

MINUTES
ST. MARY'S COUNTY METROPOLITAN COMMISSION
REGULAR MEETING
JANUARY 12, 2017

The regular meeting commenced at 3:00 p.m. In attendance were Chairman Barthelme, Commissioners Russell, Carey, Gaskin, Mummaugh, Thompson, Willing, and Oliver (On behalf of Capt. Starkey, Commanding Officer, NAS Patuxent River). MetCom Staff in attendance were Sullivan, Cullins, Shick, Hollander, Fehn, Settle, Jarboe, Potter, Thomas, and Comeau-Stanley. Others present: R. Christopher Beaver (*MetCom General Counsel*), Phillip H. Dorsey, III, and Jason Babcock (*The Enterprise*).

Commissioner Barthelme welcomed everyone to the meeting.

APPROVAL OF AGENDA

Chairman Barthelme performed a review of the agenda. **Commissioner Russell moved to approve the agenda. Commissioner Thompson seconded the motion. Motion carried 6-0.**

PUBLIC FORUM

Phillip H. Dorsey, III – Smith Fields Park, LLC

Mr. Dorsey addressed the Board to request a waiver through an in-kind contribution from MetCom or a reduction in the Capital Contribution/Connection Charges through grandfathering to 2011 rates for Smith Fields Park, LLC, a multi-family low-income trailer park project, comprised of 16 Equivalent Dwelling Units (EDUs). Mr. Dorsey distributed presentation documents for the Board's review while utilizing the overhead monitors to display the materials. Mr. Dorsey advised that the project is located on Hermanville Road and abuts the RPD District, and further advised that it has been approved for the use of Bay Restoration Funds, matching costs dollar for dollar, to rectify failing sept systems if built by August 1.

Mr. Dorsey detailed a comparison of total sewer connection costs for the project for fiscal years 2011 versus 2017, which reflects a reduction of \$62,178.88; and though an in-kind grant, the reduction is \$90,095.36. Board members posed various questions to Mr. Dorsey during the course of his presentation and discussion ensued amongst the group regarding the approval and eventual expiration of the original construction plans for the project, plans for development of a 78-unit apartment complex, as depicted on the future buildout sheet of water and sewer construction plans, and Section 113, as it relates to collection of Capital Contribution Charge at the time of connection. Following discussion Mr. Dorsey requested that MetCom consider his request and thanked them for their time.

APPROVAL OF CONSENT AGENDA

1. Trimble Unit Purchase
2. Renewal of Services and Commodity Contracts
3. Check Registers 12/15, 12/21 & 12/8

Items placed on the Consent Agenda are a matter of routine business and typically voted on collectively.

Commissioner Willing moved to accept the Consent Agenda, as presented, and to hereby approve all matters contained upon the Consent Agenda. Commissioner Russell seconded the motion. Motion carried 6-0.

NEW BUSINESS

1. Old Line Bank Investment Options

Ms. Shick advised that following recent Board member inquiries, she sought out representatives from Old Line Bank to make a presentation regarding MetCom's accounts and investments options. Ms. Shick introduced Jeff Franklin, Cash Management Officer and David Seyler, Director of Cash Management for Old Line Bank. Mr. Franklin and Mr. Seyler provided an introduction to Old Line Bank, the third largest bank in Maryland, and performed an overview of their deposits and loan activities, in support initiatives throughout Maryland and in St. Mary's County. A summary of MetCom's five (5) current banks accounts was provided, which included details related to the use of Raymond James & Associates, Inc. to purchase and hold securities for collateralized deposits. Mr. Franklin and Mr. Seyler performed a review of MetCom banking options available through Old Line Bank, which included Certificate of Deposits, Municipal Deposit Program, Certificate of Deposit Account Registry Services (CDARS) and Insured Cash Sweep (ICS). Board members posed questions throughout the presentation and Commissioner Carey requested that a plan be presented that will show a balance of risk versus reward.

2. Water Leak Adjustments

Ms. Shick performed a review of the existing Water Lead Adjustment Policy for the Board, which grants staff the authority to adjust customer accounts if a water leak is documented. Ms. Shick provided a listing of the customer account adjustments approved by the Board over the last nine (9) months, which total \$32,487.90. Discussion ensued amongst the Board members, Ms. Shick and Mr. Sullivan on the matter. Board requested that Ms. Shick generate a listing containing the total number and dollar value of adjustments made by staff since the policy gained approval last year, so that the internal process can be further discussed.

3. Care First Settlement FY16

Ms. Cullins advised the Board that MetCom participates in the County's self-funded health insurance, administered by CareFirst BlueCross BlueShield and at the end of each fiscal year, a reconciliation is completed comparing CareFirst premiums paid against claims under the plan, at which time rebates of excess premiums paid are issued or shortfalls between premiums paid and processed claims are collected. In FY16, MetCom's portion of the shortfall was \$62,037.11. Ms. Cullins noted that over the course of the last 11+ years, MetCom has enjoyed far more rebates than deficits, as detailed the written report included in the meeting binders.

4. St. Mary's Square WWPS Replacement

Ms. Hollander provided an explanation of the scope of purchase for the new St. Mary's Square Wastewater Pump Station (WWPS), noting that this was bid previously with a different design and exceeded the budget, prompting a rework of the design by the engineer and the eventual re-bid of the work. Brief discussion ensued amongst Board members and Ms. Hollander on the itemized bid estimate from the two bidders.

Commissioner Russell moved to accept and approve the bid dated December 13, 2016, from Johnson Construction Company of Dover, Pennsylvania, for the St. Mary's Square WWPS Replacement, project #8121SS, in the amount of \$601,717 plus \$25,000 contingency, for a total of

\$626,717, as recommended by the Acting Chief Engineer. Further moved to authorize and direct the Acting Executive Director to execute all documents as may be necessary to finalize this purchase. Commission Thompson seconded the motion. Brief discussion ensued amongst the group. Following discussion, Chairman Barthelme called for a vote. Motion carried 6-0.

5. Piney Point WWPS Driveway Improvement

Ms. Hollander performed a review of the scope of purchase associated with the Piney Point Wastewater Pump Station (WWPS) Driveway Improvement, citing the installation of a driveway entrance for the property MetCom purchased in 2016, which the State Highway Administration (SHA) has granted. Using the overhead monitors, Ms. Hollander identified the location of the entrance on photographic exhibits. Brief discussion ensued amongst the Board and staff.

Commissioner Thompson moved to accept and approve the proposal dated December 28, 2016 from AB&H Excavating, Inc. of Callaway, Maryland, under the Emergency Repair and Scheduled Construction Contract No. 15-03-C, for the installation of a new driveway entrance to access the Piney Point pump station, in the amount of \$31,890, as recommended by the Acting Chief Engineer. Further move to authorize and direct the Acting Executive Director to execute all documents as may be necessary to finalize this purchase. Commissioner Mummaugh seconded the motion. Brief discussion ensued amongst the group. Following discussion, Chairman Barthelme called for a vote. Motion carried 6-0.

6. Grinder Pump Replacement Project

Mr. Sullivan performed a review of the scope of purchase associated with the Grinder Pump Replacement Project, which includes the installation of fifty (50) complete grinder pump units to be installed in the Piney Point and Tall Timbers area, where grinder pump vaults have deteriorated.

Commissioner Thompson moved that the Commission approve the purchase order for the Grinder Pump Replacement Services Project (SM1709) for Fiscal Year 2017 to Schummer, Inc. of mayo, Maryland, in accordance with Contract Number 13-19-F, for a total cost not to exceed \$340,000.00. Commissioner Willing seconded the motion. Motion carried 6-0.

CONTINUING BUSINESS

1. Change Order Procedure Amendment

Ms. Shick performed a review of the two proposed amendments to the Change Order Procedure, as requested at the last Board meeting and depicted in the redlined copy contained in the meeting binders.

Commissioner Russell moved to adopt the proposed revisions to the Change Order Policy (FIN 14-01), to be effective immediately. Commissioner Willing seconded the motion. Motion carried 6-0.

2. Doing Business with MetCom

Ms. Shick advised that as requested by Commissioner Carey, updates were made to MetCom's website to identify the purchasing team, outline responsibilities and types of purchases based upon dollar value. Ms. Shick indicated that the document also details the advertising methods for large purchases and

Minutes

Regular Meeting, 01/12/17

Page 4

encourages potential bidders to register with eMarylandMarketplace in order to receive email notification of bidding opportunities with MetCom.

3. Board Retreat: Proposed Date Change to February 23

Mr. Sullivan announced that in order to accommodate our new Executive Director, the Board Retreat has been changed to February 23. Mr. Sullivan noted that additional information will follow as the date draws closer.

4. Chapter 113 Proposed Revisions

Mr. Beaver performed a review of the proposed revision to Chapter 113, specifically Section 113-1 C Officers and personnel. Mr. Beaver reviewed the draft letter and the redlined text amendments to Chapter 113 addressed to Delegate Rey on behalf of the MetCom Board and advised that with the Board concurrence, he intends to finalize and submit the letter. Discussion ensued amongst the group on the matter and following discussion, Chairman Barthelme directed Mr. Beaver to finalize and send the letter.

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 Russell moved to go into Executive Session at 4:38 p.m. to discuss Potential Litigation. Commissioner Willing seconded the motion. Motion carried 6-0.

Meeting reconvened at 4:59 p.m.

COMMISSION MEMBERS' TIME

Discussion ensued amongst the Board and staff on the Smith Fields Park, LLC matter and Commissioners Mummaugh and Carey cited the need for new customers as a reason to consider granting the request. Board members and Mr. Beaver engaged in discussion on trailer parks considered as a special classification under Section 113, through the creation of an additional classification to the uniform rates for the Capital Contribution Fund. Mr. Beaver read aloud the applicable language under Section 113 and Ms. Shick advised the Board that the uniform rates currently in use are residential and commercial only; no other classifications are used.

Ms. Hollander provided some historical data on the Smith Fields Park development, noting that the development plans were originally approved in 2011 and expired in 2013 and discussion ensued amongst the group on the existing and future development, Marlay-Taylor Plant and Bay Restoration Funds. Further discussion ensued regarding future service and connections on Hermanville Road and the Greenbrier pump station. Mr. Russell requested that Ms. Shick and Ms. Hollander put together a report for the Board with factual data for review by the Board. As discussion continued, Mr. Russell indicated that he believes that the Chairman has a conflict of interest and should not be a part of the discussion, as he is a close friend of Mr. Dorsey's; Chairman Barthelme acknowledged and refrained from further discussion on the matter.

Minutes

Regular Meeting, 01/12/17

Page 5

Board members and staff engaged in extensive discussion on the matter, which included, but was not limited to fiscal impacts of granting the request and creation of additional classifications, customer acquisition, calculation and allocation of EDUs, Bay Restoration Fees approved for this developer project, concerns over setting a precedent if the Board grants the request, and the need to be very specific to identify the particular qualifiers for approval. Following discussion, Mr. Beaver noted that more information is needed from staff for the Board members to review and consider and suggested that this be presented for additional consideration and possible action at the next Commission meeting.

ADJOURNMENT

There being no further business, **Commissioner Carey moved to adjourn at 5:32 p.m. Commissioner Thompson seconded the motion. Motion carried 6-0.**



Laura Comeau-Stanley, Corporate Secretary