

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, August 19, 2015  
Laurel, Maryland

Chair Adrienne A. Mandel called the meeting to order at 10:13 a.m., in the Auditorium of the Washington Suburban Sanitary Commission (hereinafter "WSSC") Richard G. Hocevar ("RGH") Building, 14501 Sweitzer Lane, Laurel, Maryland, 20707, with due notice having been given to all members of the Commission and the public. In addition to Chair Mandel, Commissioners Fausto R. Bayonet, Omar M. Boulware, Chris Lawson (Vice Chair), Roscoe M. Moore, Jr. and Mary Hopkins Navies, were present at the meeting, reflecting the presence of a quorum. Also in attendance were WSSC General Manager and Chief Executive Officer Jerry N. Johnson, General Counsel Jerome K. Blask, and Corporate Secretary Sheila R. Finlayson, Esq., who recorded the minutes of the meeting. Other members of WSSC management were also called upon, during certain portions of the meeting, to provide information to the Commission.

**PLEDGE OF ALLEGIANCE**

Chair Mandel opened the meeting by asking Commissioner Boulware to lead the pledge of allegiance.

**AGENDA APPROVAL**

Commissioner Boulware then moved to adopt the Commission's Public Meeting Agenda of August 19, 2015, as drafted, to which Commissioner Moore seconded the motion. The motion carried unanimously with six affirmative votes.

**APPROVAL OF MINUTES**

Commissioner Boulware moved to approve the open session minutes of the July 15, 2015 Regular Commission Meeting, as drafted. Commissioner Moore seconded the motion. The motion carried unanimously with six affirmative votes.

Commissioner Boulware then moved to approve the open session minutes of the July 9, 2015, July 22, 2015 and July 29, 2015 Special Commission Meetings, as drafted. Commissioner Moore seconded the motion. The motion carried unanimously with six affirmative votes.

WSSC RETIREES

Richard Baker, Executive Director of the WSSC Employees' Retirement Plan, recognized the following WSSC Retirees for the month of August 2015: Robert Brown, Jr., Utility Technician III, Utility Services Central Group, retired with 31 years and 9 months of service; Swen Thompson, Police Officer, Police & Security Services Group, retired with 30 years and 8 months of service; Dennis Smith (present), Utility Technician III, Utility Services North Group, retired with 24 years of service; and Feliciana Ramos (present), Administrative Assistant II, Laboratory Services Group, retired with 22 years and 10 months of service.

#### **ENGINEERING SCHOLARSHIP AWARD**

Chair Mandel recognized the Corporate Secretary and Former Commissioner Gene Counihan to present this year's Commissioners' Engineering Scholarship Award to Brooke Marie Nessel, a recent Poolesville High School graduate and entering freshman at the University of Maryland-College Park, A. James Clark School of Engineering (Mechanical Engineering). Up to two scholarships may be awarded annually to students/residents of the WSSC sanitary district. Candidates' rankings are based on scholastic achievement, essay content and overall application package. This year's essay topic was as follows: "In 1500 words or less, what does climate change mean to WSSC, a water/wastewater utility in the Mid-Atlantic region, over the next 25 years." The scholarship program provides \$1000 to the winners each year for up to four consecutive years as long as the recipients maintain a cumulative GPA of 2.5 or above and continued residency in the sanitary district. The winners also receive priority consideration for participation in WSSC's paid summer internship program. Ms. Nessel was this year's sole recipient of the award.

#### **COMMUNICATIONS VIDEO**

Communications and Community Relations Director Jim Neustadt presented a video, highlighting topics of interest to WSSC customers, in the form of questions posed by various customers and responses provided by management.

#### **COMMISSIONER/PUBLIC COMMENTS**

Commissioner Moore took an opportunity to pay tribute to the late Civil Rights Leader and former NAACP President Julian Bond who passed away on August 15, 2015; Commissioner Navies reminded all that August marks the anniversary of the passing of the 19<sup>th</sup> Amendment (August 26, 1920), which granted women full voting

rights; and Commissioner Bayonet thanked the General Manager and his staff for the site tour and orientation provided to him.

There were no comments from the public.

**GENERAL MANAGER'S REPORT**

General Manager ("GM") Jerry Johnson was recognized to provide his monthly report. The General Manager's full report can be found in the corresponding segment of the archived meeting video and the written "General Manager's Report" provided in the meeting materials, and both are referred to for that purpose. However, highlights are as follows:

Call/Contact Center answer rate at 90% for the month; progress continues to be made and the GM will provide detailed status update to Commissioners following his report.

Delinquencies up this month solely due to federal billings.

WSSC conducted Emergency Preparedness Tabletop Exercise with PEPCO which involved a power outage simulation at one of WSSC's critical facilities. Measures were identified to mitigate issues and improve power reliability. Additionally, WSSC made electrical load curtailment requests from PEPCO of the Potomac WFP due to the hot weather. Such voluntary requests will result in lower electric rates in the future for the plant.

Two sanitary sewer overflows (SSOs) occurred in the Olney area in July due to a series of force main failures. No harm to the water supply but WSSC closed the Brown's Bridge recreational area for 30 days and continues to collect samples at locations along the impacted waterways. Another break on the same line took place in August and management is considering a variety of options regarding the sewer line.

WSSC received significant media coverage during the last week of July due to water main breaks in Bethesda and Silver Spring in addition to the sewer main leak in Olney. Media and public kept updated and informed on the repairs and closures.

Water/sewer main construction can be found on pages 8-10; Sewer replacements/repairs continue to lag due to National Park Service (NPS) permitting issue.

June 2015 financial information to be provided later in month (due to year-end closings and current audit).

Management is monitoring the new CAP Program; about 15,000 accounts have been secured with between 6800-7000 enrollees.

Disparity Study is on track; however, experienced some issues mining data. Public meetings set for September 24<sup>th</sup> at locations in Montgomery and Prince George's County with an additional meeting to be held at RGH on October 22nd.

SLMBE and Community Outreach activities can be found on pages 16-21. WSSC hosted a Geocaching event on August 8<sup>th</sup> at the Rocky Gorge watershed. WSSC also participated in the Prince George's County Back-to-School Fair on the same date, providing 1500 backpacks stuffed with school supplies to area residents in the county. WSSC will participate in a similar activity in Montgomery County on August 29<sup>th</sup>.

Management provided Commissioners with WSSC's Water Loss Report last evening, which covered the water loss through the end of 2014 (reflecting 15.7% water loss). An executive summary is being prepared on the water loss reduction plan submitted to the State in June (which will be distributed to Commissioners in a few days).

Intergovernmental Relations Office (IRO) continues to meet with elected officials in both Counties to inform them about construction projects in their respective districts. Breakfast Sponsorship at MACO was well attended.

New Chief of Police Harvey Baker will join the Commission at the end of the month (introduced to the Commission at the meeting). Mr. Harvey has served as the Assistant Chief of Police for the Maryland National Capital Park Police for the last six years and has served in law enforcement for 29 years. Mr. Harvey received his B.S. in Management from the University of Phoenix and a Master's Degree in Organizational Leadership from The John Hopkins University. He is also a graduate of Leadership Prince George's.

WSSC again received Peak Performance Awards from the National Association of Clean Water Agencies (NACWA) at five of its

wastewater treatment plants; three were honored with the prestigious Platinum Peak Performance Award and two received the Gold Peak Performance Award [General Manager recognized the honorees at the meeting].

**Discolored Water Update.** Water Quality Manager Jin Shin provided an update on the discolored water issues that WSSC has been experiencing in both of its Counties since March of this year. Dr. Shin reported from a power-point presentation distributed to Commissioners and incorporated herein by reference. Specific details can be found in the meeting handout and corresponding segment of the archived meeting video and both are referred to for that purpose.

**Contact Center Optimization Strategy.** Acting Customer Relations Group Leader Mpande Musonda-Langley provided a status report on the Contact Center Optimization Strategy progress to-date. Ms. Musonda-Langley walked through a power point presentation distributed to Commissioners and incorporated herein by reference. Specific details can be found in the corresponding segment of the archived meeting video and is referred to for that purpose.

**Following Commissioner questions and discussion, the General Manager's Report was received as information.**

#### INTERNAL AUDIT REPORT

**Monthly Activity Report.** Internal Audit Director Maxene Bardwell reported on the monthly activities of the Internal Audit Office (IAO) for the period of July 6, 2015 through August 7, 2015. The fiscal year-to-date System Development Charge (SDC) Audits total \$0.00 in actual financial savings. No SDC audit reports were issued during the reporting period. IAO currently has twelve SDC audit requests in process with eight active and four inactive. With respect to Fiscal Year 2015 Audit Projects - Auditors performing field work for the Regulatory Services Group Operational Audit and have completed field work with exit conference scheduled for the Technical Services Group Special Audit. For Fiscal Year 2014 Carryover Audit Projects, final audit reports issued for Blue Plains Audit and Customer Relations Group Operational Audit. Auditors have resumed preliminary work on the Construction Contracts Change Orders Special Audit. Under Internal Audit Follow-up Activities, two management action items were closed since last report and one was implemented pending verification. There are no delinquent management action plans.

**Hotline.** As of August 7, 2015, nine hotline cases are in progress; five new and three closed. Top five case types for latest twelve months are policy issues (4); discrimination (3) and employee relations, kickbacks and theft of goods/services (2). Three safety and security risk cases have been closed since February 2015.

**External Auditors.** The external auditors BCA Watson Rice, LLP are present today to discuss the results of the Fiscal Year 2014 Other Post-Employment Benefits ("OPEB") Trust and Retirement Plan Audits recently conducted and will provide their report following the IAO monthly report. The final written audit report was issued to Commissioners on July 15, 2015. External Auditors continue field work on the WSSC financial statements audit with weekly status meetings held with WSSC staff.

**Audit Committee Meeting.** Commissioners will conduct the quarterly audit committee meeting this afternoon in open session in the Commissioners' Conference Room following closed session.

**Ethics Office.** The Board of Ethics held its regularly-scheduled meeting on July 9, 2015; several open and closed items were reviewed. Two auditors from IAO provided new hire orientation/code of ethics training to 19 new employees on July 20, 2015. Recruitment process underway for Ethics Officer vacancy; several applications have been received.

**Fiscal Year 2014 OPEB Trust and Retirement Plan Financial**

**Statements Audit.** BCA Watson Rice, LLP Engagement Principal Marshall Blair reported on the recent audit of WSSC's OPEB Trust and Retirement Plan financial statements for Fiscal Year 2014. Mr. Blair distributed a power point presentation to Commissioners [which he reported from]. Such presentation is incorporated herein by reference. Additional details can also be found in the corresponding segment of the archived meeting video.

In summary, BCA Watson Rice issued unqualified opinions (i.e., good reports) for the WSSC OPEB Trust and Employees' Retirement Plan financial statements and no material weaknesses or significant deficiencies were identified in the auditors' management letter and report on internal controls. In addition to providing the audit results and other financial highlights, the

external auditor also covered required communications and the impact on WSSC with regard to the changes in GASB requirements (new GASB 67 and 68) that became effective with the year ended December 31, 2014 financial statements (for the Retirement Plan) and year ended June 30, 2015 financial statements (for WSSC). The GASB changes did not affect the OPEB Trust financial statements.

**Following discussion, the Internal Audit Monthly Activity Report and the External Auditors' Audit Report, were received as information.**

**OTHER REPORTS/BRIEFINGS**

**FINANCE**

**Approval of Public Hearing Dates for Fiscal Year 2017 Budget.**

**Following management's recommendation, Commissioner Boulware moved that the Commission set the public hearing dates for WSSC's Fiscal Year 2017 Proposed Budget, as follows:**

**Montgomery County**

**Wednesday, February 3, 2016, at 7:30 p.m.**

**Stella B. Werner Office Building**

**7th Floor Council Hearing Room**

**100 Maryland Avenue, Rockville Maryland**

**Prince George's County**

**Thursday, February 4, 2016, at 7:30 p.m.**

**RMS Building - Room 308**

**1400 McCormick Drive, Largo, Maryland**

**Backup Date**

**Wednesday, February 10, 2016, at 7:30 p.m.**

**RGH Building**

**Commissioner Moore seconded the motion. The motion carried unanimously with six affirmative votes.**

**Resolutions to Authorize Issuance of Bonds.**

Management is seeking approval to issue debt in Fiscal Year 2016 for the construction of water supply facilities and large transmission mains, sewage disposal facilities and large collection mains and WSSC-built water/sewer pipes in subdivisions. A portion of the debt may be realized through the State of

Maryland Revolving Loan Program and through WSSC's Multi-Modal Note Program. The balance of debt will be obtained through a competitive bid process as authorized under State law. The bond sale amount \$390,000,000.00 is consistent with WSSC's Capital Improvements Program requirements, and is within budget estimates. Additionally, Commissioners approved a bond refunding plan on June 17, 2015 which was transmitted to both Counties for approval. Due to recent favorable market conditions, WSSC would also like to refund certain Water Supply, Sewage Disposal and General Construction Bonds, which would yield a debt service savings of approximately \$9,000,000.00. The plan of financing for this refunding would be through a negotiated process, which is also authorized by State law.

**Resolution 2016-2095 - Authorization Providing for Issuance, Sale, Delivery and Publication of Notice of Sale, of Water Supply Bonds and Sewage Disposal Bonds and Providing for Consolidation of Such Bonds for Issuance, Sale and Delivery as a Single Issue of Bonds.**

Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Moore to adopt Resolution 2016-2095 providing Commission authorization, as stipulated in the aforementioned Resolution. The motion carried unanimously with six affirmative votes.

**Resolution 2016-2096 - Authorization for Issuance of Water Supply Refunding Bonds of 2015 of Washington Suburban Sanitary District ("WSSD") to Refund Certain Outstanding Water Supply Bonds of WSSD and Providing for Payment of Such Outstanding Bonds from Escrow Account and for Payment of Such Refunding Bonds.**

Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Lawson to adopt Resolution 2016-2096, providing Commission authorization, as stipulated in the aforementioned Resolution. The motion carried unanimously with six affirmative votes.

**Resolution 2016-2097 - Authorization for Issuance of Sewage Disposal Refunding Bonds of 2015 of WSSD to Refund Certain Outstanding Sewage Disposal Bonds of WSSD and Providing for Payment of Such Outstanding Bonds from Escrow Account and for Payment of Such Refunding Bonds.**

Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Moore to adopt Resolution 2016-2097, providing Commission authorization, as stipulated in the aforementioned Resolution. The motion carried unanimously with six affirmative votes.

Resolution 2016-2098 - Authorization for Issuance of General Construction Refunding Bonds of 2015 of WSSD to Refund Certain Outstanding General Construction Bonds of WSSD and Providing for Payment of Such Outstanding Bonds from Escrow Account and for Payment of Such Refunding Bonds.

Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Moore, to adopt Resolution 2016-2098, providing Commission authorization, as stipulated in the aforementioned Resolution. The motion carried unanimously with six affirmative votes.

Resolution 2016-2099 - Authorization Providing for Sale and Publication of Notice of Sale of Water Supply Refunding Bonds of 2015, Sewage Disposal Refunding Bonds of 2015 and General Construction Refunding Bonds of 2015, and Providing for Consolidation of Such Bonds for Issuance, Sale and Delivery as a Single Issue of Bonds.

Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Moore, to adopt Resolution 2016-2099, providing Commission authorization, as stipulated in the aforementioned Resolution. The motion carried unanimously with six affirmative votes.

#### CONSENT CALENDAR

##### *Contracts for Approval*

The Chair announced that Commissioners had an opportunity to review the contracts provided in the advance board materials and included on the Meeting's Consent Calendar for consideration, and asked if there were any contracts that Commissioners would like removed, to which there were none. The Chair then called for a vote to adopt the Consent Calendar Resolution.

Whereupon, a motion was made by Commissioner Bayonet, and seconded by Commissioner Boulware, to adopt Resolution 2016-2100, approving

the seven contracts included on the Consent Calendar for the August 19, 2015 Commission Meeting, as follows:

A. Engineering and Construction

Architect/Engineer Contracts

1. PM0007A15, General Engineering Services Basic Ordering Agreement (BOA), to Louis Berger Water Services, Inc., in an amount not to exceed \$4,500,000.00; base term of three years in an amount not to exceed \$4,500,000.00, with one (1) two-year option term in an amount not to exceed \$3,000,000.00.

Construction Contracts

1. BF5157A10, Potomac WFP Outdoor Substation No. 2 Replacement Project (OSS-2), to Ulliman Schutte Construction Company, LLC, in an amount of \$10,390,000.00.
2. AC5902A15, Water, Sewer Main and Drain Construction and Renewal, to City Contractors, Inc., in the amount of \$1,685,225.00.
3. BRLR5869A15, Fairland Estates Water Main Replacement, to Rustler Construction, Inc., in the amount of \$1,328,261.00.
4. BR5760A14, Bladensburg IV Water Main Replacement, to A&M Concrete Corporation, in the amount of \$1,361,800.00.

B. Utility Services

1. Contract 76702582A, Wastewater Engineering Services BOA, to Brown and Caldwell; base term of one year, with additional three (3) one-year option terms, each in an amount not to exceed \$2,000,000.00.
2. Contract 6837, Emergency Bypass Pumping within Montgomery and Prince George's Counties, to three contractors, Ross Contracting, Inc., Humphrey & Son, Inc., and Orbit Construction Corporation. Each of the contracts is for a not to exceed amount of \$1,000,000.00; base term of one year with additional four (4) one-year option terms. Total not to exceed amount for all three contracts is \$3,000,000.00 for each contract term.

The motion carried unanimously with six affirmative votes.

ADDITIONAL BRIEFINGS

**HomeServe Residential Water and Sewer Service Line Protection Plan.** Acting Team Chief of Customer Relations Derrick Phillips presented a new proposed offering for the Board's consideration

which would allow WSSC to offer protection plan insurance to customers that would cover any repairs/replacements that need to be made on the customer's private water and sewer residential service lines (which customers are responsible for and can cost thousands of dollars). Management is seeking Commission approval to award Contract 6888 to HomeServe USA Corporation for Residential Water and Sewer Service Line Protection Plan. Mr. Phillips explained the proposal is a revenue-generating contract and would ride the City of Baltimore's current contract. Mr. Phillips walked through the proposed program; specific details can be found in the corresponding segment of the archived meeting video and is referred to for that purpose.

**Following discussion, there was general consensus by the Commission to defer any requested action on this item until a later time. The Commission received the briefing as information.**

**Appointment of Commissioner to 2015 Disparity Study Executive Steering Committee.** The General Manager indicated that it was the Commission's desire to appoint a Commissioner to the sitting Executive Steering Committee for the 2015 Disparity Study (which is comprised of members of WSSC management tasked with providing oversight, direction and guidance for the study currently underway) and this agenda item is for that purpose.

**Whereupon, a motion was duly made by Commissioner Boulware and properly seconded by Commissioner Moore, to appoint Commissioner Chris Lawson to the 2015 Disparity Study Executive Steering Committee as a Representative of the Commission. The motion carried unanimously with six votes in the affirmative.**

#### COMMISSION OFFICE

**Corporate Secretary Report.** Corporate Secretary Sheila Finlayson provided an overview of her activities for the month, which included, an update of the ongoing support she continues to provide the Commission with regard to the current General Manager Search; a final report on the 2015 Commissioners' Engineering Scholarship Program in which the 2015 recipient was recognized and honored earlier in the meeting; and a general overview of other activities and matters the Corporate Secretary handled and participated in during the month.

**The Commission received the Corporate Secretary's Report as information.**

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Moore reported on the June 2015 investment results, referring Commissioners to the summary report included in the board materials for greater detail. As of June 30, 2015, the Plan's assets were \$744.5 million, which represents a year-to-date investment gain of \$18.6 million or an increase of 2.6% from December 2014 to June 2015. No meeting will be held in August; next meeting scheduled for Wednesday, September 30, 2015.

**The Commission received the report of the WSSC Employees' Retirement Plan Board, as delivered by Commissioner/Trustee Moore, as information.**

**Personnel and Governance.** No report provided.

**General Manager Search.** Commissioner Lawson (Co-Chair of the General Manager Search Committee) provided an update on the current General Manager Search, noting that the interviews are going well and that the Commission is continuing to move forward in the process.

**The Commission received the report of the General Manager Search Committee, as information.**

**Legislation.** Commissioner Boulware reminded Commissioners of the two upcoming plant tours being facilitated by WSSC on August 21<sup>st</sup> and 27<sup>th</sup> with several local elected officials and legislators confirmed to attend.

**The Commission received the report of the Legislation Committee, as information.**

**Audit.** The Chair announced that the Audit Committee Meeting will be held this afternoon following Closed Session in the Commissioners' Conference Room.

Chair Mandel then announced that the morning open business has concluded and called for a motion to go into Closed. Following the vote, the Commission will recess for lunch and reconvene in Closed Session in the Commissioners' Conference Room. The

Corporate Secretary also advised that the two remaining open session items on the afternoon meeting agenda would be conducted in the Commissioners' Conference Room following the closed session business when the Commission reconvenes back into Open Session (at approximately 3:30 p.m.)

CLOSED SESSION

Whereby at 1:33 p.m., Commissioner Boulware moved that the Commission go into Closed Session pursuant to Maryland Code Annotated, General Provisions Article: Section 3-305(b)(13) to approve the June 17, 2015, July 9, 2015, July 15, 2015, July 22, 2015 and July 29, 2015 Closed Session Minutes; Section 3-305(b)(7) to consult with counsel to obtain legal advice on pending or potential litigation; and, Section 3-305(b)(1) to discuss personnel matters relating to Commission Office Direct Reports and the General Manager Search.

Commissioner Moore seconded the motion. The motion carried unanimously with six affirmative votes.

The Chair declared the meeting was Closed (1:33 p.m.). The Chair then called for a lunch recess. The meeting reconvened in Closed Session at 2:43 p.m. in the Commissioners' Conference Room.

ATTENDEES: Chair Adrienne Mandel; Vice Chair Chris Lawson; Commissioners Fausto Bayonet, Omar Boulware, Roscoe Moore and Mary Hopkins Navies. Staff present: General Manager Jerry Johnson, General Counsel Jerry Blask, Corporate Secretary Sheila Finlayson and Acting Chief Operating Officer Gary Gumm.

Commissioner Navies departed at 3:15 p.m. and Commissioner Boulware departed at 4:05 p.m.

Closed Session Minutes - On motion made by Commissioner Boulware and properly seconded by Commissioner Moore, the Commission voted unanimously six-to-zero, to adopt the closed session minutes of its June 17, 2015 and July 15, 2015 Regular Commission Meetings, as drafted.

On motion made by Commissioner Boulware and properly seconded by Commissioner Moore, the Commission voted unanimously six-to-zero, to adopt the closed session minutes of its July 9, 2015, July 22, 2015 and July 29, 2015 Special Commission Meetings, as drafted.

Personnel Matters - Commissioners met in executive session without management present to discuss personnel matters related to Commission Office Direct Reports and the General Manager Search. [Commissioner Navies departed during this session, at approximately 3:15 p.m. and Commissioner Boulware departed at the conclusion of this session, at approximately 4:05 p.m.]

The Chair advised the Corporate Secretary that during the Executive Session, the Commission unanimously voted six-to-zero, to approve a contract extension and the annual performance score/results for the Internal Audit Director for her Fiscal Year 2015 performance (Mover - Commissioner Navies, Seconder - Commissioner Bayonet).

There was also general consensus among the Commissioners to move forward with next steps regarding the General Manager Search process.

The Chair called for a short recess at 4:05 p.m. The meeting reconvened at 4:10 p.m. with the Chair calling for a Motion to End Closed.

On motion made by Commissioner Lawson and seconded by Commissioner Moore, the Commission voted four-to-zero (two absent) to end the Closed Session. Commissioners Boulware and Navies were absent from the vote.

At 4:12 p.m. the Commission reconvened back into Open Session with Commissioners Mandel (Chair), Lawson (Vice Chair), Bayonet and Moore present. Corporate Secretary Finlayson, General Manager Johnson and General Counsel Blask were also present. Several members of WSSC management also were in attendance.

OPEN SESSION RESUMED

Briefing on WSSC Standard Procedure (SP) ENG 11-01. Planning Group Unit Coordinator Kenneth Dixon of the Engineering and Construction Team provided a briefing to Commissioners on the WSSC Standard Procedure that governs the Use of the WSSC Sewer Model in Conjunction with Phase I Hydraulic Planning Analyses (SP ENG 11-01). Mr. Dixon reported from a power point presentation

circulated to Commissioners at the meeting and incorporated herein by reference. Specific details can be found in the handout.

In summary, Mr. Dixon provided background information, walking Commissioners through the sewer modeling guideline procedures, the timeline and sequence of events that led up to approval of the original policy back in 2009 (SP ENG 09-02) along with the subsequent policy revisions and procedures that were approved in 2011 which included the addition of waiver provisions (SP ENG 11-01), and an overview of the waiver process outlined in the current policy (which became effective on January 2, 2012).

**Following discussion, the Commission received the report as information.**

**Quarterly Audit Committee Meeting.** The Commission officially convened as an Audit Committee at 5:07 p.m. to conduct its fourth quarterly meeting of the Audit Committee. Business related to the Audit Committee concluded at 5:48 p.m. Minutes of this proceeding were recorded separately and can be found in the Audit Committee Minutes, incorporated herein by reference.

**Following the Open Session Business, the Chair called for a Motion to Go Back Into Closed to conduct the remaining items on the Closed Session Agenda, whereby a motion was made by Commissioner Lawson and seconded by Commissioner Bayonet to go back into closed session pursuant to Maryland Code Annotated, General Provisions Article, Section 3-305(b) (7) to consult with counsel to obtain legal advice on pending or potential litigation. The motion carried with four affirmative votes, two absent (Commissioners Boulware and Navies were absent from the vote).**

**At 5:48 p.m., the Chair declared the Meeting was Closed.**

**ATTENDEES:** Chair Adrienne Mandel; Vice Chair Chris Lawson; Commissioner Fausto Bayonet and Commissioner Roscoe Moore. **Staff present:** General Manager Jerry Johnson, General Counsel Jerry Blask, Corporate Secretary Sheila Finlayson and Acting Chief Operating Officer Gary Gumm. **Absent:** Commissioners Omar Boulware and Mary Hopkins Navies.

**Pending Litigation/Legal Advice** - Commissioners were briefed by the General Counsel on pending litigation and other confidential/privileged legal matters affecting the Commission.

The Commission approved by a vote of four-to zero (two absent), a request from WSSC legal counsel for settlement authority with regard to a pending litigation matter [Commissioner Moore - mover; Commissioner Lawson - seconder, Commissioners Boulware and Navies absent from vote].

At 6:59 p.m., Commissioner Moore moved to end the Closed Session. Commissioner Bayonet seconded the motion. The motion carried with four affirmative votes, two absent. Commissioners Boulware and Navies were absent from the vote.

OPEN SESSION RESUMED

ADJOURNMENT

There being no additional business, the Chair called for a motion to adjourn, to which Commissioner Moore moved to adjourn the meeting. Commissioner Bayonet seconded the motion. The motion carried with four affirmative votes.

At 7:01 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

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Sheila R. Finlayson, Esq.  
Corporate Secretary