

**SOMERSET COUNTY SANITARY COMMISSION
AGENDA – JUNE 29, 2017
ROOM 111 - SOMERSET COUNTY OFFICE COMPLEX**

1:00

Discussion Items

1. Letter of Transmittal from DBF to MDE re: FY18 Energy Water Infrastructure Program Grant Application.
2. MDE permit for Princess Anne Wastewater Treatment Facility Energy Efficiency Upgrades.
3. MDE letter to proceed with the advertisement of the contract for bids.
4. MDE notification of grant and loan funding for FY18 Capital Budget.
5. Letter from MD Department of Planning re: Deal Island Water Main Loop.
6. Expansion of the WWTP to include offices for the Sanitary District.
7. GMB letter re: Joint Federal/State Application for SICWP.
8. Charging City of Crisfield for use of Sanitary Employee and Vac Truck.
9. Discussion of Rural MD Prosperity Investment Fund.
10. SCSD Presentation to the Advisory Committee.

General Business

1. Approval of Sanitary Commission Executive meeting minutes dated 5/11/17.
2. Approval of Sanitary Commission meeting minutes dated 6/15/17.
3. GMB Proposal for bidding CMI Engineering Services.

Appointments

1. 2:00 Public Hearing-Proposed Water and Sewer Rates for O&M Budget-FY 2018.
2. 2:15 Annie Rolley re: Manokin Village Bill.
3. Closed Session to review pending legal matters.

Somerset County Sanitary Commission
Minutes of June 29, 2017

A regular meeting of the Somerset County Sanitary Commission was held on Thursday June 29, 2017 at 1:00 p.m. in Room 111 of the Somerset County Office Complex. Members present were Adam Riggan, Chairman, Charles T. Northam, Jr., Secretary-Treasurer, Ellen Bush, Vice-Chairman, Janet McIntyre, member and Maxine Landon, member. Also in attendance were Anthony Stockus, Manager, Starr Mister, Office Manager, Earl Ludy, Superintendent, Peter Bosick, George Miles and Buhr, and Richard Crumbacker, Somerset County Times. Members of the public in attendance were Rita Handy, Willie Mason and Annie Rolley.

Mr. Riggan called the meeting to order at 1:00pm.

Discussion Items:

Mr. Stockus stated that we have a late add to the executive agenda as a consequence to a recent personnel issue. He stated that we may need to go back into regular session to vote on an item.

Mr. Stockus discussed a letter from Davis, Bowen and Friedel to MDE regarding the FY 2018 Energy Water Infrastructure Program Grant Application. DBF, Inc. applied for this energy grant on our behalf for solar cells at our Princess Anne Wastewater Treatment Plant, which could save up to \$41,062 per year. Just before the meeting, Mr. Stockus received a letter from Elaine Dietz with MDE stating that we were approved for up to \$800,000. Ms. McIntyre asked for clarification on whether the plant would be going completely solar. Mr. Stockus stated that this would just be a supplement to what we currently have. He stated that due to the high volume of energy consumption we use, he did not think it was possible to go completely solar, but we are looking at substantial cost savings per year.

Mr. Stockus discussed the MDE permit for the Princess Anne Wastewater Treatment Facility Energy Efficiency Upgrades. Mr. Peter Bosick from George Miles and Buhr spoke on the details of this project. Last year MDE implemented a new energy water infrastructure program. GMB applied for this grant on our behalf and we received approval from state. At the time we applied we budgeted \$653,000, however the new project cost is \$700,000. The scope of the project was to replace our high energy aeration blowers that were installed in the 70's and late 80's. During the design phase they had to add the replacement of the piping at the plant. MDE was contacted and believe they can find more funds for this project and are encouraging us to put the project out for bid. MDE will not guarantee funds until they have a bid price. Mr. Bosick stated that they will be submitting engineering cost for reimbursement but MDE has said that at this point they are not sure if engineering cost will be covered. Mr. Stockus stated that in the new operating budget we have set aside \$30,000 but we could exceed that. Mr. Bosick stated that if we bid the project we are looking at another \$10,000. Mr. Bosick stated that the other option is to do nothing and continue to receive pressure from the state to upgrade the plant and if the aging blowers go up we would have to pay for them out of pocket. Ms. McIntyre stated that right now she would vote to bid the project first then see what the outcome is prior to accepting the project. Mr. Bosick said we don't have to move forward with the project but we would lose the \$10,000 because the state will most likely not reimburse us. A motion was made by Mr. Northam and seconded by Ms. Landon to move forward with the bidding process.

Mr. Stockus stated that we received a letter from MDE informing us that we were approved for grant and loan funding up to \$4,462,500 for the Deal Island Road Water Main Loop and Smith Island Treatment Plant ENR Upgrade and Improvement Projects. Deal Island Road Water Main Loop Project will receive \$312,500. This will involve \$156,250 of loan and \$156,250 in loan forgiveness. The remaining amount would go to Smith Island.

Mr. Stockus stated that we have received the permit for the Deal Island Water Loop Project. He stated this is an important project because we only have one connection going across Rt. 13 feeding the west side of Princess Anne. If we were to lose that connection we do not have enough water for fire protection in an emergency.

Mr. Stockus discussed an issue with the amount of office space and meeting the segregation of duties recommendation from a previous audit. Mr. Stockus met with Doug Taylor, County Administrator and he informed us that there was no additional space in the County Complex. He also informed us that it cost the County over \$160,000 to renovate the Treasurer's office downstairs. After being made aware of possible funding, Mr. Stockus asked Mr. Goller from DBF to gather more information. Mr. Goller determined that we could get as high as 75% grant. Mr. Stockus stated that our staff at the plant does not have proper shower and bathroom facilities, a locker room or a breakroom. Mr. Ludy stated that personnel was not considered in any of the plant upgrades. Currently field personnel go home to clean up after a job. This grant would allow us to combine operations and administration on the Wastewater Treatment Plant property at a cost possibly less than renovations to our current office space. He stated that he feels our employees deserve better. The new facility could include these items as well as a convenient drive thru for our customers. Ms. McIntyre asked how much it cost for Mr. Goller to look into this grant. Mr. Stockus stated that he didn't believe Mr. Goller spent an hour of time. Ms. McIntyre expressed concern that this was not brought to the board before looking into the grant. She stated that the office is currently located in the County Complex and she prefers to see the office stay here for convenience to other County agencies. She also stated that she did not feel this was good timing with the recent Westover financial issues. Ms. McIntyre asked to see the facilities at the plant. Mr. Stockus stated that he would work with her on a time to see the facilities. It was the consensus of the commission to table the item until Ms. McIntyre has a chance to tour the facilities.

Mr. Bosick spoke on the Joint Federal/State application for the Smith Island Clean Water Project. He stated that we made an official permit submittal for tidal wetlands construction permit to construct a higher timber deck next to the existing treatment plant that serves Ewell and Tylerton. By having the timber decks already there, we won't have to wait for the permit when it comes time to build the Treatment Plant. There was a discussion about the dredging process and how there is a separate permitting process by the Army Corp of Engineers if we go through the channel. Mr. Bosick stated the next step is to meet with the Army Corp of Engineers.

Mr. Stockus presented an email from Earl Ludy asking if we should charge the City of Crisfield for a job we assisted them on June 8, 2017. The commission took no action.

Mr. Stockus stated that we applied for a grant from the Rural MD Prosperity Investment Fund for Smith Island in the amount of \$250,000. Mr. Bosick stated that they are looking to fund four projects and one of the categories is infrastructure in rural communities. Mr. Bosick worked with Smith Island United and their advisor, Gretchen Bonneville, who made us aware of the grant. We submitted an abstract on June 20, 2017 and found out a week later that we made the short list. The full application is due by July 24, 2017 and if we are selected we should be

notified by August 14, 2017. Mr. Bosick stated this is a unique program as it allows you to receive the money in August. All the money must be spent within 12 months. We have letters of support from Somerset County, Somerset County Department of Planning and Smith Island United. The general idea is to look for ways to make it easier when a general contractor comes in to build the new Wastewater Treatment Plant. A discussion was held about the importance of the internet service on Smith Island. This service is important because the contractors can use the internet to manage the project more efficiently. Mr. Stockus stated that one of the concerns of the residents on Smith Island is that if we accept the grant money they would be committed to the upgrade of the Wastewater Treatment Plant. Mr. Stockus stated if we receive these grants funds the residents of Smith Island would not be committed to the Wastewater Treatment Plant upgrades as they are two separate projects. Mr. Bosick stated that under the premise that we borrow \$1,000,000, the estimated cost for each user on Smith Island for the Wastewater Treatment Plant upgrade would be \$1,000 - \$1,400. The state grant money is contingent upon us taking \$1,000,000 in loan. Mr. Bosick stated another budget item in this grant is solar energy to develop a community solar project. Community solar would require individual homes to have solar panels on their house to generate power to a larger battery. This battery could be used to power the Wastewater Treatment Plant in the event of a power outage. Ms. McIntyre expressed concern that some of the homes on Smith Island are older and the roofs may not be able to support them. Mr. Bosick stated that this is an important point to consider and should be included in the feasibility study as well as educating the homeowners.

The Advisory Committee met on June 19, 2017. The Municipal & Financial Service Group presented to the Committee their recommendations on the rates and policies for billing Debt Service. The next step is for the Advisory Committee to formally give their recommendations to the Sanitary Commission.

General Business:

No Invoices were presented for approval.

The minutes of the executive session dated May 11, 2017 were previously distributed. On a motion by Ms. Bush and seconded by Mr. Northam it was unanimously carried to approve the minutes as written.

At 2:00 p.m. Starr Mister opened the public hearing and read the advertisement on the proposed water and sewer rates and operating budget for FY 2018. Ms. Mister stated she has not received any public comments on the proposed rates. She asked if anyone in the audience had any comments and there was no reply. The rates were advertised in the Crisfield-Somerset County Times on 6/21/17 and 6/28/17. Ms. Mister added the rates are unchanged with the exception of the metered users in the following categories: 46,001-192,000 water will increase from \$1.90 to \$2.08 per thousand gallons; 46,001-192,000 sewer will increase from \$7.13 to \$7.42 per thousand gallons; and Over 192,001 water will increase from \$2.86 to \$3.01 per thousand gallons.

A motion was made by Mr. Northam and seconded by Ms. Landon and unanimously carried to approve the proposed water and sewer rates and operating budget for FY 2018. A copy of the approved rates is attached to these minutes.

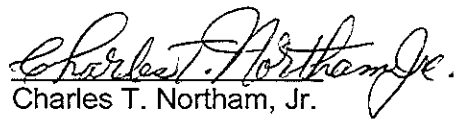
Ms. Konyar was present at 2:15p.m.

Ms. Annie Rolley and Willie Mason were present at 2:15p.m. Ms. Rolley and Mr. Mason live in Manokin Village. Mr. Mason stated that he received a disconnect notice on his door for a bill he knew nothing about. Ms. Mister stated that 5 minutes before this meeting Austin Cox met with her. She stated that Manokin Village is set up as a condo association and Austin Cox is the president. In 2015, Mr. Cox requested that we install meters at the 10 homes in Manokin Village instead of billing one big meter. This was completed in September 2015, but the last bill for the big meter was never paid. Mr. Cox stated that there are apartments behind Manokin Village owned by MD Hawk. In 2015 during the construction phase of these apartments, MD Hawk used the water from the big meter at Manokin Village. Mr. Cox stated that they are in the process of selling the MD Hawk apartments to UMES and they have agreed to pay this past due bill because they used the water during construction. Mr. Cox stated that he believed the property would be settled by the end of August beginning of September. He stated that he never give the bill to the homeowners because MD Hawk had agreed to pay the bill but the settlement kept getting delayed. Ms. Mister stated that we do not have anything in writing at this time, but she has agreed to extend the account until the end of September. Ms. Konyar suggested we put this on the September meeting to follow up.

Public Input

Ms. Rita Handy expressed her concern about water and sewer being served in Manokin. She stated that the residents cannot afford the service. Mr. Stockus stated that there is no plans to serve water to the Manokin area. He stated a sewer line will be run from Fairmount to Westover during the Fairmount Decommissioning project. The County Commissioners had suggested that if we have the support of Manokin we could possibly get sewer service to the area. Mr. Stockus told Ms. Handy that we are grateful for her coming in and voicing her opinion and we will take note of her opposition to the project. He stated that if the residents in that area don't want the service then we won't provide it, however the state has said that if the residents decide they do not want the service, they will restrict the line making Manokin unable to hook into the system in the future. He stated that septic systems can run as high as \$30,000. Mr. Stockus stated that there will be public hearings held in the near future. Mr. Stockus stated that the Somerset County Department of Planning and Zoning will be doing a salary survey soon to determine if Manokin would qualify for cost assistance for the sewer installation should they decide they want the service. Ms. McIntyre stated that she encourages the community to come to the meetings so they can have all the information. Ms. Handy stated that she is putting together a petition for the residents that do not want the sewer service.

On a motion by Ms. Bush and seconded by Mr. Northam it was unanimously carried to go into executive session to discuss pending legal matters.


Charles T. Northam, Jr.
Secretary-Treasurer
CTN/slm