

**MINUTES
REGULAR SESSION
ST. MARY'S COUNTY METROPOLITAN COMMISSION
APRIL 28, 2016**

The regular session of the St. Mary's County Metropolitan Commission meeting commenced at 3:02 p.m. In attendance were Commissioners, Willing, Barthelme, Gaskin, Mummaugh, Pessagno, Russell, Thompson, and Oliver (On behalf of Captain Scott Starkey, USN, Commanding Officer, NAS Patuxent River. MetCom staff in attendance included Bundy, Shick, Elberti, Sullivan, Fehn, Meiser, Edwards, and Comeau-Stanley. Others present included Lynne Putnam, P.E. (*Dewberry Consultants*), Christina Swann, E.I.T. (*Dewberry Consultants*), Jason Babcock (*Reporter, The Enterprise*), Dick Myers (*Reporter, The BayNet*), Steve Chadwick, County Commissioners Mike Hewitt and Randy Guy.

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

MOTION TO APPROVE AGENDA

Commissioner Russell moved that the Agenda be approved, as presented. Commissioner Barthelme seconded the motion. Motion carried 6-0.

APPROVAL OF CONSENT AGENDA

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

APPROVAL OF MEETING MINUTES – March 31, 2016 & April 14, 2016

Commissioner Russell noted that he has some minor editorial corrections in both sets of minutes, which do not change the content at all.

Commissioner Russell moved to accept the meeting minutes of March 31, 2016, with minor editorial corrections. Commissioner Barthelme seconded the motion. Motion carried 6-0.

Commissioner Russell moved to accept the meeting minutes of April 14, 2016, with minor editorial corrections. Commissioner Barthelme seconded the motion. Motion carried 6-0.

EXECUTIVE DIRECTOR'S REPORT

A. Water Leak Adjustment Policy

Mr. Bundy announced that following the last meeting, staff prepared a proposed Water Leak Adjustment Policy for the Board's review. Mr. Bundy solicited feedback from the Board and advised that staff would like to present this for approval and adoption at the next meeting.

B. MDE Stipulated Penalty – Marlay-Taylor WRF

Mr. Bundy referenced the Stipulated Penalty letter received from the Maryland Department of the Environment (MDE) totaling \$24,000.00 for the calendar year 2015 violation of total nitrogen at the Marlay-Taylor Water Reclamation Facility (WRF), established by the Consent Agreement. Mr. Bundy noted that the matter was presented to the Board some time ago and a budget amendment approved for payment of the penalty. Sullivan provided some historical background on prior violations and penalties incurred during the construction period of the Enhanced Nitrogen Removal (ENR) Upgrade of the plant. Brief discussion ensued amongst the group on the matter.

Mr. Bundy reported that the FY 2017-2022 Capital Improvement Budget and Plan was presented to the Commissioners of St. Mary's County (CSMC) on April 19. Mr. Bundy noted that there were several topics of discussion, many of which require clarification or additional information. Mr. Bundy advised that he is preparing a letter to address all items discussed and expects to send it next week.

Mr. Bundy made brief mention of the Salary Study discussed at the last meeting, noting that he is seeking direction from the Board, as to whether or not they wish to proceed with a study. Discussion ensued amongst the group on Board members on the anticipated cost and the need for a scope of work in order to move forward. Board members in collective agreement that Mr. Bundy prepare a scope of work for the Board member's consideration at the next meeting.

Mr. Bundy advised that staff has prepared responses to public comments received at the Rate Hearing, which would be discussed in more detail later in the meeting.

Mr. Bundy announced that Governor Hogan signed House Bill 889 on Tuesday, which allows the extension of our loan terms up to 40 years.

CHIEF FINANCIAL OFFICER'S REPORT

A. Review of Public Hearing Comments

Ms. Shick advised that the April 7, 2016 Public Hearing was advertised in the Enterprise newspaper; notices were included on our bills, posted in our customer service windows, and posted on our website. Ms. Shick noted that there were five (5) customers in the audience at the hearing and the remainder in attendance included staff and family members, three (3) County Commissioners and two (2) members of the press. Ms. Shick performed a review of the Rate Public Hearing comments and one (1) written comment received. Ms. Shick and Mr. Bundy announced that they would like to implement the 10,000-gallon sewer cap beginning in May, rather than July 1, and intend to seek Board approval today.

Following the presentation, Ms. Shick solicited comments and questions from the Board members and discussion ensued amongst the group regarding residential meter sizing,

installation of irrigation meters and elimination of meter surcharge. Additional discussion ensued on the percentage of customers paying more and less under the new billing structure, compared to the prior billing structure.

B. FY 2017 Operating Budget Approval

Ms. Shick performed an overview of the proposed FY 2017 Operating Budget, to include general comments, revenues, service rates, miscellaneous fees, expenses, and capital equipment and expenditures. Ms. Shick fielded a variety of questions and extensive discussion ensued amongst the Board and staff at various points throughout the presentation.

Staff provided details relating to the requested positions under the proposed budget, citing the need and importance for all in their respective departments. Brief discussion ensued on the current position vacancies that exist at MetCom.

To conclude the presentation, Ms. Shick advised the Board members that the proposed budget increases water by 1.75% and sewer by 3.75%.

Commissioner Russell moved that the Commission approve the FY 2017 Operating Budget, as proposed by the Chief Financial Officer. Further move that the rates and fees, as presented at a duly advertised public hearing on April 7, 2016, be hereby adopted to implement the FY 2017 Operating Budget. Commissioner Gaskin seconded the motion. Call for vote by Chairman Willing, resulting in 3 in favor and 3 against the motion. To break the tie, Chairman Willing cast his vote in favor of the motion. Motion carried 4-3, with Commissioners Barthelme, Mummaugh and Pessagno voting against the motion.

Chairman Willing called for a short recess at 5:05 p.m. to allow Mr. Bundy, Ms. Shick and Ms. Meiser to discuss the matter of implementing the 10,000-gallon sewer cap prior to July 1. Meeting resumed at 5:09 p.m. and Mr. Bundy apologized and advised the Board that we are unable to provide the intended 2-month relief to our customers who use irrigation systems, as Chapter 113 of the County Code does not allow us to make any modification to existing rates, after their adoption, without first taking it to public hearing.

C. FY 2017-FY2022 Capital Improvement Budget & Plan Approval

Ms. Shick performed a brief review of the process to date regarding the Capital Improvement Budget and Plan, noting that in addition to presentations to this Board, presentations were made to the Planning Commission, the County Commissioners and a public hearing has been held. Ms. Shick detailed the impacts on the System Improvement Charge and Capital Contribution Charge to residential customers based upon the proposed FY 2017 Capital Improvement Budget. Discussion ensued amongst the group on the reallocation of funds from existing loans to fund projects that are ready to go. Board requested that Chief Engineer include approved projects, funding sources, when funds were borrowed, and funds expended to date on the Engineering standard reports presented to the Board on a monthly basis.

Commissioner Russell moved that the Commission adopt the FY 2017 Capital Improvement Budget and FY 2018-2022 Capital Improvement Plan.

Further move that the Commission adopt the following debt service rates, as presented at a duly advertised public hearing on April 7, 2016:

System Improvement Charges paid by all customers with an allocation on the water system:

Residential Water Assessment:	\$10.37/EDU/month
Commercial Water Assessment:	\$12.44/EDU/month

System Improvement Charges paid by all customers with an allocation on the sewer system:

Residential Sewer Assessment:	\$15.09/EDU/month
Commercial Sewer Assessment:	\$18.11/EDU/month

Capital Contribution Charge due at time of connection to the public water system:

Residential Water:	\$8,892.67/EDU
Commercial Water:	\$10,671.20/EDU

Capital Contribution Charge due at time of connection to the public sewer system:

Residential Sewer:	\$6,348.98/EDU
Commercial Sewer:	\$7,618.77/EDU

Commissioner Gaskin seconded the motion. Motion carried 6-0.

CHIEF ENGINEER'S REPORT

A. Marlay-Taylor Water Reclamation Facility ENR Upgrade: Change Order No. 13

Mr. Elberti performed a review of all seven (7) items associated with Change Order No. 13 for the Marlay-Taylor Water Reclamation Facility ENR Upgrade, which increases the contract amount by \$95,654.50 and results in a contract time increase of 56 days. Brief discussion ensued amongst the Board, Mr. Elberti and Mr. Bundy on the extended work performed, which were critical path items. Additional discussion ensued amongst the group on the denial of claims from the Contractor and the Board's decision not to refund any contingencies in advance of the project completion.

Commissioner Barthelme moved to approve Change Order No. 13, dated April 28, 2016, to Contract #8-38-S (Marlay-Taylor WRF ENR Upgrade) with MEB General Contractors of Chesapeake, Virginia, to:

- (1) install additional chlorine and sulfur dioxide feed panels, thereby increasing contract costs by \$30,360.00;**

- (2) **sand blast existing coatings at Secondary Clarifier #1 and Primary Clarifier #3, thereby increasing contract costs by \$22,890.00;**
- (3) **install control relays in MCC's for RAS and BioMag feed pumps, thereby increasing contract costs by \$2,801.00;**
- (4) **install additional surge protection, ventilation, and repairs for SCADA upgrades, thereby increasing contract costs by \$45,626.00;**
- (5) **install two 4-inch glass lined plug valves on FOG discharge lines, thereby increasing contract costs by \$4,771.00;**
- (6) **fund project delay costs related to tie in connection of Secondary Clarifier #4, in the amount of \$190,864.00; and**
- (7) **delete contingency amounts for Bid Items: #23A, #23B, #23G, #23H, and #27, thereby reducing contract costs by \$201,657.50.**

The approval of Change Order No. 13 is recommended by the Chief Engineer and will result in a contract cost increase of \$95,654.50 and 56 calendar days of additional contract time with an updated completion date of June 24, 2016.

Further move to authorize and direct the Executive Director to execute all documents as may be necessary to finalize this Change Order. Commissioner Thompson seconded the motion. Motion carried 6-0.

B. St. Clements Shores Feasibility Study Presentation by Dewberry

Ms. Lynne Putnam, P.E., Senior Program Manager, Dewberry Consultants, made a PowerPoint presentation of the St. Clements Shores Wastewater Treatment Plant (WWTP) Feasibility Study. The presentation included an overview of the facility and project background, existing treatment conditions, average outfall to the rapid infiltration basins (RIBs) and spray fields.

Ms. Putnam performed a detailed review of the evaluated three-phase upgrade plan, with a focus on the improvement parameters for Phase A and Phase B. Options for Phase A and Phase B were provided, along with an approximate cost for each phase, cited as \$500,000 to \$800,000 for Phase A and \$2,500,000 - \$2,700,000 for Phase B.

Ms. Putnam performed a brief review of the St. Clements Shores WWTP Upgrade flow chart, which detailed the timing and coordination with the Maryland Department of the Environment /National Pollution Discharge Elimination System (MDE/NPDES), evaluation and design activity, construction activity, and land acquisition.

Ms. Putnam and Ms. Swann, E.I.T., Water and Wastewater Engineer, Dewberry Consultants, fielded a variety of question from the Board and staff and discussion ensued throughout the course of the presentation.

CHIEF OF FACILITIES & OPERATIONS REPORT

A. Procurement of Chopper Pumps

Mr. Sullivan provided the Board with a review of the scope of purchase for the Chopper Pumps and indicating that the pumps would replace existing pumps within the St. Mary's City Wastewater Station. Mr. Sullivan advised the Board that disposable wipes are an international problem for sewer systems and noted that macerators and chopper pumps are how MetCom has addressed the problem. Mr. Sullivan explained that the chopper pumps cut the wipes up into small pieces, allowing them to pass through the system and have significantly reduced the number of clogging issues at our stations. Mr. Sullivan noted that there were nine (9) bids distributed, however only one bid was received.

Commissioner Russell moved that the Commission approve the procurement of two (2) Homa 800 gallon-per-minute chopper pumps, for the St. Mary's City Wastewater Pumping Station, from Fluid Solutions, Inc. of Westminster, Maryland, for the total price of \$80,448.00, as submitted in their bid dated April 19, 2016.

Further move that staff be authorized and directed to sign all documentation to finalize this procurement. Commissioner Thompson seconded the motion. Motion carried 6-0.

COMMISSION MEMBERS' TIME

Commissioner Pessagno inquired about the status on the selection of an Assistant Executive Director. Mr. Bundy advised that several resumes were received and the field has been narrowed down to a dozen candidates. Mr. Bundy sought direction from the board on proceeding with the existing interview process or modify the procedure with a change to the By-Laws. Board members in collective agreement to move forward with the existing process and Commissioner Thompson and Chairman Willing agreed to serve on the interview panel and Mr. Bundy advised that he would get with Ms. Cullins to establish a schedule.

EXECUTIVE SESSION

Commissioner Russell moved to go into Executive Session at 5:18 p.m. to discuss Property Acquisition, Potential Litigation, and Personnel Matters. Commissioner Gaskin seconded the motion. Motion carried 6-0.

The meeting reconvened into regular session at 6:28 p.m.

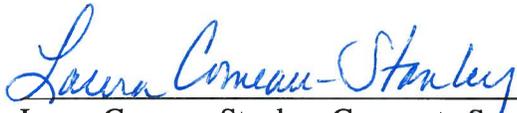
Commissioner Russell moved to proceed with the real Property Acquisition, as discussed in Executive Session. Commissioner Barthelme seconded the motion. Motion carried 6-0.

Commissioner Gaskin moved to proceed with the matter pertaining to Potential Litigation, as discussed in Executive Session. Commissioner Pessagno seconded the motion. Motion carried 6-0.

Commissioner Barthelme moved to proceed with the Personnel Matters, as discussed in Executive Session. Commissioner Thompson seconded the motion. Motion carried 6-0.

ADJOURNMENT

There being no further business, Commissioner Russell moved to adjourn the meeting at 6:31 p.m. Commissioner Gaskin seconded the motion. Motion carried 6-0.



Laura Comeau-Stanley, Corporate Secretary