

**MINUTES**  
**ST. MARY'S COUNTY METROPOLITAN COMMISSION**  
**REGULAR MEETING**  
**SEPTEMBER 28, 2017**

The regular meeting commenced at 3:03 p.m. In attendance were Chairman Carey, Vice-Chairman Barthelme, Commissioners Gaskin, Mummaugh, Russell, Thompson, Willing and Oliver (on behalf of Capt. Hammond, Commanding Officer, NAS, Patuxent River). MetCom Staff in attendance were Erichsen, Cullins, Shick, Hollander, Sullivan, Fehn, Thomas, and Jarboe. Others Present: Chris Beaver (*MetCom Legal Counsel*), Deron Whitehurst, and Jason Babcock (*The Enterprise*).

**APPROVAL OF AGENDA**

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

**APPROVAL OF CONSENT AGENDA**

1. Fiscal Standard Report – August 2017
2. Engineering Standard Report – August 2017
3. Maintenance and Operations Standard Report – August 2017
4. Audit Services Contract Renewal
5. Superion Software Maintenance
6. Hollywood Well Change Order No. 1
7. Check Registers – 09/14 & 9/21

**Commissioner Gaskin moved to accept the Consent Agenda and to hereby approve all matters contained upon the Consent Agenda. Commissioner Mummaugh seconded the motion. Discussion ensued amongst the Board and staff on several items included in the materials. Staff addressed several questions posed by Board members throughout the discussion phase and following discussion, Chairman Carey called for the vote. Motion carried 7-0.**

Chairman Carey announced a modification to the order of presentation items, in order to accommodate staff needs.

**NEW BUSINESS**

1. Outside Employment

Ms. Cullins performed a review of the Outside Employment Policy included in the Personnel Handbook as follow up to an inquiry from Commissioner Mummaugh at the last meeting. Extensive discussion ensued amongst the group, which included but was not limited to various scenarios associated with secondary employment, current policy disclosure requirements, management oversight of leave, and proposed comprehensive Personnel Handbook revisions, which staff expects to present at a future meeting for the Board's consideration.

**CONTINUING BUSINESS**

1. Tower Climbing Differential Pay Policy

Ms. Cullins performed a brief review of the proposed Tower Climbing Differential Pay Policy and cited the three (3) rate/pay options provided for the Board's consideration. Ms. Cullins and Mr.

Erichsen collectively noted their support of Option 2, and noted that if implemented, is easy to understand and establishes a differential level that makes sense.

**Commissioner Russell moved to approve and adopt the Tower Climbing Differential Pay Policy for inclusion into the Personnel Handbook, as presented by staff as Option 2, which shall become effective immediately. Commissioner Willing seconded the motion. Brief discussion ensued between Chairman Carey and Mr. Erichsen. Following discussion, call for vote by Chairman Carey. Motion carried 7-0.**

## **EXECUTIVE SESSION**

**Commissioner Gaskin moved to go into Executive Session at 3:35 p.m. to discuss Personnel Matters and Potential Litigation. Commissioner Russell seconded the motion. Motion carried 7-0.**

**The meeting reconvened at 4:26 p.m.**

**Commissioner Willing moved to proceed in the personnel matter, as discussed in Executive Session, for the Chairman to proceed and sign the documents necessary thereto. Commissioner Russell seconded the motion. Motion carried 7-0.**

**Commissioner Mummaugh moved to proceed on the legal matter, as discussed in Executive Session. Commissioner Barthelme seconded the motion. Motion carried 5-2. Commissioners Willing and Russell opposed the motion.**

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Erichsen announced the inclusion of the Internship Article into the Chamber of Commerce Newsletter, which has generated positive feedback on MetCom's program.

Mr. Erichsen also provided a brief update on the recent Calvex Drill, advising that both the Federal Emergency Management Agency (FEMA) and the Maryland Emergency Management Agency (MEMA) reported no issues in St. Mary's County.

1. Update: Presentation of MD WQFA Bond Resolution to the Commissioners of St. Mary's County (CSMC)

Mr. Erichsen advised that staff presented a Maryland Department of the Environment Water Quality Finance Administration (MD WQFA) Bond Resolution for the Great Mills Wastewater Pumping Station Upgrade to the CSMC on September 19, addressing all questions posed by the CSMC regarding the interest rate, bond fee, overall debt (*borrowed and undrawn*), and the Capital Improvement project. Brief discussion ensued amongst the group on the comparison of MetCom debt versus the County debt, as well as borrowing practices in the past and plans moving forward. Mr. Erichsen advised that the CSMC authorized the borrowing and issued a corresponding Resolution.

2. Water Billing Adjustment Issue (Non-Leak)

Mr. Erichsen provided an explanation of the existing Water Leak Adjustment policy and noted the policies of our neighboring Counties and the Town of Leonardtown, which do not provide

## Minutes

Regular Meeting, 09/28/17

Page 3

allowances or relief to customers for excessive consumption/use, due to leaks or waste. Mr. Erichsen performed a review of a customer recent billing matter in which the customer's bill reflects excessive/continuous water use (*more than 5,000 gallons per day from August 13 to 19*) during a period of time when he was on travel. Mr. Erichsen noted that the customer is in the audience.

Mr. Erichsen provided additional background information regarding identification of the excessive use, results of the water meter data log readings by staff, and the determination that this was not part of a leak or any MetCom service related issue. Mr. Erichsen detailed staff's communications to date with the customer to address the matter and referenced the prior action by the Board on a similar scenario at the December 15, 2016 meeting.

Noting the absence of a policy or procedure to address a water billing adjustment that is not the result of a leak, Mr. Erichsen sought direction from the Board and presented several options for their consideration, as detailed in his memorandum contained in the meeting binders, which include: (1) require payment of water/sewer ready to serve charges, system improvement charges and Bay Restoration Fund charges, regardless of use; (2) require payment of the full bill amount and arrange alternative payment plan; (3) apply Tier 1 rate (\$1.61 / 1,000 gallons) for the entire usage, vice the additional Tier 2 and Tier 3 rates and arrange alternative payment plan; and (4) waive all or a portion of the overage charges, as compared to the customer's normal usage and arrange alternative payment plan.

Extensive discussion ensued amongst the Board, Mr. Erichsen, and staff on the matter, which included brief dialogue with Mr. Whitehurst. Chairman Carey addressed the group and suggested application of the option to charge the Tier 1 rate for the entire usage, as he believes it to be a fair and reasonable manner to address this particular case, which will result in a reduction of the bill. Further discussion ensued amongst the group and Board members in collective agreement with Chairman Carey's recommendation. Mr. Erichsen noted that if Mr. Whitehurst is not satisfied with the decision, he could present an appeal to the Board at the next meeting.

Commissioner Russell departed the meeting at 5:03 p.m.

### 3. Sewer Use Regulations Update

Mr. Erichsen performed an overview of the Sewer Use Regulations (SUR), adopted by MetCom on April 21, 1997 and advised the Board that the Regulations were revamped in May 2004, which staff has been following since that time. However, it is not clear if the revisions were every formally adopted, as no record can be found to show that the County's Ordinance was revised, a Resolution created, or a vote by the Board to change the SUR in 2004. Mr. Erichsen recommended the preparation of an amendment matrix, posting a public notice with an open public comment period, and a review by the Maryland Department of the Environment (MDE), in order to formally adopt the SUR. Mr. Erichsen noted that staff would return to the Board with a comment matrix and conduct a review of the public process at a future meeting. Thereafter, a draft of a corresponding Water Use Regulation would occur.

### 4. MetCom FY 2017 Annual Report – Final Draft

Mr. Erichsen performed a brief presentation of the Final Draft of the FY 2017 Annual Report and noted that in addition to posting the report on our website for public viewing and submitting copies

to the Commissioner of St. Mary's County, printed distribution is very limited. Chairman Carey noted a desire to minimize the printing costs and thanked staff for their work on this effort.

## **NEW BUSINESS**

### 2. Draft Debt Policy Presentation

Ms. Shick noted the need for a formal Debt Management Policy and provided a brief overview of the Davenport & Company 2017 Debt Policy Study, originally presented to the Board on July 13, 2017. Ms. Shick performed a review of the draft Debt Policy, which is intended to establish parameters for issuing debt and managing the debt portfolio to provide guidance to decision makers. Ms. Shick advised that management recommends that the policy remain in draft form through at least one (1) budget cycle prior to the adoption in calendar year 2018, to insure it meets MetCom's needs. Some discussion ensued amongst the group and Ms. Shick and Mr. Erichsen fielded questions during the presentation.

### 3. Financial Software Implementation

Ms. Shick provided a status update on the Financial Software Implementation, advising that the server has been purchased, the operating system has been installed and tested, and the Edmunds software has been loaded on the server. Ms. Shick also advised that a kick-off meeting was recently conducted and discussion included the planning and general project timing. Ms. Shick reported that Edmunds & Associates has extracted all of the data from the current software system and imported into their database for data discovery to determine how it would map into their system. Ms. Shick noted that the implementation of the software would be phased beginning sometime between January and April and she would provide updates as the project progresses.

### 4. Esperanza Farms Water Line & Saddle Repairs

Ms. Hollander provided a brief overview of the issues associated with the water lines in the Esperanza Farms Subdivision and performed a review of the scope of work associated with the project. Ms. Hollander noted that requests for quotes were sent to two (2) of the existing emergency services and scheduled construction contracts we have on contract. Ms. Hollander advised that the work should be complete in ninety (90) days. Brief discussion ensued amongst Ms. Hollander and Board members on the extent and specific location of the planned work.

**Commissioner Barthelme moved to accept and approve the proposal, dated September 11, 2017, from AB&H Excavating, Inc. of Callaway, Maryland, in the amount of \$106,755 for the repairs along Esperanza Drive and \$18,840 for the repairs along Barley Court, plus \$1,750 contingency, for a total of \$127,345, for the Esperanza Farms Water Line and Saddle Repairs, project #8172WR, as recommended by staff. Further, move the staff be authorized and directed to sign all documentation relating to this Contract award, including but not limited to the contract and all approved change orders. Commissioner Willing seconded the motion. Inquiry made by Commissioner Thompson on the contingent bid item, per linear foot. Following discussion, call for vote by Chairman Carey. Motion carried 6-0.**

5. Bio-solids Hauling & Disposal Services Contract

Mr. Sullivan performed a review of the scope of services associated with the Bio-solids (*sludge*) Hauling and Disposal Contract and noted that the current contract has been in place for four (4) years and the only bid received in response to the solicitation was the incumbent contractor. Mr. Sullivan noted that other potential bidders were contacted to inquire as to why they did not bid on the contract and staff received two (2) responses, which Mr. Sullivan detailed for the Board.

**Commissioner Barthelme moved that the Commission accept and award the Bio-Solids Hauling and Disposal Contract, Contract Number 18-02-F, to Recyc Systems, Inc. of Remington, Virginia, for the unit prices, as submitted in their bid dated September 1, 2017. Further, move that staff be authorized and directed to sign all documentation relating to this Contract award, including but not limited to the contract, contract renewals and all approved change orders. Commissioner Gaskin seconded the motion. Motion carried 6-0.**

6. St. Clements Shores Water System Replacement Funding Source

Ms. Shick provided background and summary data for the St. Clements Shores Water System Replacement project, which is to be funded by a MDE loan. Ms. Shick performed a review of the project budget, approvals and bid process, as well as the conditional award of the project to BA Construction, Inc. and issuance of the Board of Public Works approval of the loan. Ms. Shick noted that typically, these loans close in less than six-months, but it has taken the State over the typical six-months to review the loan package, as such it will take significantly longer to move this contract forward. Furthermore, the bid submitted by contractor was not to be subject to change for a period of 180 days, which expired on September 24, 2017. Ms. Shick advised that the contractor has indicated that they do not intend to extend the current bid prices until the MDE Loan closing, due to increased material costs related to the recent hurricane activity, which would increase the pricing up to \$190,440.

Extensive discussion ensued amongst the Board, Ms. Shick and Mr. Erichsen on the matter, specifically the options available, which include moving forward with the loan and funding the difference out of reserves or re-bidding the project. Ms. Shick noted her opposition to re-bidding, as the State will only loan the amount approved by the Board of Public Works and if the re-bid process starts over, we may lose the loan. Further discussion ensued amongst the group on varying aspects of the matter, including but not limited to costs for repairs in St. Clements Shores Water System to date, increased fuel and material prices resulting from the hurricanes, consequences of rebidding and/or doing nothing, and reasons the for the State's delay in reviewing the loan package.

Ms. Shick clarified that while the pricing from the contractor would increase, the project is still below the Capital Improvement Budget. However, the loan amount approved by the Board of Public Works would not include the increased pricing, which staff is proposing be funded from Water Capital Project Funds.

**Commissioner Willing moved to authorize \$190,440.00 of the Water Capital Project-Upgrade/Replacement fund be used to partially fund the \$326,469.00 total project contingency for project 2101WR. Commissioner Gaskin seconded the motion. Brief discussion ensued amongst the group on contingencies and the potential of awarding the contract without the increased funding source. Following discussion, Chairman Carey called for the vote. Motion failed 3-3. Commissioners Barthelme, Carey and Mummaugh opposed the motion.**

Chairman Carey directed Mr. Erichsen to come back with additional information on the maintenance costs to date for St. Clements Shores Water System, so that the Board may be able to entertain revisiting this matter and take action.

### **FUTURE AGENDA ITEMS**

Next meeting date is October 12, 2017.

### **COMMISSION MEMBERS' TIME**

#### **1. Chapter 113 Proposed Amendments Task Force Member Update**

Chairman Carey advised that the Task Force effort has been productive and praised Mr. Erichsen for simplifying the process. Chairman Carey noted that there is good consensus of the proposed amendments and although this will not provide all of the updates MetCom needs, he believes much will be accomplished moving forward. Commissioner Mummaugh advised that he believes that establishing a line of credit will help us with our reserves and will lower customer rates. Additional discussion ensued between Chairman Carey, Commissioner Mummaugh and Mr. Erichsen on the focus of the Task Force to date. Mr. Erichsen indicated that he believes it is moving along well with the initially aggressive timeline and provided information on the letters of endorsement expected from the MetCom Board and the Health Department. Mr. Erichsen indicated that the Task Force recommendations are scheduled for discussion at the Joint Meeting on November 7 and advised that December 5 is the Legislative Proposal night between the Commissioners and the Delegation. In closing, Mr. Erichsen noted that the County has advertised that legislative initiatives are due to the County October 11.

Commissioner Mummaugh commented on Employment Contracts and inquired as to whether or not the Chief Engineer position was advertised as a Contract Position. Mr. Erichsen advised that it was not, as the legislative change granting the option to offer contracts does not go into effect until October 1. Brief discussion ensued amongst the Board and Mr. Erichsen on offering contracts for management positions.

Chairman Carey inquired if there were any matters brought forward to management from staff that they wish to present to the Board and reiterated that he would like to bridge the communication gap.

### **ADJOURNMENT**

There being no further business, **Commissioner Gaskin moved to adjourn at 6:15 p.m. Commissioner Thompson seconded the motion. Motion carried 6-0.**

  
\_\_\_\_\_  
Laura Comeau-Stanley, Corporate Secretary