

**MINUTES
REGULAR SESSION
ST. MARY'S COUNTY METROPOLITAN COMMISSION
MARCH 10, 2016**

The meeting commenced at 3:03 p.m. In attendance were Commissioners Willing, Russell, Barthelme, Mummaugh, Pessagno, and Oliver (On Behalf of Captain Heidi Fleming, Commanding Officer, NAS Patuxent River). MetCom staff in attendance included Bundy, Cullins, Shick, Elberti, Fehn, Sullivan, Meiser, Edwards, and Comeau-Stanley. Others present included Ms. Harumi Schamu and Jason Babcock (*Reporter, The Enterprise*).

Chairman Willing welcomed everyone and performed a review of the meeting agenda, noting that he would like to strike the topic of Exempt Employees from the agenda, slated for discussion under Commission Members' Time, and defer that item until the full Board is present. Chairman Willing advised that Commissioner Thompson originally addressed the topic and has provided input, so it would be prudent to have his participation in the discussion on this matter.

MOTION TO APPROVE AGENDA

Commissioner Russell moved to approve the Agenda, as presented, with the removal of the Exempt Employees item, to be discussed at a later time. Commissioner Mummaugh seconded the motion. Motion carried 4-0.

PUBLIC FORUM

Ms. Harumi Schamu addressed the Board on the matter of a Sewer Connection Waiver Request for her property in California; a small home purchased 4-years ago to be used as a dance studio. Ms. Schamu's presentation to the Board included the anticipated cost to connect to the sewer system and a reference to a waiver granted to a physical therapy office in Lexington Park, which is 800 feet from the sewer line. Ms. Schamu suggested that she should be granted the same connection waiver for her property, which is less than 200 feet away from the sewer line. Ms. Schamu provided Board members with details and associated costs related to the required installation of a duplex grinder pump, as well as an overview of the projected revenues for her dance studio and the duration of time it would take her to repay the connection expenses. Ms. Schamu explained that the cost to connect is a huge burden and requested consideration for a more flexible approach to connecting; not one simply based on distance to the sewer line.

Discussion ensued amongst Chairman Willing, Board members, staff, and Ms. Schamu on the Zoning Change application from Residential Use to Commercial Use through Land Use & Growth Management (LUGM), which triggered the requirement to connect. Ms. Meiser cited the distinctive differences between Ms. Schamu's property and the physical therapy office referenced by Ms. Schamu. Using the overhead monitor, an aerial map depicting Ms. Schamu's property was displayed to illustrate the location and proximity to the sewer line.

Additional discussion ensued amongst the Board members and Ms. Schamu. In closing, Mr. Bundy advised that staff would look further into the matter with LUGM and report to Ms. Schamu and the Board. After thanking the Board for their time, Ms. Schamu made mention of misinformation provided by the Engineering office to her contractor and Mr. Elberti strongly refuted the allegation.

APPROVAL OF CONSENT AGENDA

Commissioner Russell moved to accept the Consent Agenda, as presented. Commissioner Barthelme seconded the motion. Motion carried 4-0.

APPROVAL OF MEETING MINUTES

Chairman Willing pointed out one minor correction on Page 3, paragraph 2 and requested 10,000 gallons be changed to 15,000 gallons, to reflect the actual range cited in the presentation by Mr. Burnham.

Commissioner Russell moved to approve the meeting minutes of February 11, 2016, as amended. Commissioner Barthelme seconded the motion. Motion carried 3-0-1. Commissioner Pessagno abstained, as he was not present at the February 11, 2016 meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. Bundy announced that the Planning Commission has changed the date of our planned presentation of the Capital Improvement Budget and Plan from March 14 to March 28. Mr. Bundy indicated that in light of that change, he requested to modify the date the next Board meeting from March 24 to March 31, to align the Boards review and approval with the County's and to allow staff to obtain the Planning Commission's feedback before presenting the material to our Board. Chairman and Board members indicated their concurrence with the proposed meeting date change.

Mr. Bundy provided an update on the meetings held in Charleston, South Carolina with the Navy Alliance and the Chief Deputy Secretary of the Navy for Installation, Energy, Facilities and Utilities regarding the Privatization of Water & Sewer Facilities for Patuxent River. Mr. Bundy noted that there was no path forward; they were simply interested to know if MetCom would be willing to talk with them. Mr. Bundy advised that as any additional information is received, he would report to the Board. Brief discussion ensued amongst the Board members and Mr. Oliver, representative for Captain Fleming, Commanding Officer of NAS Patuxent River.

Mr. Bundy reported that he and members of the staff met with Dewberry about the Marlay-Taylor Water Reclamation Facility (MTWRF) expansion and noted that staff plans to review and digest the information in-house before presenting the details to the Board.

Mr. Bundy indicated that staff has advised the Maryland Department of the Environment (MDE) that we are 42 days behind schedule on the Marlay-Taylor WRF ENR Upgrade due to weather related delays. Mr. Bundy identified the new completion date as June 2016.

Mr. Bundy initiated follow up on the Interview process for the Deputy Director position and Commissioner Russell proposed that the discussion be deferred until the full Board is present. Hearing no objection, Chairman Willing agreed to the request.

CHIEF FINANCIAL OFFICER'S REPORT

A. FY 2017 Operating Budget – Final Draft

Ms. Shick initiated her presentation of the final draft of the proposed FY 2017 Operating Budget and noted that there have been several changes made since the last presentation. Ms. Shick advised that the proposed budget increases the water rates by 1.75% and the sewer rates by 3.75% and includes a sewer cap of 10,000 gallons per month to residential customers with a 5/8" meter, as well as an increase for the Navy from \$3.06 per gallon to \$3.26 per 1,000 gallons.

Ms. Shick performed a detailed review of the changes identified in the summary portion of the materials, followed by an overview of the Sewer, Water, Engineering and Administrative Divisions of the proposed FY 2017 Operating budget. Ms. Shick reviewed the Capital Expenditures portion of the budget and fielded a variety of questions from the Board during this portion of the presentation. Brief discussion ensued on the effects of the rate increases on revenues. Ms. Shick and Mr. Bundy addressed the position requests included in the proposed budget and discussion ensued amongst the group related to position justifications, upcoming retirements, and the proposed salary increases.

Ms. Shick reviewed the water and sewer service rate schedule, as compared to the current FY16 rates, and performed a review of the residential customer comparison data, which included a comparison of the tiered structure to a flat fee structure. Ms. Shick fielded questions from Board members and some discussion ensued during this portion of the presentation.

Ms. Shick advised the Board that the next steps in the budget process include the Public Hearing presentation, scheduled for April 7 at 6:00 p.m. Ms. Shick noted that she needs the authority to move forward with the advertisement for the Public Hearing using the proposed rates presented in today's materials.

Following comments and questions from Board members, Mr. Bundy clarified that what staff is seeking today is authorization to advertise the hearing using the charges, rates and fees proposed in the budget presented today and not final approval of the budget.

Commissioner Russell moved to authorize staff to present the proposed FY 2017 Operating Budget, and the related Service Charges and other rates, fees and charges as proposed, at a duly advertised public hearing, to be held April 7, 2016, as required by Section 113-27(D) of the Code of St. Mary's County, Maryland, being part of Article 19 of the Code of Public Local Laws of Maryland. Commissioner Mummaugh seconded the motion.

Chairman Willing initiated discussion and clarified that with this motion, we are moving forward with Option B and not the Flat Rate offered for comparison. Further discussion ensued amongst the Board and staff regarding changes that may occur following the public hearing and before final budget approval, which result in the reduction or increase in the publicly advertised rates. Ms. Meiser advised that if the changes result in an increase to the advertised rates, a second public hearing would be required; however, if there is a reduction in the published rates, another

public hearing is not required. Hearing no other comments or discussion, Chairman Willing called for a vote. **Motion carried 4-0.**

EXECUTIVE SESSION

Commissioner Russell moved to go into Executive Session at 4:25 p.m. to discuss Property Acquisition and Potential Litigation. Commissioner Pessagno seconded the motion. Motion carried 4-0.

The meeting reconvened into regular session at 4:42 p.m.

Commissioner Russell moved to authorize the Chairman to execute the contract of sale and all related documents to complete the settlement process on the Real Property, as discussed in Executive Session and further move to direct the Chairman to execute all documents as necessary to complete a Boundary Line Adjustment, as also discussed in Executive Session. Commissioner Pessagno seconded the motion. Motion carried 4-0.

COMMISSION MEMBERS' TIME

Commissioner Mummaugh clarified that the Exempt Employees item planned for discussion today under Commission Members' Time would be placed on the next meeting agenda. Chairman Willing confirmed it would.

ADJOURNMENT

There being no further business, **Commissioner Russell moved to adjourn the meeting at 4:44 p.m. Commissioner Barthelme seconded the motion. Motion carried 4-0.**



Laura Comeau-Stanley, Corporate Secretary