

**MINUTES**  
**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**REGULAR MEETING**  
**MARCH 22, 2018**

The regular meeting commenced at 3:00 p.m. In attendance were Chairman Carey, Vice-Chairman Barthelme, Commissioners Fairfax, Gaskin, Mummaugh, Russell and Thompson. Staff in attendance included Erichsen, Cullins, Shick, Hollander, Sullivan, Fehn, Reynolds, Thomas, and Comeau-Stanley. Others Present: Chris Beaver (*MetCom Legal Counsel*) and members of the Water Division on hand for the World Water Day Proclamation Presentation.

**APPROVAL OF AGENDA**

Chairman Carey welcomed everyone and performed a review of the agenda. **Commissioner Russell moved to approve the agenda, as presented. Commissioner Barthelme seconded the motion. Motion carried 7-0.**

**PROCLAMATION** – *World Water Day*

With members of the Water Division present, Vice-Chairman Barthelme read aloud the Proclamation to declare March 22, 2018 as World Water Day. World Water Day was established by the United Nations General Assembly an annual event celebrated by the people all across the world to increase overall awareness about the importance, need and conservation of water.

**APPROVAL OF MEETING MINUTES**

**Commissioner Russell moved to approve the regular meeting minutes of February 22, 2018. Commissioner Fairfax seconded the motion. Motion carried 5-0-2. Commissioners Gaskin and Russell abstained, as they were not present at the February 22, 2018 meeting.**

**APPROVAL OF CONSENT AGENDA**

1. Fiscal Standard Report – February 2018
2. Engineering Standard Report – February 2018
3. Operations Standard Report – February 2018
4. Well Equipment Replacement at Colony Square
5. Check Registers – 03/08 & 03/15
6. Public Hearing Notice – Rates / Charges; Public Hearing Notice – Charlotte Hall Sewer Facility

Commissioner Thompson addressed the Public Hearing Notice and commented on the proposed charge of \$3.30 per thousand gallons to fill up a 5,000-gallon water tank under the Hydrant Meter charge; however, under the Tier 3 Water Use Rates, the charge is \$6.61 per thousand gallons for someone to water their lawn, which he believes is unbalanced. Mr. Erichsen offered perspective on the 3-Tier rate structure using historical data from the Rate Study, indicating that the structure has been in place since July of 2015. Discussion ensued amongst the group on the matter and Mr. Erichsen advised that the number of customers currently billed at the Tier 3 level is relatively low; however, the elimination of Tier 3 structure would result in a revenue loss of several hundred thousand dollars annually, as shown in the support materials previously provided to the Board. Mr. Erichsen advised that the Tier 1 and Tier 2 rates would have to increase in order to offset that revenue loss, which would penalize the lower water use customers who represent the majority of MetCom's customers.

Chairman Carey noted that with the impending Public Hearing, it is rather late to modify the rate structure, but offered Board members the opportunity to discuss the matter further and Mr. Erichsen noted that public comments regarding the proposed rates are welcome. In closing, Chairman Carey indicated that it bears more analysis in the future, although our rates are within industry standards.

**Commissioner Barthelme moved to accept the Consent Agenda as presented, and to hereby approve all matters contained upon the Consent Agenda. Commissioner Gaskin seconded the motion. Motion carried 6-1. Commissioner Thompson opposed the motion.**

## **EXECUTIVE DIRECTOR'S REPORT**

### 1. Update: FY 2019-2024 Capital Improvement Presentation to the Planning Commission

Mr. Erichsen provided an update on the Presentation of the FY 2019-2024 Capital Improvement Budget and Plan to the Planning Commission, which he and Ms. Hollander presented on March 12, 2018. Mr. Erichsen noted the Planning Commission voted to accept the Plan and Budget as being consistent with the Comprehensive Plan and issued a letter to the Commissioners of St. Mary's County recommending approval.

### 2. NLC Service Line Warranty Program

Mr. Erichsen provided an explanation of the services provided under the National League of Cities (NLC) Service Line Warranty Program/Residential Assistance Program, which helps to facilitate the repairs to the private side of service lines where MetCom has no responsibility. Mr. Erichsen advised that Utility Service Partners, Inc. (USP) is the administrator for the NLC Program and noted that DC Water, Washington Suburban Sanitary Commission (WSSC) and Baltimore County are partnered with USP, with Howard and Charles Counties expected to partner in the near future. Mr. Erichsen indicated that this public/private partnership arrangement may benefit our customers, with no cost to MetCom; however, MetCom's endorsement of the program is required, along with the sharing of customer contact information to allow USP to market their the program. Discussion ensued amongst the Board regarding the program and Mr. Erichsen requested and received concurrence from the Board to allow a representative of USP to make a presentation to the Board at a future meeting.

### 3. Update: HB 275 (*Chapter 113 Amendments*)

Mr. Erichsen provided an update on House Bill (HB) 275 and advised that the Environment and Transportation Committee voted it forward on March 9 with a minor amendment to page 10, line 14 to add the word "main" after the word "water. Mr. Erichsen noted that the crossover from the House to the Senate occurred on March 19. Mr. Erichsen further noted that members of the local delegation have indicated their support for a reorganization of Chapter 113 during the next legislative session.

### 4. Announcement of Promotions

Mr. Erichsen announced the internal promotions of two staff members: Charles "Happy" Wathen was promoted to Maintenance Superintendent from Senior Utilities Technician, following the retirement of Tom Spalding and Steve Engleson is returning to the Engineering Department as the Assistant Engineer from the Grants Administrator position. Mr. Erichsen noted that in addition to the advertisement of the Grants Administrator position, the Chief Financial Officer position has been advertised.

## **NEW BUSINESS**

### 1. MACo Pool OPEB Quarterly Trust Contribution

Ms. Shick presented an overview Maryland Association of Counties (MACo) Pool Other Post-Employment Benefits (OPEB) Quarterly Trust Performance Review for the 4th quarter of 2017. Ms. Shick detailed the market value of the trust for the period and advised that the trust earned 3.5% for the reporting period and 14% for the last 12-months. Ms. Shick noted that the portfolio is very diversified to provide a little more security to the investments. Discussion ensued between the Board and Ms. Shick on the benchmarks, liability and payments into the trust, and benefits earned prior to involvement in the trust in 2008.

Commissioner Mummaugh departed the meeting at 3:45 p.m. due to another commitment.

### 2. Personnel Handbook Revision: Uniform Policy Revisions

Ms. Cullins provided the Board with a review and explanation of the proposed revisions to the Uniform Policy, which address the expansion of inspector uniform shirt options and increase the reimbursement levels from 50% to 75% for Personal Protective Equipment (PPE) such as safety shoes, boots, safety glasses and prescription eyeglasses. Discussion ensued amongst the group on the importance of safety in the workplace and maximum dollar amount reimbursements to employees, which are established by the Executive Director each year.

**Commissioner Barthelme moved to approve and adopt the revisions to the Uniform Policy for inclusion into the Personnel Handbook, as presented by staff, which shall become effective immediately. Commissioner Fairfax seconded the motion. Motion carried 6-0.**

## **CONTINUING BUSINESS**

### 1. Update: 2018 Tax Sale

Ms. Shick provided an update on the recent County Tax Sale, noting that of the 55 properties that were advertised for tax sale, 24 were sold. 21 of those sold for MetCom fees only, while 3 sold for County Taxes and MetCom fees. Ms. Shick noted that owners have 6-months to reclaim their property by paying the amount owed to the Tax Collector. For the benefit of the Board members, Ms. Shick provided a brief overview of the Tax Sale process.

### 2. Single Audit Financial Statement Report

Ms. Shick performed a review of the Single Audit for the period ending June 30, 2017, which represents the schedule of expenditures of federal awards with reports in accordance with uniform guidance, which is required for all entities that expend more than \$500,000 of federal money, including grants and loans. Ms. Shick advised that the audit has been submitted to the federal audit clearing house, as required. Ms. Shick directed the Board members to the summary of the Auditor's Results on Page 8 and noted that there were no material weaknesses or significant deficiencies in internal controls and MetCom received an unmodified opinion. Brief discussion ensued amongst the Board and Ms. Shick on the current funding and potential for future funding from the Environmental Protection Agency (EPA), the Maryland Department of Environment (MDE) and other entities. Ms. Shick noted that no applications were made for project funding through MDE in FY 2019, but applications will

likely occur in FY 2020. Chairman Carey offered kudos to Ms. Shick and her department for this favorable audit.

### 3. Department Head Vacancy Advertisement Approval

Ms. Cullins advised the Board that in accordance with the Vacant Position Advertising policy, she is seeking Board approval for the proposed advertising venues for the Chief Financial Officer (CFO) vacancy. Ms. Cullins performed a review of the proposed venues, schedule, duration and cost of advertisement. Ms. Cullins reviewed the suggested position advertisement and Chairman Carey recommended text modifications for consideration. Discussion ensued amongst the Board on additional online advertising venues and the employee referral program, as well as recruiting efforts from within the organization.

**Commissioner Russell moved to approve the vacancy advertising schedule for the Chief Financial Officer position and to authorize the Director of Human Resources to advertise this vacancy in such venues as approved by the Executive Director. Commissioner Gaskin seconded the motion. Brief discussion ensued amongst the Board and Ms. Shick on any reconsideration to her decision to retire. Following discussion, the Chairman called for a vote. Motion carried 6-0.**

### 4. Marlay-Taylor Co-Gen Update

Ms. Hollander provided the Board with a brief update on the Marlay-Taylor Co-Gen Project, as well as historical background of the project to include the ongoing control issues. Ms. Hollander advised that the second half of the Technical Memorandum was received from the consultant on Monday. AECOM, the consultant who performed the analysis of the control issues and gas, has provided recommendations that include fixing the controls and installing a gas scrubbing system to remove the siloxanes, which they believe are causing the issues relating to overall engine run times. Ms. Hollander noted that a review of their recommendations is still underway and staff expects to provide comments to them next week. Mr. Erichsen advised that recommendations are still being sought and a grant from MDE was secured to fix the system. Brief discussion ensued regarding the completion of an operation maintenance analysis, costs associated with the recommended fixes identified by the consultant, and the plan to add an incremental operating costs line item in the Capital Budget beginning next year.

## **FUTURE AGENDA ITEMS**

Mr. Erichsen announced that the Budget and Rate Public Hearing is scheduled for April 9, 2018 at 6:00 p.m. in this Conference Room; Board members were encouraged to attend. Chairman Carey announced that the next Commission Meeting is scheduled for April 12, 2018.

## **COMMISSION MEMBERS TIME**

Commissioner Fairfax inquired about the existence of a scholarship program and suggested that we look to see if we can attract a sponsorship to provide this benefit for the children of MetCom employees. Discussion ensued amongst the group surrounding the potential for initiating a program, with funding achieved through tax-deductible donations and spearheading the effort at the Board level.

Commissioner Thompson inquired about MetCom having a display at Earth Day. Staff present noted that years ago we participated in Earth Day activities, but not certain of plans to participate this year. Ms. Cullins advised that she would look into it.

Chairman Carey addressed the anonymous responses received from staff regarding the Board's consideration of stipends versus Cost of Living Allowance (COLA) and Step increases, stating that the overwhelming feedback suggests employees do not preferred a stipend, as it is not recurring and does not help accrue retirement benefits. Brief mention made by Chairman Carey of the set aside for salary adjustments in the proposed budget, which has not been decided upon by the Board. Chairman Carey also mentioned recreating the employee satisfaction survey this year and Mr. Erichsen indicated that it is on the schedule, as the Board had previously requested it. Chairman Carey addressed on-line review sites and advised that he is interested in figuring out a strategy to monitor and respond to negative comments that exist. Brief discussion ensued with Mr. Erichsen, who indicated that he would like additional input from the Chairman on the matter.

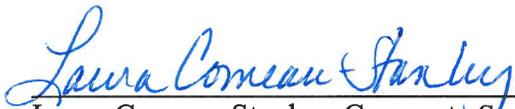
#### **EXECUTIVE SESSION**

**Commissioner Russell moved to go into Executive Session at 4:33 p.m. to discuss Potential Litigation Matters. Commissioner Barthelme seconded the motion. Motion carried 6-0.**

**The meeting reconvened at 5:07 p.m.**

#### **ADJOURNMENT**

**There being no further business, Commissioner Russell moved to adjourn at 5:08 p.m. Commissioner Gaskin seconded the motion. Motion carried 6-0.**

  
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Laura Comeau-Stanley, Corporate Secretary