The meeting commenced at 3:05 p.m. In attendance were Commissioners Werner, Lancaster, St. Clair, Tudor, Owen, and Oliver; MetCom staff Ichniowski, Cullins, Shick, Sullivan, Frederick, Fehn, Edwards, and Comeau-Stanley.

MOTION TO APPROVE AGENDA

Commissioner Tudor moved to approve the Agenda as presented by staff. Commissioner Lancaster seconded the motion and approval was unanimous.

APPROVAL OF MINUTES

Commissioner Tudor moved to approve Minutes of the Regular Session, dated June 10, 2010. Commissioner Lancaster seconded the motion and approval was unanimous.

APPROVAL OF CONSENT AGENDA

Commissioner Owen moved to accept the Consent Agenda as presented, and to hereby approve all matters contained upon the Consent Agenda. Commissioner Tudor seconded the motion and approval was unanimous.

ASSISTANT DIRECTOR’S REPORT

A. Task Force Final Report

Mr. Ichniowski announced that the Task Force Final Report has not yet been finalized and distributed, but it is our understanding is that it will likely be completed by the end of this week, and certainly before July 1. Once received, staff will forward a copy to each Board Member. Both paper copies and electronic copies of the report will be made available.

Mr. Ichniowski indicated that it is our intent to meet with the Board of County Commissioners to review the recommendations. With the concurrence of our Board, we could group the recommendations into various categories for presentation and discussion. Suggestion made that we consider that for our next meeting.

B. Rate Study

Mr. Ichniowski advised the Board members of the inclusion of a copy of the PowerPoint presentation in their binders, which represents the rate study prepared in 2006-2007, in advance of the rate structure change. This data is provided in response to the discussion at the last meeting regarding the projected increases to the Capital Contribution Charge for
water. This report cites the reasons for the increases over the next few years and provides supportive data and calculations. Mr. Ichniowski provided further details to the Board members for their consideration. Confirmation then provided by Mr. Ichniowski to Commissioner Tudor and Board that physical assets are indirectly being delivered to the customers through these Capital Contribution Charges.

HUMAN RESOURCES DIRECTOR’S REPORT

A. Cell Phone Policy

In response to a request made at the last Board meeting, Ms. Cullins provided Commissioners with additional details regarding the benefits and cost savings to modify the policy, specifically to include the hidden charges and administrative costs to review billings. Ms. Cullins indicated that 15 hours per month are spent researching bills, administering phones and looking into policies, at a cost of $355.57 per month or $4,266.84 annually. Currently, we pay for 43 telephones at $33.00 per month for a total of $17,028.00 a year. When combined, the approximate total cost is $21,294.84. Ms. Cullins further reported that if we were to implement a policy, whereby a monthly stipend of $25.00 is established for those who meet the criteria, there would be approximately 57 who qualify, which would cost $17,100.00 and would reflect a savings of approximately $4,194.84 per year.

Ms. Cullins reported that she looked into 2 other utility organizations and 3 other Maryland Counties. One supplied cell phones to employees and permitted personal use; they do not track or monitor the use at all and consider it a cost of doing business. Another allows personal use of phones by employees and if the employee goes over the allotted minutes for the month, then the employee must pay for all personal calls for that month. Another permits personal use by employees and does not track the use unless something jumps out at them. Another does not permit personal use at all and monitors all use and is, in fact, budgeting for more radios and less use of cell phones. Finally, the last permits personal use by employees and they do not have to pay for the phone unless they want to add texting to the phone, which is a cost of $15.00 for the employee to have that service added to the phone.

Ms. Cullins announced that further action will be taken by staff to prepare a new policy for presentation to the Board for consideration at a future meeting.

FISCAL OFFICER’S REPORT

A. FY2010 Operating Budget Amendment

Ms. Shick reviewed the proposed budget amendment for the Board, pointing out that this amendment is being performed to ensure that none of our line items go over budget. Details on the sewer division increases include an increase in the Sewer Service Charge,
both in metered and non-metered. An increase in sewer maintenance, an increase in chemicals and sludge hauling are a direct result of the rain and snow events this year.

Ms. Shick indicated that two minor adjustments were made in engineering, which reduced salaries by $519.00, to cover the increase in the general and administrative expenses. The increase in the general and administrative expenses occurred as a result of a large increase in our Workers’ Compensation insurance and due to two former employees qualifying for unemployment compensation. Ms. Shick further noted that this budget amendment increases net income from the service charges by $519.00.

**Commissioner St. Tudor moved to amend the FY2010 Operating Budget, as recommended by the Commissioner’s Chief Financial Officer, to adjust both revenue and expenditure line items to cover projected overages in certain expenditure line items. This budget amendment has a $519.00 increase in net income from service charges. Motion seconded by Commissioner St. Clair and approval was unanimous.**

**FACILITIES MANAGER’S REPORT**

**A. Vehicle Maintenance and Repair Contract Award**

Mr. Sullivan announced that our current contract with Cheseldine Tire and Auto has expired and staff has solicited bids for a new contract. This is a one-year contract with the option of three one-year extensions. The contract is designed for preventive maintenance and repair service to Commission vehicles weighing one ton and less, which includes 38 gas engine vehicles and 2 diesel engine vehicles. Five bids were distributed; four were received and one was deemed non-responsive. After an analysis of the bids and comparison of preventive maintenance on both gas and diesel vehicles, standard labor rates, diagnostic labor rates, towing services, parts pricing and tire pricing, Cheseldine Tire and Auto was found to be the lowest responsive bidder. This vendor has held this contract for several years and we have been more than satisfied with their services to date.

**Commissioner St. Clair moved that the Commission accept and award the proposed Open-End Contract for Vehicle Maintenance and Repair, Contract #10-12-F, to Cheseldine Tire and Auto for the contract prices submitted in their proposal dated June 8, 2010. Motion seconded by Commissioner Owen and approval was unanimous.**

**B. Water Meter Purchase Contract Award**

Mr. Sullivan advised the Commissioners that for several years staff has been working on plans to upgrade our water metering system to an automatic meter reading (AMR) system. Like many new technologies, the AMR technology is changing almost daily and it’s quite tasking to find the right technology that is sustainable for years. After many meetings and discussion, staff determined that the drive-by AMR system, which uses radio signals to
communicate water usage readings from the meters to a vehicle mounted receiver is the best fit for the Commission.

Mr. Sullivan further indicated that in December, 2009, the Commission posted a solicitation for the proposals, requiring vendors to submit specifications of the product, the experience of conversion capabilities of their product with existing meters. Once the five proposals were received, we convened a committee of five employees, including representatives of each affected department. This committee evaluated each vendor on five factors, to include conversion capability, integrations with customer billing software, experience, product performance (including warranty and certification), and price. Thereafter, all five vendors were invited to demonstrate their product. One bid was deemed non-responsive due to their focus on providing a Fixed-Based AMR System, which does not meet the specifications or the needs of the Commission. Once demonstrations were complete, the four responsive bidders were invited to provide pricing proposals. Included in the pricing proposal, the vendors were tasked with complying with the Maryland Department of the Environment Minority Business Enterprises requirements. Their response to these requirements played an important role in vendor selection, as MDE may be the primary funding source for conversion of the current meters to the new AMR system. Failure to meet these requirements could jeopardize the funding.

Mr. Sullivan announced that the committee recommends the Neptune Metering System, through their local vendor HD Supply Waterworks. This vendor was not the lowest cost, but they received the highest overall evaluation score.

Mr. Sullivan fielded questions from Commissioners and discussion ensued regarding the various vendors and systems and the matrix used to evaluate and determine the best value for the Commission. Mr. Ichniowski pointed out that this is essentially the material supply portion of the Meter Replacement Project, but that we now have to determine which meters to get, as we will still be delivering those to developers. Mr. Ichniowski stated that Mr. Frederick will provide further details in his report.

**Commissioner Tudor moved that the Commission accept and award the Water Meter Purchase Contract #10-04-F, to HD Supply Waterworks of Martinsburg, WV for the costs indicated in their proposal dated June 1, 2010.** Commissioner Lancaster seconded the motion and approval was unanimous.

Mr. Sullivan made a brief announcement regarding the Fire Hydrant recall announced to the Commissioners on May 13, 2010. The manufacturer’s contractor has repaired all sixty-six hydrants, and then some, to include those found at St. Mary’s College and in the Town of Leonardtown.
ENGINER’S REPORT

A. Water Meter Installation Project

Mr. Frederick cited that the Water Meter Installation Project is going to be an ongoing project. The process will include the hiring, by contract, a project manager to handle the day to day operations, along with approximately one and a half administrative personnel to handle the bookwork and tracking involved in the effort. We have found it to be labor intensive from an administrative standpoint when coordinating with homeowner and developers. All will be paid for under the contract. Also, we anticipate this effort to be a two to four year effort. We expect to put out a proposal for an A/E firm to develop the actual contract, which may go out the middle of July. We hope that by September, we will advertise the solicitation and a bid in October with an award in November. Mr. Frederick announced that we submitted this project for MDE grant funding and typically water projects end up very low in the priority list, however this ended up very high and MDE is looking at issuing two-million dollars in grants for the first phase of the project, which affects the Lexington Park area. These grant funds will help along the way and with operational costs. It was noted by Ms. Shick that this project was designated as a green project by MDE. It is believed that this will encourage water conservation by our customers.

B. Marlay-Taylor Co-Generation Update

Mr. Frederick announced that many may have seen the article in the Enterprise newspaper last week, regarding the placement of the cover for the primary digester #2 at Marlay-Taylor Co-Generation Project. The second cover for digester #1 will be installed next. Staff will know at least one week in advance and Mr. Frederick indicated that we will let Commissioners know the date and time of the lift. Mr. Frederick reported that it was a smooth and very well orchestrated operation.

Mr. Frederick also announced that the co-gen units themselves are in St. Louis and have passed the factory tests and are being readied for shipping. We expect them on site very soon.

C. Marlay-Taylor ENR Project Update

Mr. Frederick advised the Commissioners that the engineering firm has responded to MDE with answers to the questions posed regarding the new technology. The engineering have also developed a new cost associated with the use of this new technology. A new schedule has been created for the ENR Project, but it has not yet been approved by MDE. Details of the timeline were outlined for the Members. Because the construction time has slipped nearly eight months, which may require that the final date for ENR permit may need to be extended. MDE has indicated that they will give reasonable consideration to that request. Staff is trying to establish a meeting with MDE to discuss the matter further, but efforts have been unsuccessful so far. Mr. Ichniowski indicated that in the course of this process,
it has been suggested that once we receive the grant application and the final grant agreement, that we make sure to include the time extensions, construction timeline, and other unforeseen time in there, so that it is clear what our permit limits are to avoid any fines. Mr. Frederick noted that the contingencies must also be included in the final grant agreement, as this is emerging technology and it has been used on a plant that is one half of the size of Marlay-Taylor, but not the full size. Given the data and ongoing analysis, coupled with the unknown, we expect this to work fine, but we need to consider the unlikely possibility that problems may arise. Therefore, the contingencies should be noted. Provided this technology works, we will not have to build a clarifier, which is a four million dollar expense to meet the new ENR standard.

**APPROVAL OF EXECUTIVE SESSION MINUTES**

Commissioners took a few moments to review the minutes prepared by staff.

Commissioner Lancaster moved to approve Minutes of Executive Session, dated June 10, 2010, as amended. Commissioner Tudor seconded the motion and approval was unanimous.

**COMMISSION MEMBERS’ TIME**

Commission Chair Werner announced that Commissioner Hanson has been reappointed by the Board of County Commissioners to serve another term. It was also noted that we have not received a new appointment for Mr. Barthelme’s spot from the Board of County Commissioners, but it is believed that at least one application has been submitted, possibly two.

Commissioner Tudor announced that he will not be in attendance at the next Commissioner Meeting.

Commissioner St. Clair wished everyone a very safe and happy 4th of July.

**ADJOURNMENT**

There being no further business, Commissioner Owen moved to adjourn at 3:51 p.m. Commissioner Lancaster seconded the motion and approval was unanimous.

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Daniel F. Ichniowski, Secretary