

**Resilience Authority of Annapolis and Anne Arundel County, Inc.  
Board of Directors Meeting Minutes  
December 15, 2022**

**Location: Chesapeake Room, 2664 Riva Road, Annapolis, MD 21401**

**Board Members Present**

Stacey Schaffer  
Jamie Benoit  
Emily Clifton  
Nathan Betnun  
Veronique Bugnion  
Mariah Davis  
Vincent O. Leggett  
Jared Littmann  
Mike Sewell  
Teresa Sutherland (Chair)

**Resilience Authority Staff Present**

Dan Nees, Interim Director, Throwe Environmental  
Joanne Throwe, Throwe Environmental  
Kyle Gray, Throwe Environmental

**Guest**

Matt Fleming, Incoming Director for Resilience Authority (effective Jan. 2023)

**Advisory Committee Members Present**

Jackie Guild, Deputy City Manager for Resilience and Sustainability

**Opening Activity**

Teresa Sutherland, Chair, opened the meeting, and the Board members present at the start of the meeting, constituting a quorum, introduced themselves (Ms. Schaffer, Mr. Leggett, Mr. Betnun, Mr. Sewell, Ms. Davis, Mr. Littmann, Ms. Sutherland, and Ms. Bugnion). Ms. Sutherland introduced Recording Secretary Yanick Parker, and Mr. Nees and Ms. Throwe introduced themselves.

**Approval of Minutes**

Mr. Sewell made a motion to approve the minutes of the October 25, 2022, meeting. Mr. Littmann seconded the motion. All were in favor; none opposed. The motion passed.

Mr. Benoit arrived and joined the meeting.

**Updates**

***Resilience Authority Director position***

Mr. Nees advised the Board that on January 13, 2023, Mr. Matt Fleming will become the Director of the Resilience Authority as an employee of Anne Arundel County ("County"). Mr. Fleming advised the Board

members of his professional experience and background. Mr. Nees said Throwe Environmental will assist Mr. Fleming until March 31, 2023, when Throwe's contract with the County ends.

Ms. Clifton arrived and joined the meeting.

***Request for Qualifications and Information***

Mr. Nees advised the Board that at the beginning of November, the Resilience Authority ("Authority") issued a Request for Qualifications and Information that closed on November 22, 2022 to obtain information from qualified companies and organizations that provide consulting services to establish local climate resilience and mitigation action strategies that will support flood control, ecosystem resilience, shoreline protection, structural resilience, energy resilience, and other community-based projects and programs. There were 10 responses, most of which were from large consulting firms focused on water and stormwater infrastructure. Some responses were very detailed on the four areas in the request, which were shoreline protection, transportation infrastructure, flooding structures, and energy. Mr. Nees said he has not provided any of this information to the Board yet because the Board has not yet adopted standard operating procedures for procurement and confidentiality of bids. Once the Board approves the procurement procedures, Mr. Nees will forward the responses to the Board along with his analysis and recommendations.

***Legal Counsel***

Mr. Nees advised the Board that pursuant to the motion passed by the Board at the last meeting, he and Ms. Sutherland engaged Mr. Barry Downey with Smith & Downey to provide legal counsel to the Resilience Authority for an amount not to exceed \$25,000. Smith and Downey will review the bylaws, standard operating procedures, grant agreement with the County, and the 501(c)3 application.

***Insurance and 501(c)3 status***

Mr. Nees said he has been soliciting insurance quotes for the Authority, and that he expects the Authority will have insurance in place by the next meeting. He said that some of the insurance companies he contacted were uncomfortable with the lack of clarity in the institutional structure of the organization. Once it is determined whether the Authority is a 501(c)3 organization, it will be easier to award an insurance contract. Currently he has one bid to consider.

Mr. Littmann asked whether the insurance contract would be retroactive. Mr. Nees stated that the contract would be retroactive, but at this point they would like to get another bid in place, and the premium should be less than \$5,000 a year.

Mr. Benoit asked whether Mr. Nees had sought an opinion from the County Office of Law as to whether the Authority has any kind of public immunity as a government organization. Mr. Nees said he had not yet done so, and that's part of what the 501(c)3 analysis will do. He said he had reached out to the Anne Arundel County Economic Development Corporation, but they cannot find their 501(c)3 application. Mr. Nees said he feels confident the Authority will qualify as a 501(c)3 and having Mr. Downey involved will be very helpful. Mr. Nees said it will be easier to get insurance firms to engage with the Authority once the Authority has submitted its 501(c)3 application.

Mr. Betnum suggested the Authority look at Arundel Community Development Services, who is a 501(c)3 organization. Ms. Sutherland responded that Community Development provides assistance to low-income residents, and others besides the City and County can engage them for services. Ms. Sutherland said that the IRS permits a 501(c)3 designation when an organization "lessens the burden of

government.” She said in her opinion the Authority will qualify under that provision, and Mr. Downey concurs.

Mr. Nees said he and Ms. Sutherland has been discussing what Board committees should look like, but it would be helpful to have the Board provide guidance and information on this issue because it feeds into liability and insurance issues.

### ***Audit***

Ms. Sutherland updated the Board on the requirements for an annual audit. She explained that the Authority is a component unit of the County for financial reporting purposes, which means the Authority’s audited financial statements get included in the County’s audited financial statements, and the City has to put in a footnote disclosure in its audited financial statements. The Board has retained the County’s outside auditors, SB & Company, at \$2,000 for an audit for the year ended December 31, 2022. Because the fee is only \$2,000 and Ms. Sutherland is aware of standard language in an audit engagement letter, Mr. Nees executed an engagement letter with SB & Company without having legal counsel review it.

Ms. Sutherland said that the County Code and City ordinance currently require the Authority to have an audit completed by January 1 for the preceding calendar year, which is impossible. She said the Authority will have to ask the County and the City to change the Authority’s year end to June 30. The Authority will also have to reach out to the State agencies that are to receive the audited financial statements and tell them about this glitch and that the Authority will submit copies of their audited financial statements to the State by March 31.

### ***PAW Project***

Mr. Nees updated the Board on the Putting Assets to Work (“PAW”) project to develop a strategic plan. The analysis will be done in time to deliver it to Mr. Fleming in the spring. The project is focused on what the Authority’s project portfolio will look like, what the revenue streams and financing mechanisms will be, and what the timing will possibly look like.

### **Officers Nomination and Election**

Ms. Sutherland announced that Mr. Betnum has volunteered to be the Vice Chair, Mr. Leggett has volunteered to be the Secretary, and Mr. Littmann has volunteered to be the Treasurer.

Ms. Sutherland motioned to have Mr. Betnum as Vice Chairman, Mr. Leggett as Secretary, and Mr. Littman as Treasurer. Mr. Benoit seconded the motion. All were in favor; none were opposed. The motion was adopted.

### **Bylaws**

Ms. Sutherland said the proposed bylaws were sent to the Board members and Mr. Downey for their review. Ms. Sutherland said some of the Board members’ suggested edits could not be incorporated at this time because they conflict with the County Code and City ordinance.

Ms. Sutherland said much of the language in the bylaws on the administrative side is the same as proposed, and language was added regarding bonds. Mr. Nees said Mr. Downey had reviewed the Bond section and advised on what should be included in the bylaws vs. the standard operating procedures.

Mr. Littman asked if the Board could get a redline version of the draft bylaws and version before the Board for approval. Ms. Sutherland stated she didn’t know if a redline was available because the

document was in both Google Docs and Word, but that she thought you could do a document “compare.” Ms. Throwe said a redline would be a lot to produce, but they can provide one. Mr. Nees mentioned there was a redline process with the Board, then a redline process with the lawyer, so the document got “messy.” He said he can provide the various iterations. He said of the suggested edits, the only things that weren’t accepted were those that conflicted with County Code and City ordinance, and the bylaws can be amended over time.

Mr. Benoit suggested making a protocol for the bonds and procurement in a procedure’s manual outside of the bylaws so we don’t have to amend the bylaws. Ms. Sutherland agreed with Mr. Benoit and pointed out that the bylaws do not contain language regarding procurement and that the language on bonds in the bylaws comes from the County Code. Mr. Nees agreed and said he could also show what the consultant provided on the bond standard operating procedures and what was pulled into the bylaws and what was kept separate that would become that manual.

Mr. Benoit spoke about the possible conflict with the County Code as it relates to the bond ordinance, that the Authority needs language that makes it clear the bond ordinance prevails.

Mr. Nees stated there are two parts to the bill that created the Authority that are driving everything. One is that the Authority, at the County and City’s discretion, has the authority to set fees. The second is the Authority’s ability to issue revenue bonds. Mr. Nees said we have time to resolve bond issues, but he agrees those matters need to be clearly defined.

Ms. Sutherland mentioned another County Code change that the Authority may pursue. Under the current provision so the County Code, the County Executive appoints the Resilience Authority Director, but the Director’s compensation is fixed by the Authority. However, the County has made the Director position a County position in the County pay plan with County benefits, and the County Executive decides the Director’s compensation, not the Authority. That compensation comes out of the County budget.

Mr. Benoit expressed his concerns and asked what happens when the interests of the County Executive conflict with interests of the Authority regarding the Director position. Ms. Sutherland pointed out that the Authority has that conflict regardless of who compensates the Director because the County Code and the City Codes provide that the County Executive makes the appointment and the Director serves at the pleasure of the County Executive. She added that the Authority does not have the mechanisms in place to compensate the Director. She agreed with Mr. Benoit that this is an issue to address but that until the County Code is changed, all that can be done is lobby the County Executive for the interests of the Authority. Mr. Benoit said he wants to resolve this issue during the current term of the County Administration, and Mr. Nees agreed.

Ms. Bugnion asked about the ability of the Authority to finance itself. Mr. Nees stated that providing salary and benefits to a single person is prohibitively expensive, so having a relationship with another institution to carry that administrative load is important. Ms. Sutherland pointed out that the matter needs to be addressed because the Chief Financial Officer and other positions will be employees of the Authority, not the County.

Ms. Clifton asked if the Board has the ability to vote remotely if needed. Ms. Sutherland said the Board is subject to the Open Meetings Act and the Public Information Act, and the City and County governments who are subject to those acts cannot vote by way of email. The Open Meetings Act

requires someone to have official training in the Open Meetings Act. Ms. Sutherland suggested that herself, Mr. Fleming, and Mr. Leggett receive training in the Open Meetings Act given by the State, which may help answer those questions. Ms. Sutherland asked for the question to be posed to Mr. Downey for an answer.

Mr. Littmann expressed concern with the language in Section 11.2 of the bylaws that requires the concurrence of the City of Annapolis for revenue streams and budgetary procedures, which is language from the County Code and City ordinance. Ms. Sutherland said she thinks the language should be changed to say appropriations from the County are subject to the County Council's appropriation authority, and appropriations from the City are subject to the City appropriation authority. If the city wants to give the Authority money to do something, then the County shouldn't be able to stop that, and vice-versa. She agreed with Mr. Littman that it is a concern.

Mr. Betnum asked about several edits he proposed that are not in the proposed bylaws before the Board for adoption. Ms. Throwe reiterated that changes that conflict with County Code were not accepted. Mr. Betnum asked questions on the following sections:

**II.2, line 4:** This line says "the use of general fund revenue and revenue from general obligation bonds," and the proper wording should be "proceeds from general obligation bonds."

Ms. Sutherland agreed "proceeds from" is more accurate wording, but the County Code language is "the use of general fund revenue and general obligation bonds."

*Ms. Sutherland proposed deleting the words "revenue from" before "general obligation bonds" in II.2, line 4.*

**II.3, line 2:** Mr. Betnum proposed fixing the spacing issue ",". Ms. Throwe said spacing issues would be corrected.

**III.6:** Mr. Betnum asked for clarification on the language regarding the "majority vote" required to take action and whether the requirement is for a majority of all members or for a majority of the members present. Ms. Sutherland said the County Code language is a majority vote of all members. (No proposed change.)

Mr. Betnum asked whether the language about the reimbursement of expenses was deliberately removed. Ms. Sutherland said the language is in a different section of the bylaws. (No proposed change.)

**IV.10:** Mr. Betnum asked about the language regarding removing a member "for cause" and using the County definition of "for cause." Ms. Sutherland responded that the County Code or Charter or City Code does not have a definition of "for cause" and that Mr. Downey recommended not making the language more specific in the bylaws. (No proposed change.)

**IV.11, line 5:** Mr. Betnum said, "Member of Authority" should just say "Member."

**IV.13, line 1:** Mr. Betnum said, "Board members" should just say "Members."

*Ms. Sutherland proposed changing all instances of "Member of the Authority" to "Member" and of "Board members" to "Members" throughout the bylaws.*

Adopted with Edits on 1.26.23

**VI.1, VI.2, IX.1:** Mr. Betnum said “Mayor of the City” should just say “Mayor.”

*Ms. Sutherland proposed striking “of the City” following Mayor throughout the bylaws.*

**VI.7, page 5, line 2:** Mr. Betnum suggested striking “the Authority’s debt standard operating procedures” and inserting “standard operating procedures for the Authority’s debt.”

*Ms. Sutherland proposed changing the language to “standard operating procedures for the Authority’s debt.”*

**X.1:** Mr. Betnum suggested adding the City Finance Director as someone who can audit the Authority. Ms. Sutherland did not agree this suggested change was necessary because the City Manager may designate someone to audit the Authority, which could be the Finance Director, and the language in the bylaws comes directly from County and City Code. (No proposed change.)

Ms. Sutherland made the motion to approve the bylaws with the proposed changes above. Ms. Schaffer seconded. All were in favor; none opposed. The bylaws were amended and adopted.

Mr. Nees said Ms. Clifton found language in the County Code about holding remote meetings and does the Authority want to have this language in the bylaws. Ms. Sutherland pointed out that the County Code section Ms. Clifton referenced pertains only to the Board of Appeals. Mr. Nees asked whether language about remote meetings needs to be in the bylaws. Ms. Sutherland said the Open Meetings Act training may answer the question of whether we can hold remote meetings.

#### **Standard Operating Procedures for Procurement**

Ms. Sutherland stated that the Standard Operating Procedures (SOP) for Procurement are general in nature, requiring competitive solicitation unless the procurement is less than \$25,000 or it is a sole source procurement for which is only one vendor provided.

Mr. Nees said we do not want another County Procurement system. The proposed SOPS put a lot of responsibility on the Director with clear oversight by the Board, but we want flexibility to create efficiency.

Ms. Throwe has started on the manual to give more definition, but the SOP has to be approved.

Mr. Nees said the SOP was drafted so that the Board does not get involved with small procurements, which should be left up to the Director. The Director should be able to approve contracts for supplies and other small amounts of procurement. The Board should be involved only in dealing with financing projects.

Ms. Sutherland stated that the SOP requires legal counsel to review and advise the Director on any contracts \$25,000 or greater, and procurements that are \$25,000 or greater have to be to be competitive unless it is a sole source. If it is a sole source procurement, the Chief Finance Officer (CFO) has to write a memo documenting why, and the Director has to approve it.

Ms. Sutherland said the SOP allows the Board to set up a review team comprising members of the Board, authority employees, and members with relevant experience as determined by the Director. Ms.

Adopted with Edits on 1.26.23

Sutherland was unsure of the use of the word “member” in this context. Mr. Nees explained “members” means “members of the review team and the committee.” Mr. Nees mentioned that they should be engaging first with the Advisory Board.

Ms. Sutherland stated that the Board can require insurance, performance bonds, and other typical information.

Mr. Littmann asked what standards the attorney would have to approve it. Ms. Sutherland responded that the review would be for legal form and sufficiency and compliance with applicable laws.

Ms. Bugnion asked if it was possible for the Board to pass a resolution to allow the Director to assume the responsibility until a Chief Financial Officer is hired. Mr. Nees responded that there is no need to hire a CFO until the Authority is ready to undertake a financing.

Ms. Sutherland raised the concern that anywhere the County Code says “Chief Financial Officer,” the action would have to be taken by the CFO. But if the Authority documents say CFO and we don’t have one, she would support the Director assuming that role as long as whatever it is the Director does in place of the CFO is also approved by the Chair. Ms. Sutherland said we don’t want the Director to take on both positions with no oversight. Mr. Nees said we need to address this issue at the next Board meeting or two.

Ms. Sutherland asked when the Authority would award the contract for the RFI. Mr. Nees stated that it’s on pause until Mr. Fleming has a chance to see what an RFP would look like, and the Authority would have six months before there was a need to do anything. Mr. Leggett asked if the Authority was the first resilience authority in the nation because Charles County is representing, they are the first. Mr. Nees confirmed Charles County formed the first resilience authority, but we are the nation’s first multijurisdictional resilience authority.

Mr. Benoit suggested amending Section C of the SOP to allow for extensions and modifications of existing contracts to be made without competitive solicitations. After discussion of the wording, Mr. Benoit made a motion to change the first sentence of Section C to “Except for procurements less than \$25k, or sole source procurements for which there is only one source for the goods or services, or the modification or extension of an existing contract, the Authority shall award all contracts by competitive procurement.” Mr. Littmann seconded the motion, and it passed unanimously.

Mr. Littman asked whether Section B should require legal counsel to advise the Board, too, and not just the Director. After discussion, Mr. Littman proposed adding “and Chair” so that the Director and the Chair both receive the advice from legal counsel.

Mr. Littmann suggested for sole source procurements that are an emergency, the required documentation could be made after the procurement. Ms. Sutherland said she thought all sole source procurements should be justified and documented prior to the procurement, even in an emergency. Mr. Littmann also asked how sole source procurements will be handled when there is no CFO yet. Ms. Clifton said she thinks sole source procurements, across the board and in places she’s been, have to be justified ahead of time.

Adopted with Edits on 1.26.23

Ms. Sutherland proposed leaving the SOP as it is and adopting a motion that any time the Authority doesn't have a CFO, the Resilience Authority Director with the approval of the Chair may perform the CFO duty.

Mr. Benoit suggested that the Authority shall re-evaluate the SOPs annually (ex. Q2 – Procurement, Q3 – Bond Manual).

The proposed amendments to the Procurement SOP are as follows:

**Section B, line 4:** Add “and Chair” after “Director”.

**Section C, line 1:** Change the first sentence to “Except for procurements less than \$25,000, or sole source procurements for which there is only one source of the goods and services, or modification or extension of an existing contract, the Authority shall award all contracts by competitive procurement.”

Ms. Sutherland motioned to adopt the amendment to Section B; Mr. Benoit seconded the motion. All were in favor; none opposed. The amendment to Section B was adopted.

Ms. Sutherland motioned to adopt the Standard Operating Procedures as amended. Mr. Benoit seconded the motion. All in favor; none opposed. The motion passed.

Mr. Benoit suggested at the next meeting, the Board consider adding a discussion about ordering small procurement purchases like supplies, that would be under a certain dollar amount so that it won't require always getting full Board approval.

#### **Open Discussion**

There was open discussion.

Mr. Leggett asked how the Director will get a support staff. Ms. Sutherland said the County Code states the Resilience Authority Director is in charge of hiring the staff, except the Chief Finance Officer. Mr. Nees said the Board hires the CFO, but who does that position report to, and having two positions that both report to the Board would be uncomfortable for the Director.

Mr. Leggett asked about generating dollars to support the new Director. Mr. Nees stated any hiring that will be done will be based on the approval of the annual budget by the Board. Mr. Fleming would have to say who he wants to hire and state where the money is going to come from, and the Board would have to approve his decision.

Mr. Leggett asked how the Resilience Authority sets up the Director for success. Ms. Sutherland stated that the Resilience Authority appoints the CFO and sets compensation, but the CFO reports to the Director. The County Code says the Director is responsible for the daily operations of authority; supervision of any activities or tasks performed by employees; and appointment of all employees, determination of their duties, conditions of employment, and fixing their compensation, consistent with the bylaws, policies, and procedures, but the next section states the Members elect the CFO and set the compensation. Mr. Benoit states he believes the Director should be permitted to submit a CFO candidate to the Board, and the Board should ratify the pick. Mr. Benoit states this is something that needs to be addressed. Mr. Benoit said the Board should have hire/fire authority only over the Director position. Mr. Nees said we have some time to fix this, but this is at the top of the list. Ms. Sutherland said she would



like to have a small committee who are good with legislation get together to come up with language to resolve this.

Mr. Nees gave a breakdown of the finances to date for the Authority. The County initially proved \$250,000 in fiscal year 2022. Originally the County was going to give the Authority \$500,000, but then the County entered into a contract with Throwe directly. In fiscal year 2023, the County included another \$500,000 in their budget specifically to support the Authority, and then there was another \$1 million in the County budget specifically to support the activities of the Authority. We have completed a grant agreement with the County so that \$1.6 million will be coming over into the Authority's account within the next day or two. Mr. Fleming's salary comes from the County budget, so the \$1.6 million is to get the Authority going.

Ms. Sutherland asked if it was \$1.5 million or \$1.6 million. Mr. Nees said the \$1.6 million includes unspent funds from FY2022.

Mr. Nees said there are conditions on the grant. The grant term is one year, and then the Authority has to apply for an extension for the second year, and then apply for another extension on the third year. Because it's a July 1 fiscal year, Mr. Fleming has two years and eight months to spend that money, except about \$150,000 from the original contract has no stipulations on it. Mr. Nees suggests keeping that money in the bank the Authority can use that money on a "rainy day." This funding positions the Director effectively to set up the staff, get a project going, and invest money.

Mr. Benoit asked whether we can spend the money to procure more money. Mr. Nees said yes, as long as it is in the mission of the institution to further the resilience of the jurisdiction. That is the first place recommended to invest the money. Mr. Benoit gave an example of hiring a position to seek and write grants.

Ms. Bugnion asked whether there are deadlines on various programs. Mr. Nees said Throwe Environmental has created a spreadsheet that has over 340 programs in the Bipartisan Infrastructure Law (BIL) and they categorize all of them. State or local specific and set the priorities. Mr. Nees stated they have not created it for the Inflation Reduction Act (IRA) yet.

Mr. Benoit asked whether the projects have to be shovel-ready in order to be funded, and, if so, we need to identify projects. Mr. Fleming responded that there are not as many shovel-ready projects from the last infrastructure or stimulus fund, but being shovel ready and having partners at the table will put us first in line. Mr. Nees said that's what the RFQ will do, get the project portfolio in place.

Ms. Clifton asked who would submit on the Board's behalf if the Authority is not yet a 501(c)3. Ms. Sutherland said she is hoping we will get our 501(c)(3) application before January 1, and then we can hold ourselves out as a 501(c)(3) organization. Mr. Nees said once you get the application in, most federal funding and philanthropic organizations will accept it as being appropriate. Mr. Nees said it's important under the BIL to be a component unit because then the Authority is connected to both the City and the County and the grantors are comfortable with that.

Mr. Fleming said the other piece that puts us in a good spot is that a lot of the federal and state grants don't want you paying for staff salaries, so having the county pay for staff salaries is a plus.

Mr. Nees said another example of having funds to invest is that having matching funds for the grants is important, and the Authority is sitting on \$1.6 million worth of non-federal matching funds.

Mr. Benoit said January 15 coincides with the start of the County's next fiscal year budget discussion, and has the Authority advocated to the County for appropriations. Ms. Sutherland said she and Mr. Nees can have a conversation with Chris Trumbauer (County Budget Officer). The County gave us \$1.5 million in the FY2023 budget, of which \$500,000 was for operations. We could seek a recurring appropriation of a certain amount.

Mr. Nees said the County asked whether the Authority could finance the electrical vehicle charging network. The County doesn't need help buying the cars. They want the Authority to finance the charging system, and they have \$4 million in the budget right now to start the process. That would be an initial project. Mr. Nees said those opportunities are significant at the County level, and Ms. Sutherland said the Annapolis Mayor has many ideas, too, and we need to reach out to the City, too. Mr. Benoit said we need to learn how to build projects, and having a county project be our first project is a good starting point.

Ms. Clifton noted that it is "earmark season" and volunteered to help write grants.

Mr. Nees said some of the resources do fund planning, but funding for shovel ready projects is where the real money is. Mr. Nees said he met with Chris Trumbauer, and Mr. Trumbauer is extremely proud of the money he's been able to bring into the Authority, and Mr. Nees thinks he will be open to a conversation about continuing to support what we're doing as long as we're successful. Mr. Nees also said we are reaching out at a state level to engage with other counties and working collectively to go to the State to get additional resources.

Ms. Clifton said the Authority should not shy away from opportunities, and while grants may not pay for salaries, make sure time sheets are set up properly and good procedures to put in place so you will have the opportunities.

Ms. Sutherland asked what the next steps are to take now to secure funding. Mr. Nees said first is an explicit conversation with Mr. Trumbauer, and the second is the state level engagement, and he's moving forward on that.

Mr. Benoit asked what the County's willingness is to let the Authority engage with our federal delegation to build awareness. Mr. Nees said the County has pretty strong feelings about how to engage. He said they are open to the conversation, but want it to be in very tight coordination.

Ms. Sutherland asked about engaging the City of Annapolis. Mr. Nees said the engagement with the City has been with the mayor, and the mayor has some great ideas about opportunities where the Authority can invest. The Authority has not yet had a conversation directly about the City's financial input in the process. That conversation needs to be had soon, but in their defense, they haven't been asked directly, so we need to have that conversation soon.

Mr. Benoit asked about "constant yield" about whether the County still sends money to the City and whether there's some way to use that mechanism to get funding from the City. Ms. Sutherland said it's not constant yield, it's the tax differential. Ms. Sutherland explained how the tax differential works. Mr. Benoit said you would have to get a deal where the projects benefit everybody in the city. Mr. Nees said

that conversation would connect with the conversation on whether we establish a resilience fee. Ms. Sutherland said she and Mr. Benoit would discuss the matter further.

Mr. Leggett asked whether equity, justice, and inclusions that the County and City speak about are values that are meaningful to the Authority? Mr. Nees said he hopes so, and that the strategic plan says it is by definition impossible to have a resilient community that is not equitable, and, therefore, you have to fix those inequities. This is a financing institution, and while it's not our job to change social policy in other places, it is our job to make sure the financing happens in a way that is equitable, which means the project portfolio has to reflect equity also, and we would hope that the Board would take a very strong position in what that means and what the portfolio looks like.

Mr. Benoit said we should emphatically state that we are going to fund projects in parts of the County that have not been served well by environmental enhancements. Mr. Nees agreed, saying the charging stations are a great example. The primary focus is to put those chargers where the County vehicles need it most, and otherwise it should be on putting those charging stations in the communities that have the hardest time getting those stations, like apartments and lower income areas where it's just harder to have it, and that is explicitly in the policy. Mr. Nees is hopeful that when the Board sees the strategic plan, they will see that it is not just ingrained in it, but the primary role of this institution is to fix inequities in the investment and financing process.

Mr. Benoit said there are places, politically, where we could influence the County's resilience planning efforts, like with the Master Plan, the Water and Sewer Master Plan. In other words, we can have sections of these plans drafted into the next update and have the County acknowledge the importance of Authority, which will allow us to leverage funding for the resilience of those facilities.

Ms. Sutherland wanted to reach out to the Advisory Committee about the County Water Master Plan updates. Ms. Guild from the City, said the City's contribution to the Authority was discussed about a year ago, and that the County asked the City to contribute \$300,000. It was discussed, but no decision was made.

Ms. Sutherland asked whether we put on the Director's list if we can find out when the plan updates are so we can act timely. Mr. Benoit said being included in those plans.

Mr. Gray, from Throwe Environmental, asked whether it's helpful to know when State plan updates are, and Mr. Littmann asked about the City's comprehensive plan update. Ms. Sutherland said the County has adopted its comprehensive plan, and asked whether the City has updated theirs. Ms. Guild said, "not yet."

Mr. Benoit said the Authority also may want to consider that there will come a time when some of the activities that the resilience authority has funded and taking place that will be in violation of the zoning districts that will be taking place on both public and private property, and we should be thinking long-term that we are allowed to do things as conditional uses, so we don't have to go through rezoning hearings. We should be thinking through that now. Mr. Nees said one of the advantages of the Authority is that we can work on private property, but Mr. Benoit raises a good point.

Ms. Sutherland asked how often the County water and sewer master plans get updated, and Mr. Benoit said every 24 months. Ms. Clifton asked about the hazard mitigation plan. Mr. Nees said we will address them all.

Ms. Bugnion said a lot of Federal funding will have 40%, money coming in. prioritizing projects with new revenue sources. Mr. Nees said almost everything in the BIL has that provision. Ms. Bugnion said the tricky part for this group is going to be prioritizing projects, and there will be some projects with no revenue sources, and how do you balance that. We need to get out of the project mindset and into the financing mindset.

For the upcoming calendar year, the Chair proposed meeting on the fourth Thursday of January, April, July, October, and, if needed, December, and the Board members agreed. The dates are subject to change.

Mr. Benoit asked about the proposed meeting dates and the timing of the annual audit. Ms. Sutherland said the first audit will be as of December 31, 2022. The next audit will need to be done of the six-month period ending in June 30, then an audit will need to be done by the following January 1 to be on the regular cycle. The Resilience Authority will have a short year regarding the tax return. She recommended that the auditors present the first audit to the entire Board because the Board is new, but going forward the Resilience Authority may want to set up an Audit Committee with oversight over the audit.

Mr. Littmann asked about Board vacancies. Mr. Nees said there are two vacancies to be appointed by the County Executive with, he hopes, Mr. Fleming's recommendation. The three City positions have been filled.

Mr. Littmann asked about listing the Board members and their biographies on the Authority's website. Mr. Nees said the Board members are listed on the website, but we could add short biographies and headshots.

Jackie Guild said the hazard mitigation for the City is due March 30. Mr. Nees said he would set up a meeting with her in January.

Mr. Leggett said looking at water access in the City is a big equity issue. Mr. Nees said when the Mayor gave the Authority team a tour, it was one of the primary things he brought up in the sites he was bringing us to and that will be part of it when the City starts bringing projects to the Authority.

Ms. Sutherland asked if there was any other business to discuss. Hearing none, Ms. Sutherland adjourned the meeting at 7:09 p.m.