BOARD OF DIRECTORS MEETING MINUTES

June 25, 2026

LOCATION: **Headquarters/Video Call**

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

DIRECTORS PRESENT: Shelley L. Heller, Chair
Sean L. Coleman, Esq., Secretary
Brendon Baatz, Treasurer (remote)
James H. Johnson Jr., Ph.D., P.E.
Odessa Phillip, P.E. (remote)
Rebecca Flora, AICP, Dept. of Planning (remote, out at 10 a.m.)

DIRECTORS ABSENT: Moalie Jose, P.E.
Charles Glass, Ph.D., P.E.
Delegate Dylan Behler

OTHERS PRESENT:
Sandy Hertz, Deputy Director
Priscilla Carroll, Esq.
Pamela Fuller, Board Clerk
Winsome Condra, Technical & Environmental Services (TES)
Tim Ford, Environmental Operations (EO)
Qieon Graham, Procurement
Felicia Gross, Human Resources
Kenna Oseroff, Env. Dredging & Restoration (EDR)
Hament Patel, Finance
Ezgi Kurdoglu, Water/Wastewater (W/WW)
Kanishk Sharma (Admin)
Jeff Way, IT (remote)
Elias Gonzalez (Fellow)
Kendall Arnold (Fellow)
Laura Baker (EDR, out at 10 a.m.)

CALL TO ORDER

Ms. Heller called the meeting to order at 9:37 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members participated via Zoom video call. The meeting was streamed live to the public on YouTube. To accommodate some members' availability, a few items will be considered out of order from the prepared Agenda.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes of the Board meeting on May 28, 2026. The minutes were approved by consent.

PERFORMANCE BASED COMPENSATION

At Dr. Johnson's request, Mr. Patel presented the Performance Based Compensation (PBC) proposal that was approved by the Human Resources Committee last week. The agency proposed to provide performance-based salary increases to eligible employees for FY 2027 in recognition of strong operational performance, rising cost of living, and the need to remain competitive with comparable organizations. The recommended increases are tied to employee performance evaluations for the period April 1, 2025, through March 31, 2026, with percentage adjustments ranging from 3% to 5% based on performance ratings. The increases would take effect beginning July 8, 2026, and would not apply to the Executive Director, Deputy Director, Office of the Attorney General attorneys, or Chesapeake Bay Trust employees. The salary card will also be increased by 5% to reflect Board-approved limits. Several questions were addressed regarding the inflation rate and the salary increase rate. Ms. Phillip moved to approve the increases as proposed, and Ms. Heller seconded. The action passed unanimously, with the exception of Mr. Coleman, who abstained.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass is on vacation. Ms. Hertz reported his expenses for the last month. Dr. Glass' only expense was his Water Environment Association (WEA) membership; Ms. Hertz's expense was registration for the Maryland Municipal League (MML) conference.

Ms. Hertz highlighted several engagements with government and private entities, most occurring during the MML Conference.

Some members of the Board toured the Triadelphia Ridge Elementary & Folly Quarters Middle School water and wastewater treatment facility on June 2, 2026. The next tour will be at BWI Airport on July 14, 2026.

The 2026 Supervisor and Manager Training program graduation was held on June 11, 2026. This program is coordinated with Anne Arundel Community College. In the last 13 years, 472 employees have completed the training.

Ms. Hertz introduced Mr. Gonzalez and Ms. Arnold, the new Engineering and Environmental Fellows. The agency's first Environmental Fellow, Ms. O'Connell, has recently been hired by the Environmental Dredging and Restoration (EDR) Group.

Ms. Hertz congratulated Ms. Kenna Oseroff, who was recently promoted to the Managing Director of EDR.

The Port of Baltimore Environmental Education Program has been named a Certified Maryland Green Center by the Maryland Association for Environmental Outdoor Education (MAEOE). The recognition was celebrated at the MAEOE Annual Youth Summit on May 28, 20206, where EDR's Environmental Education Team received the Maryland Green Center flag, citations from Anne Arundel County Executive Stuart Pittman and the Governor's Office, and a commemorative plaque. The Education team consists of Laura Baker, Emily Sperling, and Beth Ross.

Ms. Flora left the meeting at 10:00 a.m.

EMPLOYEE ENGAGEMENT SURVEY

Ms. Tosi presented an update on the 2025 and 2026 employee surveys. Twenty-eight action items were identified from the 2025 survey. Of those 28, 23 have been completed, three are in progress, and two have been deferred for further action in the future. The 2026 survey was conducted in February 2026 and completed by 196 respondents. Overall sentiment was positive. Eleven new tasks were compiled for responsive action.

NEW BUSINESS REPORT

Ms. Heller presented the New Business Report and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the financial report through May 2026. With four days left in the current fiscal year, he is confident that objectives will be met. FY26 total labor is 6.23% higher than FY25, and 2.14% higher than budgeted. Overhead recovery and expenses are higher than last year, but lower than budgeted. Revenues are up 5.94%, with most of that passing through to other Maryland businesses. The decrease in overhead expenses and increase in billable labor led to an increase in net earnings. Those funds will be used for: the BEST pool, contingency, and OPEB contributions.

HUMAN RESOURCES REPORT

Dr. Gross reported that the agency closed May with a 3.71% vacancy rate, currently has 824 active employees, and is actively working on filling 30 vacancies. The agency welcomed 10 interns and two Fellows on June 1 and has completed 99% of performance evaluations, with 92% of feedback discussions completed.

Dr. Gross reviewed the 2026 Compensation Study prepared by Evergreen Solutions, LLC. The Compensation Study reviewed 786 employees and 281 classifications, finding that MES's pay and benefits generally support recruitment and retention but that the classification structure should be cleaned up and competitiveness improved at entry-level and upper-range roles. Recommendations include a revised classification framework, updated job series, a modified pay plan with 20 general grades and five executive grades, alignment to the 60th percentile, addressing pay compression, and implementing a "bring to minimum" approach, with class parity as a broader long-term option. Further analysis is ongoing, with implementation expected over the next few years. No action is requested at this time.

HUMAN RESOURCES COMMITTEE REPORT

Dr. Johnson reported that the HR Committee met last week and voted to bring all of the following items to the Board.

Career Ladder: Stationary Engineers

Mr. Ford presented the Stationary Engineer Career Ladder, which applies to employees across six MES sites and includes two distinct tracks: one for steam plant operations and one for cogeneration facilities that produce power. The ladder outlines progressive advancement based on experience, on-the-job training, and completion of required coursework aligned with the Maryland Board of Stationary Engineers training and licensing requirements. Employees advance through defined levels by completing structured training modules, gaining operational experience, and obtaining state licenses, creating a consistent framework for workforce development and qualification across both facility types. Mr. Coleman made a motion to adopt the ladder as presented, and Ms. Heller seconded. The motion passed unanimously.

RESOLUTION 26-06-1R

Mr. Patel introduced Resolution 26-06-1R. This resolution was initially presented to the HR Committee in December 2025 with a recommendation to increase the dollar amounts in the retiree medical reimbursement plan for new retirees only. The Committee asked the agency what the cost would be to include all prior retirees as well. A cost comparison was generated and presented to the HR Committee in June 2026. After review of the comparison, the Committee chose to move forward with the recommendation to include past retirees as well as new retirees in the new reimbursement levels. The new rates would be effective June 30, 2026. Mr. Coleman made a motion to approve Resolution 26-06-1R; Mr. Baatz seconded. The motion passed unanimously.

Accident Review Board Policy (Fleet 1.02)

Mr. Tosi reviewed the proposed changes to the Accident Review Board. This policy replaces the original policy adopted in 2008 and brings the MES policy into agreement with state policies. The Accident Review Board will focus on safety provisions, not personnel matters.

Due to a technical glitch, Ms. Phillip was dropped from the meeting. As this left only four Board members in the meeting, a brief recess was called. Ms. Phillip was able to rejoin the meeting within a few minutes, restoring the quorum.

Mr. Baatz made a motion to approve the Accident Review Policy; Mr. Coleman seconded. The motion passed unanimously.

Human Resources Policies

Dr. Gross reviewed the 10 policy updates presented to the HR Committee and addressed several questions:

- HR 1.17 Personnel Files – reflects HRIS/electronic systems for maintaining and accessing personnel records
- HR 2.03 Lateral Transfers – revises procedures/titles to clarify internal application, HR coordination, and transfer approvals
- HR 3.11 Family Medical Leave – clarifies eligibility period and aligns policy language with current FMLA requirements
- HR 3.14 Leave Without Pay – clarifies approval process and updates LWOP request parameters and duration limits
- HR 6.02 Performance Improvement Plan – adds HR involvement implementation and clarifies discipline outcomes
- HR 10.05 Salary Structure – strengthens administration of salary schedule and pay practices
- HR 10.015 Acting Capacity – aligns acting assignments and compensation processing with HRIS workflow
- HR 1.04 Job Vacancy Posting – REPEAL – was a procedure, not a policy
- HR 1.05 Processing New Employees – REPEAL – was a procedure, not a policy
- HR 3.08 Use of Compensatory Time – REPEAL no longer necessary, was incorporated into HR 10.04 Overtime/Compensatory Time Accrual and Use policy

Dr. Johnson made a motion to approve the policy updates as presented; Ms. Heller seconded. The motion passed unanimously.

PROCUREMENT REPORT

Mr. Graham presented Item 1. The procurement is for the purchase of two 48-foot walking floor trailers for the Prince George's County Materials Recovery Facility. MAC Waste Trailer, Inc. will provide the equipment at a cost of $234,036.10. There is a 0% Minority Business Enterprise (MBE) goal. Mr. Coleman made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Mr. Graham presented Item 2. The procurement is for emergency response, remediation, and replacement services at the Baltimore/Washington International Airport and Martin State Airport project. SERVPRO Team Wall will provide the services at a cost of $1,659,075.00. There is a 30% MBE goal. Ms. Phillip made the motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Mr. Graham presented Item 3. The procurement is for FY27 regulatory compliance and consent order support services at the Sandy Hill Landfill project. Arcadis U.S., Inc. will provide the services at a cost of $659,206. There is a 28.5% MBE goal. Mr. Baatz made the motion to approve the item; Mr. Coleman seconded. The motion passed unanimously.

Mr. Graham presented Item 4. The procurement is for FY27 landfill gas collection system operations and air emissions compliance monitoring services at the Sandy Hill Landfill project. SCS Engineers will provide the services at a cost of $593,189. There is a 10% MBE goal. Mr. Baatz made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Mr. Graham presented Item 5. The procurement is for engineering and construction support services at the Sandy Hill Landfill Pond 2 Retrofit and Outfall Channel Improvements project. EA Engineering Science and Technology, Inc. will provide the services at a cost of $233,721.18. There is a 29% MBE goal. Mr. Coleman made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Mr. Graham presented Item 6. The procurement is for FY27 regulatory compliance support services at the Brown Station Road Sanitary Landfill project. SCS Engineers will provide the services at a cost of $740,525. There is a 20% MBE goal. Mr. Baatz made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Mr. Graham presented Item 7. The procurement is a change order with ENVIRITE of Pennsylvania, Inc., a Republic Services Company, for $180,000. It is for transportation/hauling and disposal of hazardous leachate provided to the Chromium Hazardous Waste Leachate Transportation and Disposal project. There is a 0% MBE goal. This is an emergency procurement to cover rising fuel prices. This project is being re-solicited, with a 10% MBE. Mr. Coleman made the motion to approve the item; Dr. Johnson seconded. The motion passed unanimously.

Mr. Graham presented Item 8. The procurement is a change order with United Rentals, North America, Inc., for $228,933. It is for the rental of generators and ancillary equipment provided to the Cox Creek Innovative Reuse Facility project. (aka STAR Facility) There is a 0% MBE goal. Mr. Baatz made the motion to approve the item; Mr. Coleman seconded. The motion passed unanimously.

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

LEGAL REPORT

Ms. Carroll announced that Assistant Attorney General Eisenstein has left the office. He will be replaced by Andrew Lavin on July 8, 2026.

OLD/NEW BUSINESS

Ms. Heller asked if there was any old or new business to discuss.

CLOSED SESSION

At 11:17 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b) (1) and (7), Ms. Heller stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session, to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom the public body has jurisdiction; any other personnel matter that affects one or more specific individuals, and to consult with counsel to obtain legal advice. Ms. Heller asked if anyone objected to the Board entering the closed session; no objections were noted. She also stated that any member of the viewing public who objected could submit their objection via email to the agency. Mr. Baatz then made a motion for the Board to enter closed session for the reasons stated above. Mr. Coleman seconded the motion; all members voted in favor of closing the meeting.

The public meeting closed at 11:17 a.m. Staff not required for the closed session left the meeting room and Zoom session.

Ms. Heller called the meeting of the closed session of the Board to order at 11:22 a.m. Present during the closed session were Board members Ms. Heller, Mr. Coleman, Mr. Baatz, Dr. Johnson, and Ms. Phillip. Ms. Carroll and Ms. Fuller joined them.

Ms. Heller requested approval of the minutes of the closed session from the May 28, 2026, meeting. There were no corrections or comments noted. The minutes were unanimously approved.

Ms. Carroll updated the Board on several matters of current litigation. No actions were taken.

Dr. Glass provided his recommendation for Deputy Hertz's salary adjustment via email in advance of the meeting. Mr. Coleman advised that the requirement for the Board to approve the Deputy's salary is from a prior time when the Deputy was also a Board member. When the Reform Act restructured the Board, it did not remove this requirement. The Board agreed with Dr. Glass's suggestion of a 4% increase. Mr. Coleman made a motion to approve a 4% salary increase for the Deputy Director; Ms. Phillip seconded. The motion passed unanimously.

Ms. Carroll then left the meeting at 11:35 a.m.

The Board completed and discussed Dr. Glass' performance evaluation in May. Based on those evaluations, Dr. Johnson recommended a 4% increase in salary. Mr. Baatz made a motion to approve the 4% increase; Ms. Phillip seconded. The motion passed unanimously. Ms. Heller and Dr. Johnson will meet with Dr. Glass when he returns from vacation.

The Board reviewed the Financial Disclosure statements filed by Board members. There were no comments or questions.

ADJOURNMENT

The next meeting of the Board is Thursday, July 23, 2026, at 9:30 a.m.

The meeting adjourned at 11:54 a.m.

Sean L. Coleman
Sean L. Coleman (Jul 23, 2026 17:01:14 EDT)

SEAN L. COLEMAN, ESQ., SECRETARY

Shelley L. Heller
Shelley L. Heller (Jul 24, 2026 09:15:24 EDT)

SHELLEY L. HELLER, CHAIR