Maryland ENVIRONMENTAL SERVICE

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

BOARD OF DIRECTORS MEETING MINUTES

October 29, 2026

LOCATION: **Headquarters/Video Call**

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

DIRECTORS PRESENT: Shelley L. Heller, Chair (remote)
Sean L. Coleman, Esq., Secretary
Brendon Baatz, Treasurer (remote)
Moalie Jose, P.E. (remote) (out at 11:00 a.m.)
James H. Johnson Jr., Ph.D., P.E.
Odessa Phillip, P.E. (remote)
Rebecca Flora, AICP, Dept. of Planning (remote)
Charles Glass, Ph.D., P.E.
Delegate Dylan Behler (remote)

DIRECTORS ABSENT: none

OTHERS PRESENT:

Sandy Hertz, Deputy Director
Eric Hartlaub, Esq., Office of the Attorney General (OAG)
Pamela Fuller, Board Clerk
Gregory Busch, Water/Wastewater (W/WW)
Winsome Condra, Technical & Environmental Services (TES)
Tim Ford, Environmental Operations (EO)
Qieon Graham, Procurement
Ramona Jones, Human Resources (HR)
Kenna Oseroff, Env. Dredging & Restoration (EDR)
Hament Patel, Finance
Kanishk Sharma, Administration (remote)
Casey Powers, IT (remote)
Tim Barnes, Procurement
Ryan Dowdell, Internal Audit (out at 10:15 a.m.)
Dr. Scott Catey, Media Share Solutions
Jeff Tosi, Gov. Affairs (remote, out at 11:12 a.m.)
Greg Wilkerson, WWW
Jessica Roney, TES
Cassandra Saval, TES
Monique Booker, SB & Company (out at 9:55 a.m.)
Josh Welborn (OAG) – portion of closed session
Luke Page (TES) – portion of closed session

CALL TO ORDER

Ms. Heller called the meeting to order at 9:33 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE AWARDS

Tyler Pullen received an Inspire Award in recognition of his contributions to the Maryland Mesonet project, including his coordination of complex permitting requirements and efforts to establish three weather stations in Montgomery County. His perseverance, collaboration, and technical expertise helped keep the project on schedule and supported the availability of information used by public safety officials.

Sarah Schunick-Baney received an Inspire Award in recognition of more than 20 years of dedicated service to MES and her continued administrative and operational support of the Midshore facilities. She was further recognized for assuming Scale House Weighmaster responsibilities during an unexpected vacancy while continuing to perform her regular duties.

Stephanie Peters and Margaret Hamby received an Inspire Award in recognition of their development of a comprehensive, multi-year cost model for the Cox Creek Dredged Material Containment Facility. Their work established a transparent and defensible methodology for calculating dredged material placement fees and supported the successful update of an interagency agreement.

Marshall Friend received an Inspire Award in recognition of his initiative and contributions to facility improvements at Masonville beyond his regular responsibilities as an Equipment Operator. His electrical, plumbing, and contracting work improved facility functionality, reduced costs, and provided opportunities to share his knowledge with newer employees.

Justin Riesett received an Inspire Award in recognition of his support of the Maryland Port Administration’s capital asset and inventory management program. His coordination, responsiveness, and attention to asset documentation and inventory controls strengthened the client’s confidence in MES’ stewardship of custodial assets.

FY26 AUDIT REPORT

Ms. Monique Booker presented an executive summary of SB & Company’s FY26 Financial Audit to the Board. A full briefing was delivered to the Audit Committee on October 22, 2026. SB & Company has issued a clean, unmodified opinion on the MES, Midshore, and other postemployment benefits (OPEB) financial statements. The single-audit and indirect costs testing is still in progress, but there are no areas of concern. No

material weaknesses were noted. Though this was a risk-based audit, not a fraud audit, no instances of fraud were detected. Ms. Booker left the meeting at 9:55 a.m.

MINUTES

Ms. Heller requested a discussion or motion to approve the minutes of the Board meeting on September 24, 2026. The minutes were approved by consent.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass reported his and the Deputy's expenses for the last month. Most of the expenses involved Chesapeake Tri-Association Conference (Tri-Con), the Water Environment Federation's Technical Exhibition & Conference (WEFTEC), and site visits to the Eastern Shore.

Dr. Glass highlighted several engagements with government and private entities. Ms. Hertz highlighted some of her recent engagements.

Dr. Glass reviewed his leave management and accountability plan to evaluate how the agency is implementing leave practices. He is promoting a three-tiered approach for leadership that includes: education for all employees, early intervention when leave balances are low, and case management for employees who maintain critically low leave balances. Leadership should strive to provide a balance that supports employees, while also allowing the agency to meet its operational commitments, protect workers from excessive workloads, and fulfill the agency mission. At this point, existing policies are being reviewed, and guidance has been provided to managers for consistent implementation.

NEW BUSINESS REPORT

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

AUDIT COMMITTEE REPORT

Ms. Jose reported that the Audit Committee met on October 22, 2026. It received an in-depth report from SB & Company on the FY26 audit. It also received an Internal Audit report from Mr. Dowdell on completed and anticipated audits, as well as an update on the External Quality Assessment process. They also reviewed a new policy for Personal Information (PI) and Personally Identifiable Information (PII).

Mr. Tosi presented new IT Policy 1.03 - Personal Information & Personally Identifiable Information (PI/PII) & Transparency for review. The Maryland Values Act requires all units of State government to develop and publish procedures regarding their treatment of PI/PII to prevent the sale and unauthorized uses of certain data. This policy

re-iterates the agency's current practice. A policy was required to be in place by July 1, 2026. MES was notified of this requirement in late August 2026. This draft policy has been reviewed by the Maryland Department of Information Technology (DoIT), MES IT and Human Resources, the Office of the Attorney General, and the Audit Committee. Mr. Coleman made a motion to approve the policy; Mr. Baatz seconded. The motion passed unanimously.

FINANCIAL REPORT

Mr. Patel presented the September financial report. It is 1.93% above budget. Mr. Patel reported that, for the first three months of FY27, which ended September 2026, labor sales totaled $12.846 million, an increase of $728,000, or 6.01%, over the prior year. Overhead recovery increased from 3.75% to $5.5 million and exceeded overhead expenses of $4.238 million, producing a favorable overhead variance of $1.262 million. The increase in net assets totaled $2.842 million, slightly below the prior year's $2.868 million, while total revenues declined 10.66% to $47.283 million. The budget-versus-actual review indicated a favorable full-year outlook, with a projected increase in net assets of $7.276 million compared with the $4.838 million budget, a favorable difference of $2.438 million. Although full-year labor sales and overhead recovery were projected to fall below budget by $158,000 and $360,000, respectively, anticipated overhead and fringe expense savings more than offset those shortfalls.

BEST FY26 RESULTS

Mr. Patel reported the FY26 Building Excellence and Success Together (BEST) goals were all met with 100% compliance.

Mr. Patel reviewed the components of the BEST program funding, which totaled $7,906,000 from fringe variance, overhead variance, project variance, working capital, the equipment fund, and interest income. MES proposed allocating $492,000 to contingency funds, leaving a total BEST pool of $7,414,000. After allocating $501,256 for FICA and Medicare and $360,380 for 401(k) contributions, the remaining amount available for incentive payments would be $6,552,364. The agency proposed allocating 60.87% ($3,988,400) of this amount to the BEST payout, resulting in a $5,900 payment to each of the 676 eligible employees. Eligible employees must have completed probation and received a "meets expectations" or higher on their performance evaluation. The payments are pro-rated for part-time employees. The agency further proposed allocating 36.4% ($2,385,146) to the BEST Plus incentive and 2.73% ($178,818) to the Executive Incentive. BEST payments would be made on November 23, 2026, and BEST Plus and Executive Incentive payments would be made on November 24, 2026.

Ms. Heller asked for a motion to approve the FY26 BEST proposal as presented. Dr. Johnson made a motion to approve the proposal; Ms. Phillip seconded. The motion

passed unanimously, with the exception of Mr. Coleman, who abstained from the discussion, consideration, and vote.

REGULATION UPDATES

Ms. Fuller presented several minor regulatory changes proposed in response to the regulatory review process that was completed last year. The proposed amendments to MES' Human Resources regulations include adding military status as a protected nondiscrimination category and clarifying that employment-related physical and mental examinations may occur after an employment offer. The proposed compensatory leave amendment would clarify that eligible employees earn straight-time compensatory leave for hours worked in excess of 40 hours in a workweek. Proposed holiday changes would add Juneteenth and American Indian Heritage Day, observed the day after Thanksgiving, and rename George Washington's Birthday as Presidents Day. The proposed definition of "part-time employee" remained deferred.

The procurement amendments would add pay-for-success contracting as an authorized procurement method and increase the small procurement ceiling from $25,000 to $50,000 following recent statutory changes. The proposed addition of multi-phase competitive sealed bidding is on hold for now. Amendments to the Public Information Act regulations would update the Director's title to "Executive Director," and correct statutory cross-references governing responses to requests and denial of access.

Mr. Coleman made a motion to approve the proposed regulation updates as presented; Ms. Phillip seconded. The motion passed unanimously.

HUMAN RESOURCES REPORT

Ms. Jones reported the September vacancy rate was 4.24%. As of October 21, 2026, the vacancy rate was 2.99%. There were 19 recruitment events in October, over half of which were considered diversity events.

HR is preparing for upcoming Open Enrollment, which will include site visits around the state. Work continues on implementation and review of various recommendations from the Compensation Study.

PROCUREMENT REPORT

Mr. Graham presented Item 1. The procurement is for engineering design, permitting, and bidding services for improvements at the Maryland Correctional Institution–Hagerstown Wastewater Treatment Plant. Whitman, Requardt & Associates, LLP will provide the services at a cost of $621,497. There is a 29% MBE goal. Mr. Coleman made the motion to approve the item; Mr. Baatz seconded. The motion passed unanimously, with the exception of Ms. Jose, who abstained from the discussion, consideration, and vote.

Mr. Graham presented Item 2. The procurement is for wood and yard waste grinding services at the Midshore I Transfer Station and Midshore II Landfill. Victory Gardens, Inc. will provide the services at a cost of $332,370. There is a 5% MBE goal. Dr. Johnson made the motion to approve the item; Ms. Phillip seconded. The motion passed unanimously, with the exception of Ms. Heller, who abstained from the discussion, consideration, and vote.

Mr. Graham presented Item 3. The procurement is a pre-solicitation approval for an estimated $490,000 for technical services to conduct an advanced reconductoring and grid-enhancing technologies feasibility study for the Maryland Energy Administration. There is a 15% MBE goal. Mr. Baatz made the motion to approve the item; Ms. Phillip seconded. Two firms have responded to the Request for Proposals. The motion passed unanimously, with the exception of Mr. Baatz, who abstained.

Ms. Jose left the meeting at 11:00 a.m.

Mr. Graham presented Item 4. The procurement is the second one-year renewal with MXI Environmental Services, LLC for $930,000. It is for household hazardous waste collection services for various counties throughout Maryland. There is a 20% MBE goal, with 22.37% participation achieved to date. Mr. Coleman made the motion to approve the item; Ms. Phillip seconded. The motion passed unanimously.

Mr. Graham presented Item 5. The procurement is for construction of a new building to enclose the bagging area and upgrades to the existing infrastructure for the new automated bagging line at the Montgomery County Yard Trim Compost Facility. Centennial Contractors Enterprises will provide the construction services at a cost of $1,949,353. 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 6. The procurement is for upgrades to the water treatment plant at the Charlotte Hall Veterans Home. HRI/M2 Construction (d/b/a M2 Construction), LLC will provide the construction services at a cost of $6,628,937. There is a 20.18% 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 Dissen and Juhn, LLC for $136,681.81. It is for replacement of the Poplar Island floating dock, repairs to the corrosion protection junction boxes at the Poplar Island steel bulkhead, and repairs to the land base personnel pier. The procurement has a 0% MBE goal but is an SBR procurement. Mr. Coleman made the motion to approve the item; Ms. Phillip seconded. The motion passed unanimously.

Mr. Graham presented Item 8. The procurement is the first optional two-year renewal with Anchor QEA, LLC for an amount not to exceed $2,000,000. It is for engineering and environmental services supporting Maryland Port Administration Dredged Material Management Program activities and projects. There is a 29% MBE goal, with 16.92% participation achieved to date. A recent invoice will bring the MBE

achieved rate to approximately 40%. MBE goals are calculated on each individual task. Mr. Phillip made the motion to approve the item; Mr. Baatz seconded. The motion passed unanimously.

Mr. Graham presented Item 9. The procurement is for engineering design, permitting, bidding, and construction-phase services for improvements to the electrical power distribution system at Elk Neck State Park. Paramount Energy Services, LLC will provide the services at a cost of $595,000. There is a 29% MBE goal. Ms. Phillip 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.

GROUP UPDATES

Greg Wilkinson, Manager of Operations and Training for Water/Wastewater, briefed the Board on MES's transition to Watura as its primary training provider to modernize the Operator in Training apprenticeship program and offer a more engaging alternative to traditional textbook-based instruction. He outlined Watura's online catalog of courses and practice exams, with short lessons, interactive content, and training that supports certification requirements. Mr. Wilkinson also highlighted supervisors' ability to assign training and monitor progress, certification and continuing education tracking, and immediate access for all Water/Wastewater Operations and Engineering staff, emphasizing that MES achieved modernization without increasing its annual training budget.

Jessica Roney, Senior Environmental Specialist, presented an overview of preliminary engineering reports for dams at Camp Fretterd and Blum Military Reservations, noting that both dams were in poor condition and required urgent attention. She described MES's evaluation, including site inspections, surveys, geotechnical testing, and environmental and permitting reviews, along with assessments of available options, cost estimates, and mitigation measures. Ms. Roney outlined the trade-offs between decommissioning, which entails higher upfront costs but eliminates dam safety risks and minimizes future maintenance, and rehabilitation, which has lower upfront costs and preserves recreational benefits but requires ongoing maintenance and regulatory compliance. She concluded that the reports would support the Maryland Military Department's decisions regarding the dams' future, with continued assistance from MES.

OLD/NEW BUSINESS

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

The 2027 meeting schedule has one change. The August meeting is being moved from August 19, 2027, to August 26, 2027.

Dr. Glass mentioned that he has started a new book club and added “Let’s Talk with Dr. Glass” lunchtime sessions for employees.

CLOSED SESSION

At 11:34 a.m., in accordance with MD Code Ann., Gen. Prov. §3-305(b) (3), (7) and (8), Ms. Heller stated that the Board intended to enter closed session to approve the minutes of a prior closed session, to consider the acquisition of real property for a public purpose and matters directly related thereto, to consult with counsel to obtain legal advice, and to consult with staff, consultants, or other individuals about pending or potential litigation. Ms. Heller asked if anyone objected to the Board entering the closed session; no objections were 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 11:35 a.m. Staff not required for the closed session left the meeting room and Zoom session.

Ms. Heller called the meeting of the closed session of the Board to order at 11:41 a.m. Present during the closed session were Board members Dr. Glass, Ms. Heller, Mr. Coleman, Mr. Baatz, Ms. Jose, Dr. Johnson, Ms. Phillip, Ms. Flora, and Delegate Behler. They were joined by Deputy Hertz, Mr. Hartlaub, Mr. Welborn, Mr. Patel, Mr. Page, and Ms. Fuller.

Mr. Welborn, Mr. Page, and Mr. Patel updated the Board on the status of the real property acquisition for the new maintenance building. Mr. Coleman made a motion to approve the purchase of the proposed property; Ms. Flora seconded. The motion passed unanimously.

Mr. Page and Mr. Patel left the meeting at 11:48 a.m.

Mr. Welborn gave a brief update on the current status of a litigation matter.

Ms. Heller requested approval of the minutes of the closed session from the September 24, 2026, meeting. There were no corrections or comments noted. The minutes were approved by consent.

ADJOURNMENT

The next meeting of the Board is Thursday, December 17, 2026, at 9:30 a.m.

The meeting adjourned at 12:00 p.m.

Sean L. Coleman
Sean L. Coleman (Nov 19, 2026 14:09:10 EST)

SEAN L. COLEMAN, ESQ., SECRETARY

Shelley L. Heller
Shelley L. Heller (Nov 19, 2026 14:42:33 EST)

SHELLEY L. HELLER, CHAIR

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Final Audit Report 2026-11-19

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