Legal report in closed session.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, September 29, 2022, at 9:30 a.m. The Human Resources committee will meet at 8:30 a.m.

CLOSED SESSION

At 11:05 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) and (8) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, and to discuss the performance and compensation of one or more employees of the Agency, and to consult with staff, consultants or other individuals about pending or potential litigation. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Secretary Neall then made a motion that the Board enter closed session for the reasons stated above. Treasurer Davis seconded the motion, and all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 11:06 a.m. Staff members who were not required for the closed session left the meeting room.

Board of Directors Meeting
August 25, 2022
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Judge Smalkin called the meeting of the closed session of the Board to order at 11:08 a.m. Present during the closed session of the Board were Board members Smalkin, Witt, Neall, Davis, Heller, Hwang, Tanner, and Glass. They were joined by Mr. Coleman, Ms. Frketic, Mr. Patel and Ms. Fuller.

Judge Smalkin requested approval of the minutes of the closed session from the June 30, 2022, meeting. Ms. Hwang made a motion to approve the minutes as presented. Treasurer Davis seconded the motion. The minutes were unanimously approved.

LEGAL REPORT - Mr. Coleman and Dr. Glass discussed potential litigation stemming from an unpaid project debt. No official action was taken.

At 11:33 a.m. Ms. Frketic, Dr. Glass, and Mr. Patel left the meeting.

EXECUTIVE DIRECTOR SALARY - Ms. Hwang advised that the Executive Director's annual evaluation has now been completed. Since his evaluation exceeded a Satisfactory rating, the Board is recommending implementing the salary increase of 6% as approved by the Board at the June 30, 2022 meeting, effective as of July 13th. Ms. Hwang made a motion to approve the 6% increase, effective July 13, 2022, Treasurer Davis seconded. The motion passed unanimously.

ADJOURNMENT

Upon motion by Treasurer Davis and Ms. Hwang, the meeting adjourned at 12:01 p.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
September 29, 2022**

LOCATION: Conference/Video Call

TIME: 8:30 a.m.

COMMITTEE MEMBERS PRESENT: Marian C. Hwang, Esq. (Chair) (video)
The Honorable Frederic N. Smalkin
Robert L. Witt II (video)
Hiram L. Tanner, Jr., P.E.

COMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT: Charles C. Glass, Ph.D., P.E., Executive Director
Sean Coleman, Esq. (video)
Ellen Frketic
Hament Patel
Marni Dolinar
Steven King
Eric Hartlaub, Esq. (portion of meeting)
Pamela Fuller
Casey Powers (IT) (video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 8:30 a.m. Some Board members and staff participated via Zoom video call; the remainder were present at Maryland Environmental Service (MES) Headquarters. The meeting was streamed live to the public via YouTube.

MINUTES

Ms. Hwang requested discussion or a motion for the approval of the June 30, 2022, meeting minutes. There were no questions or comments. The minutes were unanimously approved.

BEST FY22 FINAL PERFORMANCE

Ms. Frketic reviewed final status of the FY22 Best Goals. The agency achieved 100% with all goals, except for one. Covid restrictions in January and February prevented in-person sexual harassment training and limited the number of attendees when in-person training resumed. Despite restrictions, the agency was able to train 60% of employees, rather than the targeted 90%. Several questions were addressed.

BEST FY22 FUNDING AND PAYMENT RECOMMENDATION

Mr. Patel reviewed the components of the BEST funding. The funding for the BEST program comes from the FY22 net earnings. The net earnings are made up of fringe variance, overhead variance, project variance, working capital, the equipment fund and interest income. These items total \$4,577,000. In addition, he is recommending adding \$37,992 left over from the FY21 BEST fund that were not paid out due to eligible employees who left before the payout, for a grand total of \$4,614,992. This is about one million dollars more than last year. This increase is almost entirely due to increase in the project variance funds due to an increase in billable labor for the service center projects.

Since the agency met 98% of its goals, and the only goal not fully met was beyond the control of agency employees, he is recommending distributing 100% of the BEST pool. From that full total, the agency will deduct the amounts necessary to pay FICA, Medicare and 401k for eligible employees. This leaves \$4,063,962 for the BEST pool. MES management is recommending distributing that pool as follows:

- | | | |
|-----------------------|--------|------------------------------------|
| • BEST Amount | 60.03% | \$2,439,596 (\$4,025 per employee) |
| • BEST PLUS | 35.30 | \$1,434,696 |
| • Executive Incentive | 4.67% | \$189,670 |

The BEST resolution calls for the BEST pool to be at least 40% of the funds. Management wanted more funds to go to every employee so is recommending 60% for the BEST pool. Efforts are being made to make sure BEST Plus is distributed in a fair and transparent manner. No employee will receive a BEST, BEST Plus or Executive Incentive that totals more than 14% of their base salary. BEST Plus is connected to annual performance appraisals.

The BEST pool funds can be used for the BEST Payout or placed in the Contingency Fund. Mr. Patel stated that currently, MES's contingency fund has more than adequate funding. Items contributing to the larger than normal balance include a

focus on billable labor and reduction in overhead expenses, fewer employees than FY21 and an increase in billable labor in the “service center” projects.

After discussion, the committee deferred voting on a recommendation for the proposed BEST payment plan in order to consult with the full Board. The approval of the full Board is required for passage.

ENVIRONMENTAL SPECIALIST CAREER LADDER

Ms. Dolinar presented the Environmental Specialist (ES) career ladder for review and approval. Restructuring the current Environmental Specialist classification is necessary for the agency to establish an enhanced career path with education, trainings, certifications, and career growth opportunities for new and existing environmental specialists. This enhanced ladder moved ES Trainees from a grade 2 to a grade 3 and adds the Senior ES II level. There were no questions. Mr. Witt made a motion to approve the Environmental Specialist career ladder for approval to the full Board. Judge Smalkin seconded. The motion passed unanimously.

TIMECLOCK POLICY

Mr. Patel presented a new policy for review and approval. This Timeclock Policy covers the use of digital time clock and time clock data at certain MES facilities designated by management. Some facilities already have manual time clocks. The data from these clocks is manually entered in Workday by administrative staff. New digital timeclocks will be integrated with Workday. Procedures and controls will be put in place to ensure the accuracy of time entered. The new clock is currently being tested at the Midshore Landfill. The timeclocks will only be rolled out at larger centralized facilities like landfills and Material Recycling Facilities (MRFs). Judge Smalkin made a motion to recommend approval of the policy to the full board. Mr. Witt seconded. The motion passed unanimously.

BACKGROUND CHECK POLICY

Dr. Glass introduced the Background Check Policy for review. The agency has been working on drafting this policy for a while and is now asking for input from the Committee. Dr. Glass asked the Committee to submit any questions or comments. Judge Smalkin indicated there are many issues to consider. He suggested that it may be necessary to hire an outside consultant for assistance.

ADJOURNMENT

Upon motion by Ms. Hwang, the meeting adjourned at 9:30 a.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 9-22
September 29, 2022**

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer (phone)
Joanne Kille, Deputy State Treasurer (video)
Marian Hwang, Esq. (video)
Shelley Heller (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean Coleman, Esq. (video)
Ellen Frketic
Tim Barr
Steven Barzal
Hattie Crosby
Marni Dolinar
Tim Ford
Pamela Fuller
Hament Patel

Melissa Slatnick
Steven King
Erin Lanagan
Jana Leech (video)
Casey Powers (video)
Rick Turnbull (Inspire)
Greg Wilkinson (Inspire)
Priscilla Carroll, Esq. (closed session)

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:40 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Mr. Ford presented an Extraordinary Service Inspire award to Rick Turnbull for his work in researching, acquiring funding, and implementing a innovative gas engine for use at the Midshore I Landfill to convert landfill gas into usable energy.

Mr. Barr presented an Extraordinary Service Inspire award to Greg Wilkinson for his work in creating a math course to assist Water/Wastewater operators to pass their required certification courses for their licenses. The passage rate of MES operators has since increased from 37.68% to 55.10%.

All Inspire awardees left the meeting after the awards were distributed.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meetings on August 25, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. Neither of them had any expenses during the reporting period.

Dr. Glass then presented his list of external engagements. Many contacts were made during the Chesapeake Tri-Association Summer Conference which was August 30 to September 2. Dr. Glass was the keynote speaker and presented an overview of the agency. The MES team competed in several challenges after not attending for several years. Dr. Glass also visited the Eastern Correctional Institution wastewater treatment plant last month and saw the new reverse osmosis membrane system.

The Maryland Clean Energy Center (MCEC) will be moved away from the MES Human Resources system by the end of the year. They will then be supported by the Department of Budget and Management (DBM) for their benefit needs.

A significant amount of time is being dedicated to implementation of the class and compensation study as well as reducing the vacancy rate. The Environmental Specialist career ladder will be presented later in the meeting. The agency recently

learned that the State personnel system now has a minimum salary of \$15.80/hr, not \$15. The State salary card has been increased significantly over the last few years, while the MES salary card has remained static. Multiple recommendations are being prepared for the Human Resources committee to help mitigate these new differences. Dr. Glass and agency personnel have been meeting with Community Colleges across the State and attending numerous career fairs in an effort to further reduce vacancies.

MES is anticipating that it will remain engaged at the Back River WWTP until at least the end of the calendar year. Major construction and mechanical work continues. Maryland Department of the Environment (MDE) and Baltimore City Department of Public Works (DPW) continue to work on agreements for future improvements.

On August 26th, the first Strategic Advance kickoff meeting was held. This is the first time the entire upper management team assembled together in person since Dr. Glass became head of MES. The group will work on making the performance measures in the Strategic Plan a reality. The group will meet again in December.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the preliminary Financial Statements for August 2022. Labor sales are similar to last year. Mr. Patel is confident the Agency will achieve the 4% increase in revenue by fiscal year-end and will meet or exceed the budget. Overhead expenses will be higher this year than last year as all the Managing Director positions are now filled.

Comparing FY23 to FY22 at the same point – labor sales are 4% higher, overhead recovery is better, overhead expenses are higher. The increase in net assets will even out over the course of the fiscal year. Revenues are higher, due in part to pass through capital projects.

HUMAN RESOURCES REPORT

Mr. Barzal presented the Human Resources Report. The vacancy rate is currently 7.52%, which is lower than the vacancy rate reported during the previous month's Board of Directors meeting. The agency is on target to achieve a 5% or lower goal.

RESOLUTION 2022-09-1R

Mr. Barzal presented Resolution 2022-09-1R to grant the day after Thanksgiving as an additional holiday for MES employees in 2022. MES employees do not automatically receive this day as a Holiday. It has been granted by resolution for the about the last 10 years. Ms. Hwang made a motion to approve the Resolution, Judge Smalkin seconded. The motion passed unanimously.

HUMAN RESOURCES REPORT

Hs. Hwang reported the Human Resources Committee met earlier today to discuss several matters. She then asked Ms. Frketic and Mr. Patel to discuss the BEST program.

BEST FY22:

Ms. Frketic reviewed the final status of the FY22 Best Goals. The agency achieved 100% with all goals, except for one. Covid restrictions in January and February prevented in-person sexual harassment training and limited the number of attendees when in-person training resumed. Despite restrictions, the agency was able to train 60% of employees, rather than the targeted 90%.

Mr. Patel reviewed the components of the BEST funding. The funding for the BEST program comes from the FY22 net earnings. The net earnings are made up of fringe variance, overhead variance, project variance, working capital, the equipment fund and interest income. These items total \$4,577,000. In addition, he is recommending adding \$37,992 left over from the FY21 BEST fund that were not paid out due to eligible employees who left before the payout, for a grand total of \$4,614,992. This is about one million dollars more than last year. This increase is almost entirely due to an increase in the project variance funds due to increase in billable labor in the service enter projects.

Since the agency met 98% of its goals, and the only goal not fully met was beyond the control of agency employees, the agency is recommending distributing 100% of the BEST pool. From that full total, the agency will deduct the amounts necessary to pay FICA, Medicare and 401k for eligible employees. This leaves \$4,063,962 for the BEST pool. MES management is recommending distributing that pool as follows:

- | | | |
|-----------------------|-------|------------------------------------|
| • BEST Amount | 60% | \$2,439,596 (\$4,025 per employee) |
| • BEST PLUS | 35.30 | \$1,434,696 |
| • Executive Incentive | 4.67% | \$189,670 |

Efforts are being made to ensure BEST Plus is distributed in a fair and transparent manner. No employee will receive a BEST, BEST Plus or Executive Incentive that totals more than 14% of their base salary. BEST Plus is connected to annual performance appraisals.

The BEST pool funds, comprised of net earnings, can only be used for the BEST Payout or placed in Contingency Funds. Items contributing to the larger than normal balance include a focus on billable labor and reduction in overhead expenses, fewer employees than FY21 and increase in billable labor in the “service center” projects.

Secretary Neall asked if this could be approved at a later date, as he was expecting a recommendation from the HR Committee. If this is a full Board decision, he wanted more time to review the information. Mr. Patel indicated the amounts must be approved before the Auditors can complete the FY22 Financial statements and complete their annual audit. This would have to happen within the next 2-3 weeks to maintain the audit timeline.

Ms. Hwang wants the Board to consider the incredible work done by the agency employees which is evidenced in such things as the Inspire awards and the work done at Back River, balanced with their need to carefully evaluate how the Board approves incentive payments. Judge Smalkin proposed the Board meet on October 10th at 1pm to consider this matter.

Environmental Specialist Career Ladder:

Ms. Dolinar presented the Environmental Specialist (ES) career ladder for review and approval. Restructuring the current Environmental Specialist classification is necessary for the agency to establish an enhanced career path with education, trainings, certifications and career growth opportunities for new and existing environmental specialists. This enhanced ladder moves ES Trainees from a grade 2 to a grade 3 and adds the Senior ES II level. The HR Committee recommends approval of the career path. Judge Smalkin made a motion to approve the Environmental Specialist career ladder, Mr. Witt seconded. The motion passed unanimously.

Timeclock Policy:

Mr. Patel presented a new policy for review and approval. The Timeclock Policy covers the use of digital time clock and time clock data at certain MES facilities designated by management. Some facilities already have manual time clocks. The data from these clocks is manually entered in Workday by administrative staff. New digital timeclocks will be integrated with Workday. Procedures and controls will be put in

place to ensure the accuracy of time entered. The new clock is currently being tested at the Midshore Landfill. The timeclocks will only be rolled out at larger centralized facilities like landfills and MRFs. The HR Committee recommends approval of the Timeclock Policy. Secretary Neall made a motion to approve the Timeclock Policy, Judge Smalkin seconded. The motion passed unanimously.

Background Check Policy:

Dr. Glass introduced the Background Check Policy for review. The agency has been working on drafting this policy for a while and is now asking for input from the Board. Dr. Glass asked the Committee and the Board to submit any questions or comments to Mr. Coleman or himself.

GROUP UPDATES: SAFETY AND ENVIRONMENTAL COMPLIANCE

Ms. Lanagan, the Chief of Safety and Environmental Compliance (SEC) presented an overview of the Division. She presented a history of the Safety and Compliance programs at MES and numerous safety statistics for the last few years including employee injuries, vehicle accidents and equipment accidents. She also reviewed the regulatory inspections and audit findings, and the role of the Safety and Environmental Compliance Committee.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with Nalco Company, LLC for \$126,077.39. It is for boiler water treatment chemicals provided to ECI, MCI, and JCI facilities. There is a 6% MBE goal. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is a change order with Soil and Land Use Technology, Inc. (SaLUT) for \$92,574. It is for Task 18-14 outfall rehabilitation services for MDTA. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is for the Rocky Gap State Park sanitary sewer improvement project, Phase 2. Excavating Associates, Inc. will provide the services at a cost of \$1,275,023. There is a 8% MBE goal. Mr. Witt made the motion

to approve the item; Ms. Kille seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for a Volvo L150H Wheel Loader for the Montgomery County Yard Trim Composting Facility. McClung-Logan Equipment Co., Inc. will provide the wheel loader at a cost of \$445,183. There is a 0% MBE goal. Mr. Tanner made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 5. The procurement is a change order with Anchor QEA for \$101,816.05. It is for TSA III Task 21 – Pearce Creek support services. There is a 29% MBE goal. Judge Smalkin made the motion to approve the item; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is for leachate pre-treatment facility upgrades at Brown Station Road Landfill. EA Engineering will provide the engineering, design, permitting, commissioning, and construction services at a cost of \$1,014,817.72. There is a 32.2% MBE goal. The technical committee reviewed and scored the proposals on their technical merits, with no knowledge of the price proposals. The committee, which included representatives from Prince Georges' County concluded that EA Engineering's proposal and methodology were significantly better than the other proposals. The technical scores are weighted more heavily than the price scores. Mr. Tanner made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Hwang who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 7. The procurement is a change order with Consolidated Commercial Services, Inc. for \$680,000. It is for yard trim and leaf hauling from the Montgomery County Grinding Operations to the Montgomery County Yard Trim Compost Facility. There is a 30% MBE goal. Judge Smalkin made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is for nine Dodge Ram Pickup trucks for the MES Fleet. Criswell Automotive will provide the trucks at a cost of \$425,000. There is a 0% MBE goal. Secretary Neall made the 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 advised that the Board meeting agenda format may need to be updated starting October 1st to comply with new provisions to the Open Meetings Act.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, October 20, 2022, at 9:30 a.m. The Audit Committee will meet at 8:30 a.m. In addition, the Board will meet on October 10, 2022.

CLOSED SESSION

At 11:35 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) and (12) Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, to discuss an individual's employment contract, and to review information requested by an investigatory entity. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Mr. Witt then made a motion that the Board enter closed session for the reasons stated above. Secretary Neall seconded the motion, and all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 11:36 a.m. Staff members who were not required for the closed session left the meeting room.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:40 a.m. Present during the closed session of the Board were Board members Smalkin, Witt, Neall, Kille, Heller, Hwang, Tanner, and Glass. They were joined by Mr. Coleman, Ms. Carroll, Ms. Frketic and Ms. Fuller.

Judge Smalkin requested approval of the minutes of the closed session from the August 25, 2022, meeting. There were no corrections or comments. The minutes were unanimously approved.

Mr. Coleman and Ms. Carroll updated the board on a current investigatory matter. At the October 20, 2020, meeting the Board voted unanimously to provide to the Joint Committee on Fair Practices and State Personnel Oversight copies of the approved minutes of the closed sessions of the Board meetings held on June 20, 2016, July 10, 2017, June 28, 2018, June 27, 2019, February 29, 2016, August 16, 2017, and May 28, 2020. Upon motion of Judge Smalkin, seconded by Ms. Hwang, the Board

unanimously confirmed that the same minutes may be made available to the Office of the State Prosecutor and the United States Attorney's Office in response to their request.

At 11:52 am Dr. Glass, Ms. Frketic and Ms. Carroll left the closed session.

The Board then discussed the draft employment contract for the Executive Director. No official action was taken.

ADJOURNMENT

The closed session and the meeting adjourned at 12:27 p.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 10a-22

October 10, 2022

LOCATION: Headquarters/Video Call

TIME: 1:00 p.m.

DIRECTORS PRESENT: Honorable Frederic N. Smalkin, Chair (video)
Robert Witt II, Secretary (video)
Honorable Robert R. Neall, Treasurer
Marian C. Hwang, Esq. (video)
Shelley L. Heller (video)
Hiram L. Tanner, Jr., P.E. (video)
Charles C. Glass, Ph.D., P.E.

DIRECTORS ABSENT: Dereck E. Davis, State Treasurer

OTHERS PRESENT:

Sean Coleman, Esq. (video)
Ellen Frketic (video)
Hament Patel
Pamela Fuller

Jana Leech (video)
Casey Powers (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 1:00 p.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meetings on September 29, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

BEST FY22

Judge Smalkin asked Ms. Frketic and Mr. Patel to discuss the BEST program.

Ms. Frketic reviewed the final status of the FY22 Building Excellence and Success Together (BEST) Goals. The agency achieved 100% with all goals, except for one. Covid restrictions in January and February prevented in-person sexual harassment training and limited the number of attendees when in-person training resumed. Despite restrictions, the agency was able to train 60% of employees, rather than the targeted 90%. She also summarized key accomplishments of each goal.

Mr. Patel provided background information on MES and the BEST program. The agency was created with an independent personnel system based on merit and performance. The BEST Program was created in July 1999 to reward employees for their contributions toward agency goals.

Mr. Patel reviewed the components of the BEST funding. As dictated by the resolutions creating the BEST program, the funding for the BEST program comes from each year's net earnings. The net earnings are made up of fringe variance, overhead variance, project variance, working capital, the equipment fund and interest income. These items total \$4,577,000. In addition, he is recommending adding \$37,992 left over from the FY21 BEST fund that were not paid out due to eligible employees who left before the payout, for a grand total of \$4,614,992. This is about one million dollars more than last year. This increase is almost entirely due to an increase in the project variance funds due to increase in billable labor in the service center projects. In FY21 the service center projects were losing money. In FY22 the projects were more closely monitored, resulting in more billable labor and less overhead labor. This resulted in a large variance. The service center projects have been eliminated for FY23.

Since the agency met 98% of its goals, and the only goal not fully met was beyond the control of agency employees, the agency is recommending distributing 100% of the BEST pool. From that full total, the agency will deduct the amounts necessary to pay FICA, Medicare, and 401k for eligible employees. This leaves \$4,063,962 for the BEST pool. MES management is recommending distributing that pool as follows:

- | | | |
|-----------------------|--------|------------------------------------|
| • BEST Amount | 60.03% | \$2,439,596 (\$4,025 per employee) |
| • BEST PLUS | 35.30 | \$1,434,696 |
| • Executive Incentive | 4.67% | \$189,670 |

Efforts are being made to ensure BEST Plus is distributed in a fair and transparent manner to as many employees as possible. No employee will receive a BEST, BEST Plus, or Executive Incentive that totals more than 14% of their base salary. BEST Plus is connected to annual performance appraisals.

Mr. Patel reviewed the 5-year comparison of BEST payouts.

Ms. Hwang commented that the purpose of the BEST program was to recognize the contributions and achievements of MES employees. She mentioned the numerous Inspire awards given over the last year that acknowledged the dedication and efforts of employees. Due to the collective efforts, achievements, and mindset demonstrated by the employees on behalf of the agency and its clients, she is recommending the agency award the BEST pool as recommended by management. Judge Smalkin agreed.

Secretary Neall asked when the sexual harassment training would be completed. Ms. Frketic indicated it has been and will continue to be ongoing as new employees join the agency. He also expressed his desire for consistency in the funding over the years. The ups and downs in financial availability may not be reflected in performance achievements. He felt the agency should be more deliberate in how the program is funded, and less based on after-the-fact funding factors. This would make the process more transparent to everyone. Mr. Patel indicated the program was based solely on net earnings when it was created. Dr. Glass and Mr. Patel are willing to explore avenues to stabilize the funding sources against external factors.

Ms. Hwang made a motion to approve the funding as presented, Judge Smalkin seconded. There were no further comments or objections. The motion passed unanimously.

ADJOURNMENT

The closed session and the meeting adjourned at 1:40 p.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

**BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING MINUTES
October 18, 2022**

LOCATION: Conference/Video Call

TIME: 2:30 p.m.

COMMITTEE MEMBERS PRESENT: Marian C. Hwang, Esq. (Chair) (video)
Honorable Frederic N. Smalkin (video)
Robert L. Witt II (video)
Hiram L. Tanner, Jr., P.E.

COMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT: Charles C. Glass, Ph.D., P.E., Executive Director
Sean Coleman, Esq.
Ellen Frketic (video)
Hament Patel
Carla Loving
Pamela Fuller
Jana Leech (video)
Casey Powers (IT) (video)

CALL TO ORDER

Ms. Hwang called the meeting to order at 2:38 p.m. Some Board members and staff participated via Zoom video call; the remainder were present at Maryland Environmental Service (MES) Headquarters. The meeting was streamed live to the public via YouTube.

MINUTES

Ms. Hwang requested discussion or a motion for the approval of the September 29, 2022, committee meeting minutes. There were no questions or comments. The minutes were unanimously approved.

COLA INCREASE

Mr. Patel presented a memo to the committee summarizing the agency's proposal to implement a 4.5% cost-of-living adjustment (COLA) for MES employees, similar to one announced by Governor Hogan for State employees. While not a part of the State system, MES attempts to follow State salary increases to remain competitive. The cost of living index has increased considerably since last summer. The State increase is effective November 1st. The MES increase would be effective November 2nd, due to billing issues in Workday. Most employees will get the increase. However, employees who are currently at or above their salary grade maximum will only receive an increase that brings their salary up to the maximum for their grade. The increase is not applicable to the Executive Director or Deputy Director. Management is asking for Human Resources Committee and Board approval. Mr. Witt made a motion to recommend approval of the 4.5% COLA effective November 2nd to the full Board, Judge Smalkin seconded. The motion passed unanimously.

MES SALARY CARD UPDATE

Dr. Glass presented the updated MES Salary Card. While implementing the changes recommended by the MGT Consulting report that was issued on April 28, 2022, it was discovered that a number of employees were over their maximum per grade salary listed on the MES Salary card. The State Salary scale gets updated every time a COLA increase is issued. The current MES card had not been updated since 2017 (for FY2018), as such, many employees were at or above the maximum salary for their grade. The updated card includes a 10% increase across all categories, which is the amount it would have been increased if it had been done yearly for the last five years. Mr. Witt asked if the card would be updated with each new COLA or Performance Based Compensation ("PBC") increase. Dr. Glass indicated the card would be adjusted with each new COLA or PBC. In addition, the class and compensation study will be completed every 2 years. The State minimum wage is now \$15.80. MES will be increasing its Grade 1 to \$16.50. Judge Smalkin made a motion to recommend approval of the updated salary card to the full board, Mr. Tanner seconded. The motion passed unanimously.

SALARY GRADE COMPLIANCE

Dr. Glass then discussed the salary card compliance issue that was recently uncovered. When it was observed that numerous employees' salaries were not in compliance with the salary card, Ms. Winsome was asked to conduct an internal audit. She discovered that 66 employees exceeded their grade's salary range, and 44 employees were not provided a grade. This was most likely the result of a potential lack of

segregation of duties within Workday and the salary change process. Multiple actions have been taken to alleviate this issue including implementation of adjustments to job classifications recommended by the MGT study, and adjustments to the Salary Card. It will no longer be possible to bypass the salary grade maximum level in Workday. Notice will be given to Managing Directors and Executive Director as individual cases arises. With the proposed adjustments, only 20 employees remain above their grade maximum, and a few were below the minimum. Adjustments continue to be made to re-classify or adjust employees' class and grade to ensure everyone is placed appropriately.

SEXUAL HARASSMENT POLICY UPDATE

An update to the Sexual Harassment Policy (HR 11.02) was presented. The proposed revision incorporates the updated definition of sexual harassment enacted by SB 450 (2022). The committee recommends approval of the revised policy. Mr. Witt made a motion to present the revised policy to the full Board for approval, Judge Smalkin seconded. The motion passed unanimously.

ADJOURNMENT

Upon motion by Ms. Hwang, the meeting adjourned at 3:13 p.m.

Marian C. Hwang

MARIAN HWANG, ESQ.
HUMAN RESOURCES COMMITTEE CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

MEETING 10-22

October 20, 2022

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Dereck Davis, State Treasurer (video)
Marian Hwang, Esq. (video)
Shelley Heller (video)
Hiram Tanner, Jr., P.E. (video)
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic (video)
Tim Barr
Steven Barzal
Hattie Crosby
Marni Dolinar
Tim Ford
Pamela Fuller

Hament Patel
Melissa Slatnick
Steven King
Jana Leech (video)
Casey Powers (video)
Valerie Colimon, RSM (video)
Philip King, RSM (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:30 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Marni Dolinar presented the Extraordinary Service Inspire Award to Mary Chiarella, Matias Orrego, Elana Kellner, Emily Sperling and Laura Baker. During the COVID-19 pandemic when in-person outreach proved to be difficult, the Environmental Education E-Learning (E3) Portal – www.portofbaltimoreeducation.org - was developed by the MES Environmental Education Team for the Port of Baltimore as a platform to make lessons, programs, and activities more accessible. The E-3 Portal recently received the Award of Overall Communications Excellence, the highest award in its category, from the American Association of Port Authorities (AAPA). The Maryland Port Administration (MPA) was invited to receive the award at the AAPA Annual Convention in Orlando Florida next month. Ms. Dolinar read a prepared statement from Katrina Jones, MDOT MPA Program Manager for Education and Stakeholder Engagement.

All Inspire awardees left the meeting after the awards were distributed.

RSM – FY22 PRELIMINARY FINANCIAL AUDIT

Valerie Colimon and Philip King from RSM presented a summary of the FY22 Preliminary Financial audit to the Board. A full briefing was delivered to the Audit Committee earlier today. They expect to issue a clean, unmodified opinion pending completion of several items. The final components include new GASBE 87 requirements, OPEB liability analysis and external quality review. There were no issues encountered with management during the audit process.

Mr. Patel thanked the entire RSM team for their diligence.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meetings on October 10, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There were no credit card charges. Both he and Ms. Frketic had expenses for attending the Maryland Association of Counties and Tri-Association Conferences. Hotel expenses were paid under the Communications budget along with the other staff members who attended each conference.

Dr. Glass then presented his list of external engagements. He maintains weekly contact with most of the major clients. The MES 101 presentation was given to officials of the Maryland Transportation Authority (MTA). The Town of Eagle Harbor called to request a proposal for water sampling. Dr. Glass toured the Prince George's County Composting Facility with representatives from Environmental Protection Agency Region III, and Poplar Island with the Critical Area Commission.

Ms. Hwang joined the meeting at 9:53 am

Dr. Glass' focus has remained on compensation and classification issues this month. The MGT Class and Compensation study recommendations have now been fully implemented. Changes will be ongoing to ensure policies are up to date and managed properly.

The vacancy rate continues to drop with more employees joining and less leaving. The onboarding process continues to be streamlined. Finding qualified mechanics, electricians, CDL drivers, and equipment operators remains a challenge. A new Process Improvement Team has been formed to examine these classifications.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the preliminary Financial Statements for September 2022. Labor sales are similar to last year. Comparing FY23 to FY22 at the same point – labor sales are higher, overhead recovery is better, overhead expenses are higher. Attempting to lower overhead expense further is unrealistic. The increase in net assets will even out over the course of the fiscal year.

AUDIT COMMITTEE REPORT

Ms. Heller thanked RSM for their preliminary audit report. In addition, Ms. Condra presented her Internal Audit report to the committee. The Internal Audit division now has two employees as of yesterday. Ms. Condra is nearing completion on her audit of the Harford County site management. She will be starting an audit of the Minority Business Enterprise (MBE) and Small Business Reserve (SBR) waiver process. There were three calls to the Fraud Hotline since her last report. Two were reported to the Office of Legislative Audits (OLA) and 1 to the STAR Commission. Each has been

investigated with no findings. She also conducted a special investigation into employee salary grade compliance that will be covered by the Human Resources Committee.

HUMAN RESOURCES REPORT

Mr. Barzal presented the Human Resources Report. The vacancy rate is currently 6.84%, which is lower than the vacancy rate reported during the previous month's Board of Directors meeting. The agency is on target to achieve a 5% or lower goal.

HUMAN RESOURCES REPORT

Ms. Hwang reported that the Human Resources Committee met earlier this week to discuss several matters.

An update to the Sexual Harassment Policy (HR 11.02) was presented. The proposed revision incorporates the updated definition of sexual harassment enacted by SB 450 (2022). The committee recommends approval of the updated policy. Mr. Witt made a motion to approve the revised policy, Secretary Neall seconded. The motion passed unanimously.

Mr. Patel summarized the agency's proposal to implement a 4.5% cost-of-living adjustment (COLA) for most MES employees, like the one announced by Governor Hogan for State employees. The MES increase would be effective November 2, due to billing issues in Workday. Employees who are currently at, or above their salary grade maximum will only receive a salary increase that brings them to the maximum salary for their grade. The increase is not applicable to the Executive Director or Deputy Director. The Human Resources Committee is recommending this COLA increase of 4.5%. Secretary Neall made a motion to approve the action, Judge Smalkin seconded. The motion passed unanimously.

Dr. Glass presented the updated MES Salary Card, which details the minimum, midpoint, and maximum salaries for each grade. The State Salary scale gets updated every time a COLA is issued. The current MES card had not been updated since 2017. As such, many employees were at or above the maximum salary for their grade. The updated card includes a 10% increase across all categories, which is the amount it would have been increased if it had been done yearly. Secretary Neall made a motion to approve the updated card, Judge Smalkin seconded. The motion passed unanimously.

Dr. Glass then discussed the salary card compliance issue that was recently uncovered. When it was observed that numerous employees' salaries were not in compliance with the salary card, Ms. Condra was asked to conduct an internal audit.

She discovered that 66 employees exceeded their grade's salary range, and 44 employees were not provided a grade. This was most likely the result of a potential lack of segregation of duties within Workday and the salary change process. Multiple actions have been taken to alleviate this issue, including implementation of adjustments to job classifications recommended by the MGT study and adjustments to the Salary Card. With those adjustments, only 20 employees remain above their grade maximum, and a few were below the minimum. Adjustments continue to be made to re-classify or adjust employees' class and grade to ensure everyone is placed appropriately. There may be some positions that do not allow advancement unless positions become vacant. Management has accepted the Internal Auditor's recommendations and will work to implement them and will report back next month.

GROUP UPDATES

Ms. Dolinar discussed the Mid-Bay Island Ecosystem Restoration Project. The project includes restoration of over 2,000 acres of Barren Island and James Island in western Dorchester County. It is being funded by United States Army Corps of Engineers (USACE) and MDOT MPA. MES provides pre-construction design phase services under a \$7.87 million MOU with MDOT MPA.

Ms. Slatnick discussed the lead abatement project at Seneca Creek State Park in Montgomery County for the Department of Natural Resources (DNR). The property is the former home of the National Capital Area Skeet and Trap Club. MES will assist DNR in evaluating eight remediation alternatives proposed by the Maryland Department of the Environment's Environmental Management Plan.

Mr. Ford discussed organics composting projects in Prince George's and Montgomery Counties. MES has operated the Prince George's County Composting Facility since 1991. A pilot food composting operation is being expanded to include residential food scraps in 2022. Montgomery County launched a Food Scraps Pilot Recycling Program in 2020 for county businesses. MES manages the collection of the food scraps which are processed at the Prince George's facility.

Mr. Barr discussed the recent wastewater treatment plant Enhanced Nutrient Removal (ENR) upgrade at the Victor Cullen Juvenile Center. The construction started in August 2021 and is about 80% complete. The plant will have a capacity of 50,000 gallons per day.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is for 25% and 50% Sodium Hydroxide for the Dundalk Marine Terminal. Maryland Chemical Company, Inc. will provide the goods at a cost not to exceed \$210,600. There is no MBE goal. Judge Smalkin made the motion to approve the item; Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is a change order with Murphy Transport, Inc. for \$120,000. It is for leachate hauling services provided to Midshore II. There is a 0% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously. Ms. Heller abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 3. The procurement is a pre-solicitation approval for \$6 million for engineering and environmental services in support of MDOT MPA's Dredged Material Management Program (DMMP). Up to five successful offerors will be awarded contracts to provide services contingent on the work assigned by MES. There is a 29% MBE goal. Ms. Heller made the motion to approve the item; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is a change order with Kalyani Environmental Solutions, LLC for \$1,800,000. It is for increased funds for hauling and disposal of Aqueous Film Forming Foam (AFFF) from BWI Airport to Buckeye Brine in Ohio. There is a 6.5% MBE goal. The MBE goal is low due to the hazardous nature of the hauling. The MBE portion is being satisfied through the fuel purchases. Secretary Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously. Ms. Hwang abstained from the discussion, consideration, and vote.

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

LEGAL REPORT

Mr. Coleman will present annual training to the Board after the meeting on Standard of Care for Board members. This training is an administrative function of the Board.

OLD/NEW BUSINESS

Dr. Glass updated the board on a Key Performance Indicator (KPI). Management can generate staff utilization reports. The report tracks and measures billability. The first quarter report revealed only nine exceptions to the model. Those nine exceptions will now be assessed. Dr. Glass commended the Managing Directors and employees on their efforts to improve this measure, in particular Ms. Slatnick's TES Group which had no exceptions.

Ms. Fuller presented the draft 2023 meeting schedule and asked for any comments or revisions. The schedule considers having committee meetings a week to a few days before the Board meetings.

The next meeting of the Board is Thursday, November 17, 2022, at 9:30 a.m.

ADJOURNMENT

The meeting adjourned at 11:20 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 11-22
November 17, 2022**

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Dereck Davis, State Treasurer (video)
Marian Hwang, Esq. (video)
Shelley Heller (video)
Hiram Tanner, Jr., P.E.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT:

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic
Tim Barr
Steven Barzal
Hattie Crosby
Marni Dolinar
Tim Ford
Hament Patel

Melissa Slatnick
Steven King
Pamela Fuller
Jana Leech (video)
Casey Powers (video)
Joanna Kille

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:32 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meeting on October 20, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. Dr. Glass' charges stemmed from his site visit to ECI. Ms. Frketic's charges stemmed from site visits to Back River Wastewater Treatment Plant (WWTP) and associated meetings.

Dr. Glass then presented his list of external engagements. There were no site visits last month. Dr. Glass has spent time developing relationships with various colleges including the University of Maryland, and the Howard and Harford County Community Colleges. Agency personnel have participated in various recruitment events around the State including the Historically Black Colleges and Universities (HBCU) Marketplace, Greater Washington Region Clean Cities Coalition Career Fair, and the Ft. Meade Community and Veterans Job Fair.

On November 4, Dr Glass presented a Personal Finance Seminar for agency personnel. The agency also purchased six books referenced in the class for the lending library in the lounge. Four books have already been borrowed.

As part of the re-culturing effort, Ms. Leech set up the first Onboarding Pilot Peer-to-Peer introduction session. This program aims to introduce new employees to existing employees outside of their normal job duties to welcome them to the agency.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the preliminary Financial Statements for October 2022. Labor sales are now higher than last year, and higher than projected, especially in Environmental Operations. Overall, this is due to new projects, and lower vacancies. The agency has kept the fringe and overhead rate low, with little variance over the last few years.

HUMAN RESOURCES REPORT

Mr. Barzal presented the Human Resources (HR) Report. Agency representatives attended the Community and Veterans career job fair yesterday. They received many inquiries and resumes. A new HR Specialist will be starting next week. As of yesterday, the vacancy rate is 5.33%. The agency is on target to achieve the 5% or lower goal.

GROUP UPDATES

Mr. Barr presented the recent WWTP replacement at Woodstock Job Corp center. The new Membrane Bioreactor (MBR) system is nearly completed for a total cost of about \$9 million. It is capable of processing 50,000 gallons per day (gpd) of wastewater.

Mr. Ford reviewed the Midshore Regional Solid Waste system. The system consists of Talbot, Caroline, Kent, and Queen Anne's counties. It is an 80-year solution to solid waste management on the Eastern Shore. Under the current cooperative agreement, each county will host a regional solid waste facility for 20 years. The Midshore I landfill is in Talbot County and operated from 1991 to 2010. The Midshore II Landfill is in Caroline County and is currently planned to operate from 2010 to 2030. The Midshore III landfill will be in Queen Anne's County. The system also consists of a regional recycling program.

Ms. Slatnick presented winter activities at Baltimore Washington International Thurgood Marshall Airport. MES supports the Maryland Department of Transportation Maryland Aviation Administration providing deicing fluid collection system management. MES manages the glycol recovery and disposal operations. MES also manages the official snow recording station for the National Oceanic and Atmospheric Administration.

Ms. Dolinar discussed the Cox Creek expanded dike raising to +60 feet. This expansion will increase capacity at the site by an additional 8.5 million cubic yards. The dike raising project is expected to be completed by March 2024.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is for rehabilitation of the collection system at Rocky Gap State Park. Warwick Supply & Equipment Co., Inc. will provide the services at a cost of \$1,449,885. There is a 20% MBE goal. Judge Smalkin made the motion to approve the item, Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Board of Directors Meeting
November 17, 2022
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Ms. Crosby presented Item 2. The procurement is for pavement replacement of the lower compost pad at the Harford County Solid Waste Center. American Asphalt will provide the services at a cost of \$393,543.15. There is a 10% MBE goal. Secretary Neall made the motion to approve the item, Mr. Tanner seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is a change order with Gahagan & Bryant Associates for \$142,931.33. It is for engineering and technical assistance for the Poplar Island Environmental Restoration Project. There is a 9.3% MBE goal. Judge Smalkin made the motion to approve the item, Secretary Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for stormwater remediation and management services for central Maryland. Concrete General, Inc. will provide the services at a total cost of \$2,000,000. There is a 29% MBE goal. Mr. Tanner made the motion to approve the item, Judge Smalkin seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Hwang who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 5. The procurement is for stormwater remediation and management services for central Maryland. HGS LLC (a RES Company) will provide the services at a total cost of \$2,000,000. There is a 29% MBE goal. Secretary Neall made the motion to approve the item, Judge Smalkin seconded. No members were opposed. The motion passed unanimously, with the exception of Ms. Hwang who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 6. The procurement is a change order with EARN Contractors, Inc. for \$718,000. It is for labor services at the Montgomery County Yard Trim and Compost Facility. There is a 30% MBE goal. Mr. Tanner made the motion to approve the item, Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 7. The procurement is for design, bidding, and construction phase services for upgrades to the Point Lookout State Park WWTP. Rummel, Klepper & Kahl, LLP will provide the services at a cost of \$499,672.58. There is a 29% MBE goal. Secretary Neall made the motion to approve the item, Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is a change order with Synagro Central LLC for \$587,125. It is to accommodate an additional 3500 wet tons of materials at the Back River WWTP. There is a 12% MBE goal. It was noted that

Baltimore City has been paying its invoices. Secretary Neall made the motion to approve the item, Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 9. The procurement is for two Ford F-550 with mechanics service bodies and cranes for use at Hart Miller Island. Apple Ford will provide the vehicles at a total cost of \$329,109.20. There is no MBE goal. Secretary Neall made the motion to approve the item, Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for six Ford F-250 crew cab 4x4 pickup trucks for Hart Miller Island. Apple Ford will provide the vehicles at a cost of \$450,000. There is no MBE goal. Mr. Tanner made the motion to approve the item, Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Secretary Neall requested to know how many vehicles owned by the agency are over 15 years old. Mr. Patel will provide that list.

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

LEGAL REPORT

Mr. Coleman reported that the legal office has been very busy supporting the agency with transactional matters.

Mr. Coleman asked for the Board's input on a scheduling matter. The resolutions creating the BEST, BEST Plus, and Executive Incentive programs do not require the HR Committee to first review the performance results or the payout recommendations. The resolutions only require the full Board to review the progress and approve the distribution. Mr. Coleman asked the Board members if they want to continue the practice of having the HR Committee review the performance results and the payout recommendations before being presented to the full board or if the agency management can present the results and recommendations directly to the full board in September or October. Ms. Hwang agreed that it might be more time efficient to present the BEST proposals to the full board, rather than to the HR Committee first. The Board agreed.

OLD/NEW BUSINESS

Dr. Glass expressed his condolences to the family of MES employee Douglas John who passed away last week.

The next meeting of the Board is Thursday, December 15, 2022, at 9:30 a.m.

ADJOURNMENT

The meeting adjourned at 11:10 a.m.

A handwritten signature in blue ink, appearing to read "RL Witt II", written over a horizontal line.

ROBERT L. WITT, II
SECRETARY

A handwritten signature in blue ink, reading "Frederic N. Smalkin", written over a horizontal line.

HONORABLE FREDERIC N. SMALKIN
CHAIR



Larry Hogan GOVERNOR

Boyd K. Rutherford LT. GOVERNOR

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

BOARD OF DIRECTORS MEETING MINUTES

**MEETING 12-22
December 15, 2022**

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair (video)
Robert Witt, II, Secretary (video)
Robert Neall, Treasurer
Dereck Davis, State Treasurer (video)
Marian Hwang, Esq. (video)
Shelley Heller (video)
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: Hiram Tanner, Jr., P.E.

OTHERS PRESENT:

Sean Coleman, Esq.
Ellen Frketic (video)
Tim Barr
Steven Barzal
Hattie Crosby
Marni Dolinar (video)
Tim Ford
Hament Patel

Melissa Slatnick
Steven King (video)
Pamela Fuller
Jana Leech (video)
Casey Powers (video)
Joanna Kille (video)

CALL TO ORDER

Judge Smalkin 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 and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE

Ms. Frketic presented the Extraordinary Service Inspire award to the following staff from Water Wastewater Operations, Maintenance, and Finance for their work at the Back River Wastewater Treatment Facility.

Stephanie Acosta	Casey Hanna	Scot Schroyer
Dwayne Biles	Skip Immler	Zach Shiflett
Chris Dallas	Janaki Johnson	Greg Stehli
Jamaal Downs	Scott Kearney	Ryan Thomas
Lance Fierro	Jim Kondracki	Sean Triplett
James Friend	John Miller	Ryan Zacherl
Heather Fritz	Sam Porter	Paul Zimmerman
Kyle Galla	Al Razik	

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meeting on November 17, 2022. No corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. There were no expenses during the last reporting period.

Dr. Glass then presented his list of external engagements. There were no site visits last month. The recent focus on recruitment has been very successful. The Agency has filled all open engineer positions. Nexis PMG and RK&K are exploring a public-private (P3) partnership with MES to work with Biochar.

The second Strategic Advance meeting was held last month. The group of about 30 staff members participated in team building activities and reviewed Key Performance Indicators (KPIs).

MES operational support at Back River Wastewater Treatment Plant will end at the end of the month. Maintenance staff will continue to support the maintenance and construction projects. On January 4, 2023, five MES staff members will represent MES to receive the Governor's Citation for the Agency's work in support of the Maryland

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December 15, 2022
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Department of the Environment (MDE) and Baltimore City Department of Public Works.

On December 11, the Baltimore Sun officially named MES a Top Workplace for 2022. The award is based on feedback offered by an employee survey.

Dr. Glass announced the retirement of Chris Norris. Mr. Norris is retiring after 38 years with the Agency. He started as a boat captain at Hart Miller Island before serving as a Computer-Aided Drafting and Design (CADD) Engineer Technician. Dr. Glass also expressed his condolences to the family of Douglas John, a part-time MES employee who passed away in November.

BEST FY23 UPDATE

Ms. Frketic will present an update on the progress of the Agency in meeting its Building Excellence and Success Together (BEST) FY23 goals at the next meeting. This month, the Agency is asking to revise one of the goals. A sub-goal of Goal 5 requires MES to establish a baseline carbon footprint by the end of the 2nd quarter. However, staff have advised that the numbers necessary to complete this task will not be ready until the end of December. The Agency is therefore requesting to amend this task to indicate it will be completed by the end of the 3rd quarter. This amendment will still allow time for completion before the end of the BEST cycle and before payment determinations are made. Mr. Neall made a motion to approve the amended goal and Ms. Heller seconded. The motion passed unanimously.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the preliminary Financial Statements for November 2022. Labor sales are now higher than last year—and higher than projected—across all Managing Groups. Overall, this is due to new projects and lower vacancies. Revenues have been higher than last year due to several major projects.

In response to a question from Mr. Neall at the November meeting, Mr. Patel presented an overview of the MES vehicle fleet. MES owns 222 vehicles, 34 of which are more than 15 years old. MES also maintains an additional 107 custodial vehicles that are owned by clients but maintained and operated by the Agency. Twenty-seven (27)

vehicles have been ordered in the last 12 months, but currently only 5 have been received due to supply chain issues. An additional 22 vehicles are still on order.

HUMAN RESOURCES REPORT

Mr. Barzal presented the Human Resources (HR) Report. The new HR Specialist started last week. As of today, the Agency vacancy rate is 4.04%. When combined with the Maryland Clean Energy Commission and the Chesapeake Bay Trust, the vacancy rate is 3.8%.

GROUP UPDATES

Mr. Ford discussed the monitoring and reporting work performed within the Environmental Operations Group. He described the various services the team performs, including groundwater and landfill gas monitoring and reporting; remediation systems operations; and per- and polyfluoroalkyl substance (PFAS) sampling.

Ms. Slatnick discussed the Harriett Tubman archeological dig project, which is a part of the Technical and Environmental Services Group. MES employees embedded with the Maryland Department of Transportation State Highway Administration (MDOT SHA) have helped design, research and conduct the excavation of Harriett Tubman's birthplace in Dorchester County, Maryland.

Ms. Dolinar discussed the Environmental Dredging and Restoration Group's surveying group. The surveying group primarily provides services at Maryland Department of Transportation Maryland Port Administration (MDOT MPA) dredged material facilities, and to State agencies and local governments.

Mr. Barr discussed the Darlington Water Supply Service District. The Service District, located in Harford County, was established 25 years ago. It serves 105 residents and small businesses within the community of Darlington.

RESOLUTION 22-12-1R

Mr. Coleman presented the Ninth Biennial Update to the Darlington Water Supply Service District Five-Year Plan. MES' statute requires it to hold a public information hearing and obtain Board approval of the biennial updates to service district five-year plans. A public hearing was held on December 4, 2022. No members of the public attended the hearing or provided written comments before or after that meeting. Mr. Patel stated that any Darlington residents who require assistance paying their water bills can contact Ms. Katie Tessier in Finance, who can provide referrals to

financial assistance programs. Mr. Witt made the motion to approve the Resolution and Ms. Hwang seconded. The motion passed unanimously.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with The Vane Brothers Company for \$600,000. It is for the purchase and delivery of ultra-low sulfur diesel fuel to Poplar and Hart Miller Islands. There is a 0% minority business enterprise (MBE) goal as there no MBE firms with the ability to barge fuel to the islands. Mr. Neall made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is a pre-solicitation approval for \$660,000 for groundwater treatment plant upgrades at Dundalk Marine Terminal. There is a 13% MBE goal. Judge Smalkin made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 3. The procurement is a change order with Colossal Contractors Inc. for \$2,488,328.80. It is for general labor services provided to the Montgomery County Recycling Center. There is a 30% MBE goal. Ms. Heller made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for design, bidding and construction management services at the Cheltenham Youth Facility. Watek Engineering Corporation will provide the services at a cost of \$333,565. There is a 20% MBE goal. Mr. Witt made the motion to approve the item; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 5. The procurement is for deicing fluid hauling and disposal at the Baltimore/Washington International Thurgood Marshall (BWI) Airport. Kalyani Environmental Solutions will provide the services at a cost of \$452,500. There is a 17% MBE goal. Treasurer Davis asked how the MBE percentage goal was determined. Ms. Crosby indicated that the MBE database is searched prior to solicitation to determine how many eligible firms exist. It was determined that there was opportunity for 17% of the work to be passed to registered MBE firms. In this case, the prime contractor is also an MBE. The goal was set prior to solicitation. Treasurer Davis made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is a pre-solicitation approval for \$400,000 for the fire sprinkler system replacement at the Prince George's County Material Recovery Facility. There is a 7% MBE goal. Mr. Neall made the motion to approve the item; Mr. Witt seconded. Five members voted in favor of the motion. Treasurer Davis voted no. The motion passed.

Ms. Crosby presented Item 7. The procurement is a pre-solicitation approval for \$400,000 for HVAC system replacement at the Prince George's County Material Recovery Facility. There is a 14% MBE goal. Ms. Heller made the motion to approve the item; Judge Smalkin seconded. Five members voted in favor of the motion. Treasurer Davis voted no. The motion passed.

Ms. Crosby presented Item 8. The procurement is for design, bidding and construction management services at the Charlotte Hall Veterans Home. Watek Engineering Corporation will provide the services at a cost of \$487,678. There is a 37% MBE goal. Mr. Witt made the motion to approve the item; Mr. Neall 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 reported that he will update the Board on several litigation matters in closed session. Attorney General Frosh visited with staff on November 30, 2022. Attorney General Brown is scheduled to be sworn in on January 3, 2023.

OLD/NEW BUSINESS

The next meeting of the Board is Thursday, January 26, 2023, at 9:30 a.m.

CLOSED SESSION

At 10:52 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) and (8), Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, discuss changes to the compensation of two MES employees, and receive a litigation update from the Office of the Attorney General on several legal matters. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Treasurer Davis then made a motion that the Board enter closed session for the reasons stated above. Ms. Hwang seconded the motion, and all members voted in favor of closing the

meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 10:52 a.m. Staff members who were not required for the closed session left the meeting room and Zoom session.

Judge Smalkin called the meeting of the closed session of the Board to order at 10:54 a.m. Present during the closed session of the Board were Board members Smalkin, Witt, Neall, Davis, Kille, Heller, Hwang, and Glass. They were joined by Mr. Coleman, Ms. Frketic and Ms. Fuller.

Judge Smalkin requested approval of the minutes of the closed session from the September 29, 2022, meeting. There were no corrections or comments. The minutes were unanimously approved.

Mr. Coleman updated the Board on several matters of recent litigation.

At 11:04 am, Dr. Glass, and Ms. Frketic left the closed session.

The Board then discussed the compensation of the Executive Director and the Deputy Director. The Board voted in October to grant the same 4.5% cost of living adjustment (COLA) to MES employees that State employees received on November 1. That action did not include the Executive Director and Deputy Director. Treasurer Davis moved to increase the salary of the Executive Director and the Deputy Director by 4.5%, effective December 28, 2022; Ms. Hwang seconded. The motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 11:11 a.m.



ROBERT L. WITT, II
SECRETARY



HONORABLE FREDERIC N. SMALKIN
CHAIR