

**MINUTES
REGULAR SESSION
ST. MARY'S COUNTY METROPOLITAN COMMISSION
MARCH 12, 2015**

The meeting commenced at 3:00 p.m. In attendance were Commissioners Willing, Russell, Barthelme, Mummaugh, Pessagno, Thompson, and Oliver (On behalf of Captain Heidi Fleming). MetCom staff in attendance included Ichniowski, Cullins, Shick, Elberti, Sullivan, Fehn, Meiser, Pelham, Potter, Smouse, and Comeau-Stanley. Others present included Lynne Putnam (*Dewberry*), Jeff Garber (*Brown & Caldwell*), Dick Myers (*The BayNet*), and several MetCom staff for the presentation of the Length of Service Award to Bob Fehn.

Chairman Willing welcomed everyone and performed a review of the meeting agenda.

MOTION TO APPROVE AGENDA

Commissioner Russell moved to approve the Agenda. Commissioner Barthelme seconded the motion. Motion carried 5-0.

LENGTH OF SERVICE AWARD

Following a review of his service and contributions to the Metropolitan Commission by Ms. Cullins, Chairman Willing presented a 10-Year Length of Service Award to Robert F. Fehn, Sr.

APPROVAL OF CONSENT AGENDA

Commissioner Thompson commented on the lack of responsiveness for some of the bids presented under the Consent Agenda. Discussion ensued on the matter as well as the bid process, which included a brief explanation of the Bonding Requirements for contracts by Mr. Ichniowski. Additional discussion ensued on the Bond Counsel bids received and Ms. Meiser provided background on this specialized service and associated fees.

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

APPROVAL OF MINUTES

Commissioner Mummaugh advised Chairman Willing that he has a change to the minutes of the February 12, 2015 meeting to reflect the question he posed regarding the budget spreadsheet and why it wasn't sent electronically in advance of the meeting. Ms. Meiser inquired if the spreadsheet in question was the one he requested additional clarification on and Commissioner Mummaugh responded to the affirmative. Ms. Meiser advised that she addressed the matter in an email and cited her response for the benefit of the Board members, noting that from the time the pre-commission electronic mailing was sent one-week prior to the meeting to the day of the meeting, there were a few areas where additional information was provided on the budget summary sheets, which were included in the Commission binders the day of the meeting. Chairman Willing advised that the approval of this set of minutes would be tabled until the next meeting, pending the completion of the requested revisions.

Commissioner Russell moved to approve the minutes of the February 27, 2015 meeting, as presented. Commissioner Barthelme seconded the motion. Motion carried 4-0-1. Commissioner Pessagno abstained.

EXECUTIVE DIRECTOR'S REPORT

A. Watershed Implementation Program (WIP): Presentation to the Commissioners of St. Mary's County (CSMC)

Mr. Ichniowski informed the Board of the February 22, 2015 presentation to the Commissioners of St. Mary's County (CSMC) by the Office of Land Use and Growth Management regarding the Watershed Implementation Plan. Mr. Ichniowski provided a brief overview of the presentation and noted that the other agencies represented at the presentation included MetCom, the Health Department, Soil Conservation Service, and the Department of Public Works and Transportation.

Mr. Ichniowski took a moment to mention various upcoming public meetings of interest to the Board, which include the March 17, 2015 Woodmore Subdivision CWSP Amendment presentation to the CSMC; the March 23, 2015 presentation of MetCom's FY 2016-2021 Capital Improvement Budget and Plan to the Planning Commission; the March 31, 2015 tentative joint meeting with the CSMC to discuss the Debt Study covering the County's and MetCom's Debt, as prepared by Davenport & Company; the April 1, 2015 Public Hearing on MetCom's proposed FY 2016 Capital Improvement Budget and FY 2016 Operating Budget; and lastly, the April 14, 2015 presentation of MetCom's FY 2016-2021 Capital Improvement & Plan to the CSMC. Mr. Ichniowski advised that he will send an email to all Board members, detailing the times and locations of each of the events.

CHIEF FINANCIAL OFFICER'S REPORT

A. DRAFT FY 2016 Operating Budget

Ms. Shick performed a review of the draft FY 2016 Operating Budget, noting that the current draft is based upon the requests made by the department heads, along with analysis and review by management, as part of the continuation of effort. Ms. Shick highlighted the recommendations under the draft budget, including the implementation of the rates proposed in the rate study and implementation of new fees associated with meter re-reads, manual reads and data-logging.

Ms. Shick detailed the draft budget recommendations for salaries, positions requests and other personnel issues and discussion ensued amongst the group on the proposed personnel requests. Ms. Shick highlighted the proposed sewer and water division maintenance and major system repairs associated with the FY16 budget, as well as the substantial increase in power, chemicals and sludge removal due to the implementation of the Enhanced Nutrient Removal (ENR) process at the Marlay-Taylor Wastewater Reclamation Facility.

Ms. Shick performed an overview of the engineering budget, as well as the general administrative budget components, which includes hospitalization, Other Post-Employment Benefits (OPEB), pension and payroll taxes. Discussion ensued amongst the group on a Rate Study for the Capital Improvement Portion of the budget, which is proposed under the FY16 budget, as well as a Salary Study, which was last performed back in 2006. Board members requested a copy of the prior Salary Study for their

collective review. Further discussion ensued on the ability to implement the new rate structure slowly, with a request from a Board member for the consultant to rework the models to determine the effects on the residential and commercial rates. Ms. Shick advised that she would contact the consultant to perform this work.

In closing, Mr. Ichniowski suggested that a work session be conducted next week to allow for additional discussion on the consultant's recalculations, as a decision on the Operating Budget needs to be made at the next Board meeting.

To facilitate consultant's participation during the Engineer's report, Mr. Ichniowski suggested that the remainder of the Ms. Shick's report be postponed until later in the meeting, to allow us to move on to the Chief Engineer's report at this time. Chairman Willing and Board members indicated their collective agreement with the change in the order of reports.

CHIEF ENGINEER'S REPORT

Mr. Elberti advised that in attendance today to assist with presentations and answer any questions the Board may have is Ms. Lynne Putnam of Dewberry and Mr. Jeff Garber of Brown and Caldwell.

A. Interceptor Rehabilitation, Pine Hill Run Road Design Services Contract Award

Mr. Elberti cited the scope of work for this contract as engineering services for the design and construction of the Interceptor Rehabilitation, Pine Hill Run Road Design, which includes the design of a 42-inch interceptor sewer, 1,900 linear feet in length, to replace the existing 33-inch interceptor sewer along Pine Hill Run Road. Brief discussion ensued on the design and budget for this project.

Commissioner Russell moved to accept and approve the proposal dated February 13, 2015, from Dewberry Consultants LLC, in the amount of \$49,972.14, for Professional Engineering Services required to prepare contract documents and assist in obtaining permits for the Sanitary Sewer Interceptor Rehabilitation, Pine Hill Run Road, Project #8152SR, as recommended by the Chief Engineer. These services are provided under the Open-Ended Engineering Services Contract No. 12-12-E. Commissioner Barthelme seconded the motion. Motion passed 5-0.

Ms. Putnam made mention of the difficult structure in this segment that will have to be replaced and they will need to determine how to pump around, noting that it is not believed to affect the construction cost, but constructability is an issue. Therefore, more time is needed to get into those issues.

B. Marlay-Taylor Water Reclamation Facility (WRF) ENR Upgrade – Change Order No. 6

Using the overhead monitors, Mr. Elberti initiated his presentation with a display of site photographs to illustrate the project progress, describing the location and work depicted in each photo, which includes the sludge storage building and headworks buildings. Mr. Elberti, along with Ms. Putnam, performed a review of the seven (7) items associated with Change Order No. 6 for the Marlay-Taylor WRF ENR Upgrade and provided details related to each item, to include costs and associated credits, which combine for a total contract cost increase of \$81,851.00. Brief discussion ensued amongst the group on elements of the change order and Mr. Garber addressed the National Electric Code changes

that have occurred since the initial design, which resulted in equipment changes to meet those standards.

Commissioner Barthelme moved to accept and approve Construction Change Order No. 6, dated February 18, 2015, from MEB General Contractors of Chesapeake, Virginia, for the Marlay-Taylor WRF ENR Upgrade, Contract #8-38-S, to:

- (1) relocate the 6-inch sludge line at Headworks effluent well, thereby increasing contract costs by \$45,253.00;**
- (2) increase size of VFD's for flushing water pumps from 30 hp to 40 hp, thereby increasing contract costs by \$7,928.00;**
- (3) install additional truss bracing and framing to BioMag building, thereby increasing contract costs by \$1,122.00;**
- (4) implement changes to the secondary clarifier distribution box and associated piping, thereby reducing contract costs by \$9,179.00;**
- (5) change Section 6 and Section 1 reactor walls from FRP to concrete, thereby increasing contract costs by \$27,503.00;**
- (6) install explosion proof sump pump and wash water pump at FOG receiving station, thereby increasing contract costs by \$9,833.00; and**
- (7) delete contractor provided respirators at Chlorine building, thereby reducing contract costs by \$609.00.**

The approval of Change Order No. 6 is recommended by the Chief Engineer and will result in a contract cost increase of \$81,851.00 and no additional contract time. Commissioner Mummaugh seconded the motion. Commissioner Pessagno noted his extreme disappointment with the engineering on this project and cited the great number of change orders to date and that we are over budget; doesn't think we have got a good job here. As a point of clarification, Mr. Elberti noted that we are still within the overall CIB budget. Chairman Willing called for vote. Motion carried 4-1. Commissioner Pessagno opposed.

C. Marlay-Taylor Water Reclamation Facility (WRF) ENR Upgrade – Change Order No. 7

Mr. Elberti provided the Board members with an explanation of the alternative sought under Change Order No. 7 for the Marlay-Taylor WRF ENR Upgrade, citing the accessibility on site and the reduction in cost. Mr. Elberti noted that Option 1 (7A) results in a cost increase of \$58,732.80 and Option 2 (7B) results in a cost reduction of \$50,240.00. Ms. Putnam provided additional background information on both options for the benefit of the Board members and noted that the decision to utilize ductile iron pipe (Option 1) over the stainless steel (Option 2) was given extensive consideration and debate. Chairman Willing sought input from DuWayne Potter, MTWRF Plant Manager on his opinion of the matter and a review of the pros and cons of each option were discussed extensively in detail amongst staff, Board members and consultants. Mr. Elberti and Ms. Putnam fielded a variety of questions from Commissioner Pessagno, who indicated his preference for Option 2 over Option 1.

Brief mention of pipe location and any potential for stray current causing a problem, similar to the Force Main issue encountered in Piney Point. Mr. Potter advised that they have not experienced any

deterioration whatsoever in the pipe of similar size in that area, further noting that cameras have been run through the pipe and the images do not reveal any deterioration.

Commissioner Russell moved to approve Change Order No. 7, dated March 5, 2015, to Contract #8-38-S (Marlay-Taylor WRF ENR Upgrade) with MEB General Contractors of Chesapeake, Virginia, to eliminate a concrete trench containing stainless steel pipe between the blower building and the reactors and replace with ductile iron pipe, based on Item 7A, Request for Change Order (RCO) #20, thereby decreasing contract costs by \$50,240.00, with no additional contract time. The approval of Changer Order No. 7 is recommended by the Chief Engineer. Commissioner Thompson seconded the motion. Motion carried 3-2. Commissioners Mummaugh and Pessagno opposed.

D. Marlay-Taylor Water Reclamation Facility (WRF) ENR Upgrade – Change Order No. 8

Mr. Elberti provided details for the two allowance items associated with Change Order No. 8 for the Marlay-Taylor WRF ENR Upgrade, which include SCADA Improvements and a forklift for the BioMag building. Mr. Elberti deferred to Mr. Garber, who provided additional explanation of the SCADA Tech Memo, which elaborates on the necessary SCADA upgrades and improvements incorporated with the ENR Upgrade design. Discussion ensued amongst the group on the allowance, pricing, and the complicated nature of the design memo, published in September 2014, as well as the importance of the upgrades to ensure that all of the controls are on the same platform.

Commissioner Russell moved to approve Change Order No. 8, dated March 6, 2015, to Contract #8-38-S (Marlay-Taylor WRF ENR Upgrade) with MEB General Contractors of Chesapeake, Virginia, to:

- (1) incorporate certain SCADA upgrades, in excess of the bid allowance, to include improvements to the fiber-optic communications ring and additional surge protection on selected equipment, thereby increasing contract costs by \$200,000.00, in accordance with the Request for Change Order (RCO) #22; and**
- (2) purchase a selected forklift, in excess of the contract bid allowance, thereby increasing contract costs by \$2,175.00, in accordance with RCO #38.**

The approval of Change Order No. 8 is recommended by the Chief Engineer and will result in a contract cost increase of \$202,175.00 and no additional contract time. Commissioner Thompson seconded the motion. Motion carried 4-1. Commissioner Pessagno opposed.

E. Marlay-Taylor Water Reclamation Facility (WRF) ENR Upgrade – BioMag Dissolved Oxygen Control Programming

Mr. Elberti presented a purchase request for the Dissolved Oxygen Control Programming of the Ballasted Flocculation Process Equipment of the BioMag System and advised that this is a sole source procurement through Evoqua Water Technologies, formerly known as Siemens. Mr. Elberti noted that to properly guarantee the nutrient removal performance of the systems and the warranty, this equipment must be purchased through Evoqua. Ms. Putnam and Mr. Garber provided additional data to the Board on the software programming and installation.

Commissioner Barthelme moved to accept and approve the proposal dated march 28, 2014, in the amount of \$15,000.00 from Evoqua Water Technologies LLC, of Waukesha, Wisconsin, or the purchase of BioMag Dissolved Oxygen Control Programming equipment for the Marlay-Taylor WRF ENR Upgrade Project # 8-38-S, as recommended by the Chief Engineer. Commissioner Russell seconded the motion. Motion carried 5-0.

Brief recess called by Chairman Willing at 5:19 p.m.

Meeting reconvened at 5:27 p.m.

F. Update: Patuxent Park Water & Sewer Replacement, Phase 3 – Public Meeting

Mr. Elberti provided a brief overview of the February 19 Public Meeting on the Patuxent Park Water & Sewer Replacement, Phase 3, held at the Bay District Volunteer Fire Department, noting that ten (10) people attended the meeting and the majority of the questions were directed to and fielded by the staff of the Department of Public Works & Transportation (DPW&T). However, questions regarding the schedule were addressed by MetCom staff, which Mr. Elberti reiterated for the benefit of the Board members.

CHIEF OF FACILITIES AND OPERATIONS

A. Great Mills Water Storage Tank Painting Contract Award

Mr. Sullivan performed a review of the scope of work associated with the Great Mills Water Storage Tank Painting Contract under the Capital Improvement Budget, citing that it includes the repair and interior and exterior painting of the 20,000-gallon ground storage tank. Mr. Sullivan noted that the tank is currently out of service and located at the Great Mills Water Pumping Station. The tank is in structurally good condition and Mr. Sullivan noted that in the future, this tank will be used to supply temporary water storage during the repair of elevated tanks and in the case of failure of another tank elsewhere in our water system.

Commissioner Barthelme moved that the Commission accept and award the Great Mills Water Storage Tank Painting Contract, #15-10-F, for painting and repair of the 20,000 gallon, portable Hydro-Pneumatic Ground Storage Tank, to Nostos SS Contractors, LLC of Reston, Virginia, for a total cost of \$42,600.00, as submitted in their proposal dated February 18, 2015. Commissioner Mummaugh seconded the motion. Motion carried 5-0.

B. Water Tank Inspection Services Award

Mr. Sullivan cited the scope of work for Water Tank Inspection Services as on-site inspection services during the maintenance and painting process of the Cedar Cove Water Storage Tower and three (3) Ground Storage Tanks (Heart's Desire, Fenwick Manor and the St. Clements Shores). Mr. Sullivan advised that under the existing multi-year, indefinite quantity contract with Dixon Engineering these services are provided at a per-day rate. Brief discussion ensued on the St. Clements Shores tank and if it will be replaced as part of the St. Clements Shores Water System project. Mr. Ichniowski clarified that the tank will not be replaced as part of that project.

Commissioner Russell moved that the Commission award a Purchase Order to Dixon Engineering, Inc. of Medina, Ohio, under the existing Water Tank Inspection Services Contract, #11-07-F, for water tank painting inspection services for the Cedar Cove Water Tower, the Hearts Desire Water Storage Tank, the Fenwick Manor Water Storage Tank, and the St. Clements Shores Water Storage Tank, for a total cost of \$60,750.00, as recommended by the Chief of Facilities and Operations. Commissioner Barthelme seconded the motion. Motion carried 5-0.

C. Water Tanks – Painting & Maintenance, Change Order No. 1

Mr. Sullivan advised that during the preparation for the interior painting of the Laurel Ridge Water Tower, the Contractor discovered a significant amount of pitting in the interior steel, prompting a change order to increase the contract with the vendor to cover the cost of the repairs. Mr. Sullivan provided a brief explanation of the inspection findings related to the size and magnitude of pitting, as well as the coating, following inquiries from Board members. Mr. Sullivan provided clarification of the change order amount, which is \$28,500.00.

Commissioner Russell moved to approve Change Order No. 1, dated February 26, 2015, for a cost of \$28,500.00, from Manolis Painting Company of Baltimore, Maryland, to repair the interior pitting of the Laurel Ridge Elevated Water Storage Tank, under Contract #14-17-F, as recommended by the Chief of Facilities and Operations. Commissioner Barthelme seconded the motion. Motion carried 5-0.

CHIEF FINANCIAL OFFICER’S REPORT (Continued)

B. FY 2015 Second Quarter Financial Statements

Ms. Shick provided an overview of the Second Quarter Financial Statements for FY 2015, covering the period from October 1, 2014 through December 31, 2014. Ms. Shick’s report included the highlights of revenues and expenses for the Sewer, Water, and Engineering divisions, as well as a review of the General and Administrative expenses, other income and expenses, and the Debt Service Funds income.

C. FY 2015 Operating Budget Amendment

Ms. Shick advised Board members that the proposed FY 15 Operating Budget Amendment adjust funds between line items in the Sewer, Water, Engineering and General Administrative sections of the budget. Ms. Shick performed a detailed review of the needs associated with this amendment and the net effect in each of sections of the budget. Ms. Shick advised that the amendment results in an overall decrease in net income from service charges of \$73,460.00. Ms. Shick further advised that this amendment proposes an increase in the Capital Equipment and Expenditures portion of the budget by \$1,211.00 for the Influent Flow Meter at St. Clements Shores and that increase will be offset by the reduction in the Van or SUV to replace Van 559 budget line item by \$1,211.00. Ms. Shick noted that the van has been purchased and it came in significantly under budget.

Commissioner Barthelme requested that Ms. Shick provide information on any step and COLA increases provided by the County this year and in recent years. Ms. Shick advised that she will have

prior year's information, but is not certain of what the County is doing this year, and will provide that information to the Board members by email.

Commissioner Russell moved to amend the FY 2015 Operating Budget, as recommended by the Commission's Chief Financial Officer, to:

- (1) adjust multiple expenditure line items, as discussed, which amendment will result in a decrease in Net Income from Service Charges of \$73,460.00;**
- (2) reduce the "Van or SUV to replace Van 559" budget line item buy \$1,211.00; and**
- (3) increase the Influent Flow Meer for St. Clements Shores Wastewater Treatment Plant by \$1,211.00.**

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

D. FY 2016 Capital Improvement Budget Draft Rates

Ms. Shick performed a review of the revised rates for the Capital Improvement Budget and Plan. Brief explanation of the Debt Service rates (System Improvement and Capital Contributions Charges) for both residential and commercial water and sewer service provided to Board members.

Ms. Shick reviewed the prior approved Capital Improvement projects for both water and sewer, as shown in the spreadsheets contained in the meeting binders.

E. Tax Sale Update

Ms. Shick reported that the County's Tax Sale was conducted March 6, 2015 and 106 MetCom accounts/properties were provided in a list to the County; 78 were advertised in the newspaper; 42 were sold and 4 were not sold. Mr. Ichniowski performed a review of the tax sale statistics for MetCom accounts since 2010. Ms. Shick advised that of the 78 properties advertised, 68 of those were MetCom only accounts, but not properties with unpaid property taxes.

F. Debt Feasibility Study

Ms. Shick reminded the Board members that the Debt Capacity Study from Davenport and Company, which addresses both MetCom and the County, was discussed at the Joint Meeting held in February. Ms. Shick performed a brief overview of the report, noting that the draft does not contain any of the recommendations. Ms. Shick advised that the final report is expected out next week, which staff will forward to the Board members. Additionally, Davenport and Company will be making a presentation at a Joint Meeting of the Commissioners of St. Mary's County and the MetCom Commissioners. A tentative meeting date has been set for Tuesday, March 31; however, we have not yet received confirmation from the County.

A brief discussion regarding the rework of the rate study model by the Consultant ensued amongst the group. Mr. Ichniowski reminded the Board of the special meeting to review the findings and go over the Operating Budget next Thursday at 3:00 p.m.

APPROVAL OF EXECUTIVE SESSION MINUTES

Commissioner Russell moved to approve the Executive Session minutes of February 12, 2015. Commissioner Mummaugh seconded the motion. Motion carried 5-0.

Commissioner Russell moved to approve the Executive Session minutes of February 27, 2015. Commissioner Barthelme seconded the motion. Motion carried 4-0-1. Commissioner Pessagno abstained.

COMMISSION MEMBERS' TIME

Commission Mummaugh initiated discussion on meeting materials and requested that any materials included in the meeting binders, but not included as part of the pre-commission electronic mailing, be sent by email to all of the Commissioners after the meeting. Commissioner Mummaugh further requested that any materials updated between the pre-commission electronic mailing and the meeting date be sent electronically after the meeting; eliminating the need for Board members to take paper copies of meeting materials from their binders. Chairman Willing clarified the request and Mr. Ichniowski advised that staff will accommodate the request.

ADJOURNMENT

There being no further business, **Commissioner Mummaugh moved to adjourn the meeting at 6:28 p.m. Commissioner Russell seconded the motion. Motion carried 5-0.**



Laura Comeau-Stanley, Corporate Secretary