

**REGULAR MEETING
ST. MARY'S COUNTY METROPOLITAN COMMISSION
AUGUST 21, 2008**

The meeting commenced at 1:08 p.m. In attendance were Commissioners Werner, Lancaster, Cranford, St. Clair, Owen, Hanson, and Oliver (representing Captain Andrew Macyko); staff members King, Ichniowski, Frederick, Shick, Cullins, and Bryan. Also in attendance were Jacki Meiser, General Counsel, and Mr. George McCully representing Talon LLC.

MOTION TO APPROVE AGENDA

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

APPROVAL OF MINUTES

Commissioner St. Clair moved to approve Minutes dated June 12, 2008. Commissioner Cranford seconded the motion and approval was unanimous.

At this point, the Board welcomed Ms. Christy Sterling, Assistant Engineer, to the Commission.

EXECUTIVE SESSION

Commissioner St. Clair moved to adjourn into Executive Session at 1:11 p.m. to discuss personnel issues and potential litigation. Commissioner Cranford seconded the motion, and approval was unanimous.

The meeting readjoined into Regular Session at 2:34 p.m.

Commissioner Cranford moved to approve Minutes of Executive Session dated June 12, 2008. Commissioner Lancaster seconded the motion and approval was unanimous.

CONTINUING BUSINESS

A. Broad Creek Supply & Storage Fee Payment Extension

Following Mr. King's brief review of the issue, Mr. George McCully addressed the concerns specified in Talon's correspondence to the Commission dated August 21, 2008. A copy of the document is attached to the Minutes. Ms. Meiser noted at this point that, during the requested extension of one year, interest on the unpaid balance will continue to accrue at the rate of 10% as set forth in the terms of the original Public Works Agreement. Mr. King added that if approved by the Board, Mr. McCully will be required to sign an Amendment to the original Public Works Agreement, which will officially allow the extension to be altered until August 26, 2009.

Following staff's recommendation to honor Talon LLC's request, Commissioner St. Clair moved that the Commission amend Paragraph Sixth of the Public Works Agreement with Talon, LLC, to extend the payment due date for the Water Supply Fees, the Water Storage Fees and the Treatment Capacity Charge from the previously extended due date of August 26, 2008, until August 26, 2009, with the understanding that \$58,960 of the above-described fees will be paid in full by Talon, LLC to the Commission on or before August 26, 2008. Commissioner Cranford seconded the motion and approval was unanimous.

Prior to leaving the meeting, Mr. McCully expressed his appreciation to the Board, and complimented staff on its cooperation and assistance over the years.

DIRECTOR'S REPORT

A. Local Government Insurance Trust.

Mr. King reported that the current premium relating to renewal of the Commission's annual insurance business package, has decreased from \$110K vs. \$134K in 2007.

B. Prior Intent Resolution 2008-04

Mr. King requested approval of Resolution 2008-04, which notes the Commission's intent to expend in-house funds for the planning, design, construction and administration of specified projects to be reimbursed to the Commission from the proceeds of the appropriate State Loan funds. A copy is attached to the Minutes.

Commissioner Cranford moved to approve Resolution 2008-04 as recommended by Commission staff. Commissioner St. Clair seconded the motion, and approval was unanimous.

C. Andover Estates, Phase II

Mr. King reported completion of the project, and invited the Board's attendance at a Public Hearing the Valley Lee Fire House at 7:00 tonight. He noted that charges presented at this Hearing are substantially lower than those proposed at the beginning of the project. This primarily results from implementation of the new Capital Improvements financing system.

CHIEF FINANCIAL OFFICER'S REPORT

A. Standard Report

Commissioner St. Clair moved to waive oral presentation by the Chief Financial Officer and to accept the routine monthly financial reports as submitted and reviewed by this Commission. Commissioner Lancaster seconded the motion and approval was unanimous.

B. DHCD 2008 Loan Reprogramming Resolution 2008-03

Ms. Shick noted that Resolution 2008-03 notes the Commission's intent to expend in-house funds for the planning, design, construction and administrative costs of the Unfunded Projects, which will be reimbursed to the Commission from the Department of Housing & Community Development (DHCD) Loan. Copies of relevant documents are attached to the Minutes.

Commissioner Cranford moved to approve Resolution 2008-03 to reprogram Department of Housing & Community Development (DHCD) loan proceeds, as recommended by Commission staff. Commissioner Owen seconded the motion and approval was unanimous.

C. 4th Quarter Financial Statement

Ms. Shick presented the revised 4th Quarter Financial Statement. She noted a very good result; with both the sewer and water divisions performing well. Mr. King added that, although operating at an overall loss, the Engineering Department has made substantial progress since it became an independent entity within the Commission several years ago. A complete copy of the document is attached to the Minutes.

D. Billing Form Bid Approval

Ms. Shick requested approval to accept the proposal submitted by EU Services of Rockville, Maryland, dated July 25, 2008, and to award that firm the contract for Customer Billing Forms in the amount of \$13,558.35.

Commissioner Lancaster so moved. Commissioner Hanson seconded the motion and approval was unanimous.

E. Folder Sealer Approval

Following Ms. Shick's justification, Commissioner Owen moved to approve the purchase of a folder/insert machine, at a cost of \$14,999 from Formax of Dover, New Hampshire, under the Federal GSA Contract. Commissioner St. Clair seconded the motion, and approval was unanimous.

F. Purchase Approval, IBM System i5

Ms. Shick reported that the current AS400 computer no longer meets the future needs of the Commission and **Commissioner Hanson moved to approve the purchase of the IBM system i5 at a cost of \$22,594.00 from CAS Severn of Laurel, Maryland, pursuant to the Intergovernmental Cooperative Purchasing provision of the existing contract between CAS Severn and Towson University. Commissioner Owen seconded the motion and approval was unanimous.**

CHIEF ENGINEER'S REPORT

A. Standard Report

Commissioner Lancaster moved to waive oral presentation by the Chief Engineer and to accept the routine monthly engineering reports as submitted and reviewed by this Commission. Commissioner Cranford seconded the motion and approval was unanimous.

B. Holland Forrest/Fenwick Manor Arsenic Mitigation Well Bid Awards

Mr. Frederick reviewed a spreadsheet detailing bid results of the two replacement wells; a copy of which is attached to the Minutes. For the information of the viewing audience, Mr. King clarified that they are both very deep wells in the Patapsco Aquifer, which are necessary in order to meet the new arsenic standards set by EPA.

Commissioner Cranford moved to award Contracts 308WL and 8082WL to A.C. Schultes of Maryland, Inc., in accordance with the proposal dated August 18, 2008 for the base bid of \$483,620.00 and contingent items not to exceed \$57,160.00 for the Construction of Arsenic Replacement Wells at Holland Forrest and Fenwick Manor and associated work. Commissioner Owen seconded the motion.

During the discussion period it was brought to Commissioner Cranford's attention that the *not to exceed* amount for contingent items as specified in his motion is incorrect, and should read, "\$57,300....."

Commissioner Cranford subsequently amended his motion to read: "Move to award Contracts 3081WL and 8082WL to A.C. Schultes of Maryland, Inc., in accordance with the proposal dated August 18, 2008 for the base bid of \$483,620.00 and contingent items not to exceed \$57,300 for the Construction of Arsenic Replacement Wells at Holland Forrest and Fenwick Manor and associated work. Commissioner Lancaster seconded the motion and approval was unanimous.

C. Wildewood Water Tower Contract Approval

Mr. Frederick referred to discussion held in Executive Session relating to the Commission's participation with Wildewood Residential in the construction of a 750K gallon storage tank; and requested Board approval for funding approximately 29% of the total construction cost.

Commissioner St. Clair moved to approve the Commission's funding of its share of the Wildewood elevated water storage tank in accordance with the estimated cost proposal presented by staff, which share will be approximately 29% of the total construction cost of the tower. Commissioner Cranford seconded the motion and approval was unanimous.

D. Lexington Park Pump Station, 8-30-S

Mr. Frederick reported that the pump station is currently operating successfully. However, an estimated \$40K loss resulting from time and labor could possibly result in a request for additional funds for this project at the September, 2008 meeting.

E. Evergreen Park

Maryland Department of the Environment has signed off on this project, which has been completed with a surplus of \$7K.

FACILITIES MANAGER'S REPORT

A. Hickory Hill Water Tower Painting, Contract #08-14-F.

Mr. Ichniowski presented the Facilities Manager's Report in Mr. Sullivan's absence, and requested approval to award Contract 08-14-F to S&T Painting, Inc., in accordance with the proposal dated June 26, 2008 for \$15,500 for preparation and painting of the Hickory Hills Water Tower.

Commissioner Owen so moved. Commissioner Cranford seconded the motion and approval was unanimous.

B. Macerator for California Run Wastewater Pumping Station, Contract #09-01-F

Mr. Ichniowski recommended award of Contract 09-01-F to JWC Environmental, in accordance with the proposal dated July 31, 2008, for the cost of \$24,751.00 to provide a macerator system as specified in the contract. He noted that the total budgeted cost for this equipment is \$60K, which includes purchase and installation. Installation work is intended to be performed by Commission staff to help reduce the cost of that project.

Commissioner St. Clair so moved. Commissioner Hanson seconded the motion and approval was unanimous.

C. St. George Island Wet Well Emergency Rehabilitation

Following Mr. Ichniowski's justification, (1) Commissioner Lancaster moved that the Commission award the above referenced contract to Abel Recon in accordance with the proposal dated August 14, 2008, for the cost of \$12,500, to reline the station wet well to seal against water intrusion. Commissioner Cranford seconded the motion and approval was unanimous; and

(2) Commissioner Hanson moved that the Commission award the above referenced contract to DSI, Inc in accordance with the proposal dated August 13, 2008, for the cost of \$19,793, to remove and replace all corroded pipe and hardware in the wet well. Commissioner Owen seconded the motion and approval was unanimous.

ADJOURNMENT

There being no further business, Commissioner St. Clair moved to adjourn at 3:40 p.m. Commissioner Lancaster seconded the motion and approval was unanimous.

Lilian J. Bryan, Secretary