

The Mid-Shore Regional Council Executive Board meeting was called to order by Chairman Gale Nashold at 12:21 P.M. The meeting was held at the Mid-Shore Regional Council office. Other Members in attendance included: Dirck Bartlett, Jeff Ghrist, Delegate Addie Eckardt, Walter Chase, Kurt Fuchs, and Allen Nelson. MSRC staff present were: Scott Warner and Terry Deighan.

Action Items

Approval of May 20, 2009 Minutes

The first order of business was the approval of the May 20, 2009 minutes. Mr. Nelson made a motion to approve that was seconded by Delegate Eckardt and passed by unanimous consent.

Approval of May 20, 2009 Closed Executive Session Minutes

The next order of business was approval of the May 20, 2009 Closed Executive Session Minutes. Mr. Nelson made a motion to approve, that motion was seconded by Delegate Eckardt and the closed session minutes were approved unanimously.

Financial Report

The next item was the presentation of Mid-Shore's Financial Report to date. The figures have been charted showing FY10 monthly budget vs. actual expenses as well as FY10 yearly budget vs. actual expenses. The figures demonstrate that the actual spending is on target with the projected budget.

Mr. Warner explained to the Board the financial structures of the FY09 GeoDASH grant and the pending FY10 GeoDASH grant. In addition, he explained the MSRC's contribution to the ESRGC in FY09 and FY10. Mr. Warner also discussed the Maryland Broadband Cooperative's federal grant award for Broadband Planning in the State of Maryland in regards to how the MSRC as well as other regional councils are included in the effort to help execute the planning activities.

Ratification of electronic Vote

The next order of business was the ratification of the electronic vote "Authorizing Resolution to file an application with the MTA for a FY10 MTA Coordination Grant". Mr. Warner stated that he had received five responses from the Executive Board and all were marked "Accept". Delegate Eckardt made a motion to ratify the vote, Mr. Nelson seconded the motion and the electronic vote was ratified by unanimous consent.

Bylaws update

Chairman Nashold suggested that Article VI, Section 6 on page 4 of the By-Laws should be changed to add an At-Large Member for a total of two. The

suggestion also included deleting the phrase “assuring balanced representation”, as the meaning was unclear. Delegate Eckardt made a motion to adopt the recommendation as presented, Mr. Chase seconded the motion and the recommendation to the Council was approved by unanimous consent.

Discuss/approve recommendation of the 2010 MSRC Executive Board

Chairman Nashold announced the following suggestions for the 2010 MSRC Executive Board as follows:

- 1st, 2nd, and 3rd Vice Chairs change according to the MSRC bylaws
- Kurt Fuchs moves from Member-at-large to Chairman
- Gale Nashold moves from Chairman to Treasurer
- Allen Nelson moves from Treasurer to Member-at-large
- James Redman would hold the new Member-at-large position

The following motions were made for the slate presented: Mr. Nelson made a motion to accept Kurt Fuchs as Chairman, Delegate Eckardt seconded and the motion was approved unanimously. Mr. Bartlett made a motion to accept nominations as presented for Secretary, Treasurer and General Assembly and the existing Member at Large position, Mr. Chase seconded the motion and it was approved unanimously. Delegate Eckardt made a motion to accept the nomination for the second Member at Large position as long as the By-Law amendment is adopted, Mr. Bartlett seconded the motion and it was approved unanimously. The slate as presented will be brought before the full board on December 10, 2009 for a vote.

Employee Matters

Chairman Nashold started a discussion regarding the Executive Director’s contract in relation to Section 5 which includes the statement “At a minimum the Council agrees to increase the salary at a rate of 2% plus COLA allowance as defined by the Federal Government.” Chairman Nashold stated that this part of the contract has been discussed by members of the Council in the past. Knowing this, he informed the Executive Board that he had discussed the possibility of renegotiating the contract with the Executive Director and that Mr. Warner was very willing to do so. Chairman Nashold then asked Mr. Warner to make any comments.

Mr. Warner informed the Executive Board of several points. First, he welcomed the opportunity to renegotiate the contract to clarify and/or remove this clause if the Board sees fit. He stated that he is very grateful to the Council for his compensation package and thoroughly enjoys working for the MSRC. Mr. Warner then explained several things so that the current Executive Board had the facts.

- Mr. Warner started employment with the MSRC in October 2005 and was not awarded a signed contract until March 2006

- The contract did not include all the employee compensation/ benefits that were advertised by the job listing
- The current contract including the phrase in question was copied from the previous Executive Director's contract
- In the 35 year history of the federal COLA it averages 4.3% per year
 - Since 2003, the 2nd year of the MSRC, the average COLA was 2.7%
 - Since Mr. Warner's employment (2005 until present) the COLA average is 3.1%
- From FY06 to FY09 (the time of Mr. Warner's and Ms. Deighan's employment) the MSRC has saved a total of \$54,167.01 broken down in the following categories:
 - Mr. Warner's health insurance \$29,597.70 (employee reimbursement compared to the MSRC family health plan)
 - Implementation of Flexible Spending Accounts \$4,001.53 (savings of 7.65% FICA on Mr. Warner's use of these accounts)
 - Executive Director's cell phone \$2,376.00 (compared to previous practice of the Council)
 - Executive Assistant's health care \$18,191.78 (getting out of Talbot County's plan and yearly shopping rates for the MSRC)
- If a new contract eliminates the 2% plus COLA clause would the MSRC:
 - Enter its employees into the Maryland State Retirement System (Mr. Warner contacted the Executive Director of the State Retirement & Pension System of Maryland)
 - The Council's liability for its employees past service would fall between \$50,000 and \$100,000
 - The employer contribution rate for FY11 is expected to be 10.83%
 - Mr. Warner stated that as the MSRC's Executive Director he would not advise the MSRC to enter the Maryland State Retirement System
 - Revise the number of vacation days
 - The original contract states 13 days vacation annually
 - Proposed change: "Annual vacation leave is earned as follows: Up to 5 years of service employee receives 13 days vacation. Over 5 years through 15 years of service employee receives 18 days vacation. Over 15 years of service employee receives 23 days vacation."
 - This proposed change is the same as current Talbot County employees receive according to their website

A discussion followed. Two suggestions were: 1) leave as is, or 2) prepare an amendment to the contract. Mr. Nelson stated he would like to remove the 2% plus COLA from the contract and increase personal leave. Mr. Bartlett was not in favor discussing this with MSRC employees present. Mr. Chase made a motion that was seconded by Mr. Nelson to remove the 2% plus COLA

statement from the contract. In addition, Mr. Nelson amended the motion to revise the vacation section of the contract as Mr. Warner had stated. Mr. Chase accepted the amendment to his motion and Mr. Nelson seconded the motion. The motion was passed with 6 votes in favor and 1 abstention. The Executive Board gave the Chairman the authority to sign a new, updated contract with the Executive Director.

Old Business

Endorsement letters

Maryland Broadband Cooperative – ARRA 2009

Mr. Warner shared an endorsement letter he had written for the MdBC on behalf of the Council. He pointed out that Broadband is in the MSRC Scope of Work and a high Mid Shore CEDS priority project. A copy of the letter was placed in each packet for review.

Arthur Lembo (ESRGC) – parallel processing for GIS analysis

Mr. Warner also stated he had prepared a second endorsement letter for the ESRGC. Stating it is also in the MSRC Scope of Work and a high Mid Shore CEDS priority project. A copy of the letter was also placed in each packet for review. After reviewing Mr. Ghrist made a motion to accept the letter as presented, Mr. Bartlett seconded the motion and Mr. Warner was given permission to send the letter to Dr. Scott by unanimous consent.

New Business

None

Other matters

Mr. Warner stated that Ellery Adams was the Municipal Elected Official from Caroline County and has resigned his position.

The Bylaws state:

“Article V, Section 8: The members of the Council who hold membership by virtue of their elected or appointed positions shall retain their membership on the Council only during their term of office.”

Article V, Section 1 (d):

(i) Three municipal elected officials, one from each County, appointed by their respective municipal corporations; or

(ii) If the municipal corporations located within a County are unable to choose a municipal elected official within a reasonable period of time determined by the Council, the Eastern Shore Municipal Association shall appoint an elected municipal official to represent the municipal corporations of that County;”

There was a brief discussion; the Board will wait to hear from the municipalities.

Member comments/requests

None

Adjourn

Mr. Nelson made a motion to adjourn that was seconded by Mr. Bartlett and by unanimous consent the meeting was adjourned at 1:20 p.m.