

MINUTES
ST. MARY'S COUNTY METROPOLITAN COMMISSION
REGULAR MEETING
DECEMBER 15, 2016

The regular meeting commenced at 3:00 p.m. In attendance were Chairman Barthelme, Commissioners Russell, Carey, Mummaugh, Thompson, Willing, and Oliver (On behalf of Capt. Starkey, Commanding Officer, NAS Patuxent River). MetCom Staff in attendance were Ichniowski, Cullins, Shick, Sullivan, Hollander, Fehn, Engleson, Thomas, and Comeau-Stanley. Others present: R. Christopher Beaver (*MetCom General Counsel*), Robert S. Perry (*Counsel*), Soon Ja Park, Guy Leonard (*The County Times*), and Shertina Mack (*The BayNet*), and several MetCom employees on hand for the Length of Service Award presentation to Harry Pool.

Commissioner Barthelme welcomed everyone to the meeting.

APPROVAL OF AGENDA

Chairman Barthelme performed a review of the agenda. **Commissioner Willing moved to approve the agenda. Commissioner Russell seconded the motion. Motion carried 5-0.**

LENGTH OF SERVICE AWARD – Harry Pool, 20-Years

Following a review of his service to the Metropolitan Commission by Mr. Ichniowski, Chairman Barthelme presented a 20-Year Length of Service Award to Harry Pool, Senior Water Operator.

PUBLIC FORUM

Robert S. Perry (Counsel Representing Soon Ja Park)

Mr. Robert S. Perry, Counsel for Ms. Soon Ja Park, addressed the Board and provided an overview of the matter regarding Ms. Soon Ja Park's water bill for her rental property, showing excess usage from July 18 to August 20, 2016 totaling 5,961 gallons of water, while the property was vacant. Mr. Perry advised that inspections were performed and no water damage was found, no evidence of leaks, nor flooding in the yard or moisture in the crawl space. Mr. Perry further advised that there was only minimal water use on the occasions when Ms. Park made period visits to inspect the home and she was not watering the yard and so there it is unknown why this significant usage for that period of time, but suggested a water meter malfunction.

Board members posed a variety of questions to Mr. Perry, Ms. Park and members of the staff regarding the matter and staff advised that Ms. Park does not qualify for the Leak Adjustment Policy, as no leak could be found and following August 19, 2016, the usage fell to the same usage prior to July 18. Mr. Sullivan noted that the water flow is consistent with a faucet running, which Ms. Park says could not be the case, as the house was vacant. Following extensive discussion amongst the Board and staff, **Commissioner Mummaugh moved to reduce the bill by 50%. Commissioner Russell seconded the motion. Motion carried 4-1. Commissioner Thompson opposed the motion.**

APPROVAL OF MEETING MINUTES

Commissioner Willing moved to approve the minutes of the October 20, 2016 Regular Meeting. Commissioner Russell seconded the motion. Motion carried 5-0.

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Commissioner Russell moved to approve the minutes of the October 27, 2016 Regular Meeting. Commissioner Willing seconded the motion. Motion carried 5-0.

Commissioner Mummaugh moved to approve the minutes of the October 20, 2016 Special Meeting. Commissioner Willing seconded the motion. Motion carried 5-0.

Commissioner Willing moved to approve the minutes of the November 9, 2016 Special Meeting. Commissioner Russell seconded the motion. Motion carried 5-0.

APPROVAL OF CONSENT AGENDA

1. Chlorine Gas Cylinder Contract
2. HVAC Preventative Maintenance & Repair Contract
3. Renewal of Services and Commodity Contracts
4. Fiscal Standard Report – November 2016
5. Engineering Standard Report – November 2016
6. Operations Standard Report – November 2016
7. Check Registers 11/22, 12/1, & 12/8

Commissioner Russell moved to accept the Consent Agenda, as presented, and to hereby approve all matters contained upon the Consent Agenda. Commissioner Willing seconded the motion. Motion carried 5-0.

NEW BUSINESS

1. FY 2016 Audited Financial Statements

Ms. Shick introduced Mr. Tim Murphy, Accountant with Murphy & Murphy, CPA, LLC, who performed a detailed review of Financial Statements and Supplemental Information with Independent Auditor's Report for the Years ending June 30, 2016 and 2015. During the course of the presentation by Mr. Murphy, Board members posed several questions regarding the audit, including but not limited to evaluated internal controls, assets, liabilities and net position, statement of revenues, expenses and changes in net position, statement of cash flow, investments, treasuries, and reserves. In closing, Mr. Murphy advised that Murphy and Murphy issued MetCom an unmodified (unqualified) opinion, which is the highest level that can be achieved in this process. *A copy of the full report is included with the meeting materials and is published on the MetCom Website.*

2. Tax Sale Deferrals

Ms. Shick performed a review of the two tax sale deferral requests received. The first applicant, Ms. Ruby M. Goddard, is 104 years old and resides in the St. Mary's Nursing home and is unable to attend the meeting. Ms. Shick provided additional details relative to Ms. Goddard's situation and account balance, which is currently \$1,903.80, and advised that the Commission granted Ms. Goddard a tax sale deferral last year and staff recommends the same this year.

The second applicant, Mr. James B. Morgan, had a stroke and is not able to attend the meeting. Ms. Shick noted that the balance on Mr. Morgan's account is \$233.97 and the payment arrangements of \$60.00 per month would allow him to pay off the balance in the next year. Ms. Shick advised that the

much like the first applicant, Mr. Morgan was granted a tax sale deferral last year and staff recommends the same this year.

On the matter of Tax Sale Deferral Request No. 1:

Commissioner Willing moved that the Commission:

- (1) Remove the subject account from the 2017 tax sale list and;**
- (2) Allow the currently existing past due charges to be deferred until the property is sold or until the death of the property owner, whichever occurs first.**

Commissioner Russell seconded the motion. Motion carried 5-0.

On the matter of Tax Sale Deferral Request No. 2:

Commissioner Thompson moved that the Commission:

- (1) Remove the subject account from the 2017 tax sale list and;**
- (2) Require that the customer make \$60.00 per month payments until the account is paid in full.**

Commissioner Willing seconded the motion. Motion carried 5-0.

3. Capitalization Policy

Ms. Shick performed a review of the Capitalization Policy, used to capitalize assets when the useful life is greater than one year, is not readily consumable and the acquisition cost exceeds \$5,000.00. Ms. Shick noted the criteria for the Operating Budget items and the six-year Capital Improvement Budget items. Brief discussion ensued amongst the Board and Ms. Shick on the proposed policy.

Commissioner Russell moved to approve and adopt the Capitalization Policy (FIN 16-02), to be effective immediately. Commissioner Thompson seconded the motion. Motion carried 5-0.

4. FY 2017 Operating Budget Amendment

Ms. Shick performed a review of the items associated with the FY 2017 Operating Budget amendment, citing an increase in the share of the operating costs of the Leonardtown Sewer Treatment Plant and increased costs at the Marlay-Taylor Wastewater Treatment Plant, as a result of the ENR project. Ms. Shick identified the effects on the Sewer, Water, Engineering, and General and Administrative Divisions, as well as the Capital Equipment and Expenditures section of the budget. Brief discussion ensued amongst the Board and Ms. Shick during the course of her presentation.

Commissioner Russell moved to amend the FY 2017 Operating Budget, to adjust expenditure line items, as recommended by the Commission's Chief Financial Officer, which amendment will result in no net change to Net Income from Service Charges.

Further, move to amend the Capital Equipment and Expenditures in the FY 2017 Operating Budget as follows, which amendment will result in no net change to Capital Equipment and Expenditures:

Increase the following line items by the amounts indicated:

- (1) Add project to Upgrade to LED Lighting at Camden Way Parking Lot for \$1,380;**
- (2) Add project for Security System at the Petty Building for \$5,000; and**

Decrease the following line item by the amount indicated:

- (1) Operational-Analytical Database Software for Marlay-Taylor by \$6,380.**

Commissioner Willing seconded the motion. Motion carried 5-0.

5. Leonardtown ENR Project Invoice

Ms. Shick provided an explanation of the Leonardtown ENR Invoice totaling for the Board, which includes MetCom's share of ENR Project expenses that were paid by Leonardtown, but deemed ineligible for grant or loan funding and also represents a proportionate share of operating, maintenance and debt service for project expenses for the wastewater treatment plant, as MetCom serves certain customers through Leonardtown's treatment facility. Ms. Shick noted that partial project funding will come from MetCom's Capital Project Upgrade Fund, which will be used to pay this invoice.

Commissioner Russell moved to authorize the payment of the Town of Leonardtown Invoice in the amount of \$86,937.77, for FY 2016 Annual Operations & Maintenance Reconciliation and MetCom's share of ENR Upgrade project expenses. Commissioner Thompson seconded the motion. Motion carried 4-0.*

**Commissioner Mummaugh stepped out of the room and was not present for the vote.*

6. Revised FY 2018 Budget Schedule

Ms. Shick advised the Board of a modification to the FY 2018 Budget Schedule approved at the last meeting, noting that as a result of the April 13 regular meeting date change to April 6, the public hearing date has been moved to April 5, 2016, but all of the other dates remain the same.

Commissioner Thompson moved to adopt the schedule for the review and approval of the FY 2018 Capital Improvement Budget, the FY 2019-2023 Capital Improvement Plan and the 2018 Operating Budget, as amended. Commissioner Willing seconded the motion. Motion carried 5-0.

7. FY 2018-2023 Capital Improvement Budget – 1st Draft

Ms. Shick announced that the documents in the binders have been updated since the pre-commission electronic mailing was sent to the Board members last week.

Ms. Shick advised the Board that prior to October 2007, MetCom did not have a mechanism to pay for upgrades and replacements of our system, so very little was performed prior to that time. Then, in 2009, a Facilities Plan was completed, which identified a laundry list of items that needed to be upgraded

within our system. Ms. Shick noted that those items were added to the Capital Improvement Budget with the intent of getting that work done. However, the approach in the past may have been too aggressive, so over the last few years projects have been moved into out years, as we have been unable to keep up with the projects with the existing staff. Ms. Shick noted that this year staff will again propose that projects be moved out.

Ms. Shick performed a review of the first draft of the Water and Sewer Summary Sheets for the FY 2018 Capital Improvement Budget and FY 2019-2023 Capital Improvement Plan. Ms. Shick noted that the first budget work session is scheduled to occur an hour prior to the next Commission meeting.

8. Manhole Rehabilitation Services

Mr. Sullivan performed a review of the scope of purchase for the Manhole Rehabilitation Services, advising that it includes preparation and sealing of manholes, rebuilding and installation of manhole benches for prevention of inflow and infiltration (I&I). Mr. Sullivan noted that each year under this project, staff identifies those manholes that are in need of rehabilitation and advised that this year the work will occur in the Cecil's Mill, Barefoot Acres and Wildewood Subdivisions.

Commissioner Willing moved that the Commission approve the procurement for the Sanitary Sewer Manhole Rehabilitation & Sealing Services Project (SM1705) for Fiscal Year 2017 to D&S Contractors of Ashland, Virginia, in accordance with Contract Number 14-12-F, for a total cost not to exceed \$95,000.00. Commissioner Thompson seconded the motion. Motion carried 5-0.

9. Wildewood #1 Water Tank Painting

Mr. Sullivan advised that as reported at the October 20 meeting, the cost savings that resulted from the lowest bid on the water tank painting project came in under budget, which allowed us to solicit bids to paint an additional tank this fiscal year. Mr. Sullivan then performed a review of the scope of purchase for the Hydro-Pneumatic Water Tank Painting of the Wildewood #1 Water Pump Station ground storage tank.

Commissioner Carey moved that the Commission accept and award the Water Tank Painting Contract for the Wildewood #1 Hydro-Pneumatic Tank to Manolis Painting Company of Baltimore, Maryland, for a total cost of \$31,650, as submitted in their bid dated November 30, 2016. Commissioner Thompson seconded the motion. Motion carried 5-0.

10. FDR Blvd., Phase 1C: Memorandum of Agreement with Commissioners of St. Mary's County

Mr. Ichniowski provided a brief explanation of the proposed agreement between the Metropolitan Commission and the Commissioners of St. Mary's County for the joint work associated with the extension of FDR Boulevard. Mr. Ichniowski noted that this is similar to the agreements already in place with the County for other phases of FDR Boulevard and the work in Patuxent Park. Mr. Ichniowski noted that the County would manage this ongoing work.

Commissioner Thompson moved that the Commission accept, approve and authorize the Board Chairperson to execute the Memorandum of Agreement for the FDR Boulevard Project, Phase 1C (#8172WM), between the Commission and the Commissioners of St. Mary's County, to provide

for the joint solicitation and contract management of the said project. Commissioner Willing seconded the motion. Motion carried 5-0.

CONTINUING BUSINESS

1. Change Order Procedure Amendment

Ms. Shick performed a review of the second draft of the proposed amendments to the Change Order Procedure, as detailed in the redlined copy in the meeting binders. Commissioner Mummaugh indicated his desire to see what change orders are approved by the Director and suggested that the information be included in the monthly standard reports. Commissioner Willing recommended one minor text addition to the last sentence in item number 9 where Emergencies are referenced to include situations that may cause harm to the public and environment. Following some discussion, Mr. Beaver advised that the requested changes would be made to the document and presented for Board approval at the next meeting.

2. Water Tower Advertising Draft Policy

Mr. Ichniowski advised that in light of the ongoing discussion regarding painting water towers at the last several meeting, Mr. Sullivan has drafted a policy for the Board's review and consideration. Mr. Sullivan performed a review of the draft policy and provided explanation of some of the policy provisions, noting that the draft was created based upon information obtained from other sources and jurisdictions. Extensive discussion ensued amongst the Board, Mr. Sullivan and Mr. Ichniowski on the costs associated with pressure washing and the inability for commercial advertisement on our towers under the St. Mary's County Sign Ordinance. Following discussion, several Board members indicated their desire to give this more consideration

3. Board Retreat Draft Agenda

Mr. Ichniowski presented the draft agenda for the Board Retreat, as requested by the Board, and performed a detailed review of the topics for consideration. Mr. Ichniowski noted that there may be a conflict with the proposed February 9 date, as there is an Operating Budget Work Session scheduled for that date. Mr. Ichniowski advised that more information may be forthcoming on a date change, and perhaps a time change for this even, as we may be required to end earlier if it is to be conducted at a facility such as the Ruddy Duck, in order to accommodate their business hours for the general public.

4. Chapter 113 Proposed Revisions

Mr. Beaver performed a review of the County's proposed revisions to Chapter 113, noting that the County did not accept or incorporate our requested changes; however, the Delegation is aware of our requested amendments. Mr. Beaver noted that it is his intent to say in touch with the Delegation and seek out additional changes to Section 113.1.c. to grant the Commission the ability to enter into employment contracts with senior staff.

Mr. Beaver advised that he plans to generate a letter to the delegation, which he will send to the Board for their advance review, along with a copy of the proposed amendments. Brief discussion ensued amongst the Board and Mr. Beaver regarding the meeting that occurred with the Delegation and plans

moving forward regarding the comprehensive change to Chapter 113, which the Board has worked on over the past few years.

EXECUTIVE SESSION

Mr. Beaver noted the need to go into Executive Session, as he has some personnel matters that he needs to address with the Board.

Commissioner Mummaugh moved to go into Executive Session at 5:22 p.m. to discuss Personnel Matters. Commissioner Thompson seconded the motion. Motion carried 5-0.

Meeting reconvened at 5:40 p.m.

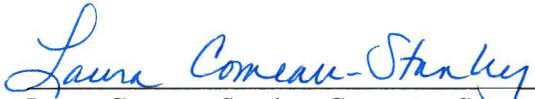
COMMISSION MEMBERS' TIME

No items to address at this time.

ADJOURNMENT

There being no further business, **Commissioner Russell moved to adjourn at 5:40 p.m. Commissioner Thompson seconded the motion. Motion carried 4-0.***

**Commissioner Mummaugh departed the meeting just prior to the vote.*



Laura Comeau-Stanley, Corporate Secretary