

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Tuesday, January 27, 2015  
Laurel, Maryland

Chair Omar M. Boulware called the meeting to order at 10:46 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 Boulware, Commissioners Adrienne A. Mandel (Vice Chair), Gene W. Counihan, Chris Lawson, and Roscoe M. Moore, Jr., 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.

Absent: Commissioner Mary Hopkins Navies.

PLEDGE OF ALLEGIANCE

Chair Boulware opened the meeting by wishing everyone a Happy New Year and asking Commissioner Lawson to lead the pledge of allegiance.

AGENDA APPROVAL

Commissioner Mandel moved to adopt the Commission's Public Meeting Agenda of January 27, 2015, as drafted, to which Commissioner Counihan seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Navies absent from vote).

APPROVAL OF MINUTES

Commissioner Lawson moved to approve the open session minutes of the December 17, 2014 Commission Meeting, as drafted.

Commissioner Moore seconded the motion. The motion carried with five votes in the affirmative, one absent (Commissioner Navies absent from vote).

Commissioner Lawson then moved to adopt the open session minutes of the Special Commission Meeting held on January 12, 2015, as drafted. Commissioner Counihan seconded the motion. The motion

carried with four affirmative votes; one abstention and one absent. Commissioner Mandel abstained as she was absent from the special meeting; Commissioner Navies was absent from vote.

Commissioner Mandel moved to adopt the open session minutes of the Special Commission Legislative Breakfast Meeting held on January 15, 2015, as drafted. Commissioner Counihan seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Navies absent from vote).

#### WSSC RETIREES

Richard Baker, Executive Director of the WSSC Employees' Retirement Plan, recognized the following WSSC Retiree for the month of January 2015: Yelanda Bush-Cole, Dispatcher, Customer Relations Group, retired with 11 years and 3 months of service.

#### COMMUNICATIONS VIDEOS

Communications and Community Relations Director Jim Neustadt presented three videos: "54-Inch Valve Replacement," which highlighted how a valve is replaced on a 54-inch pipe in Montgomery County, Maryland; Channel 4 News Winter Weather Special: "Staying Warm While Working in the Cold," which featured a crew of WSSC workers sharing their experiences working in the cold; and "WSSC Employee Service Awards," which paid tribute to certain WSSC employees and their many years of dedicated service to the agency. The service awards program honoring 88 WSSC employees to be held in the Auditorium on Thursday, January 29<sup>th</sup> at 9am.

Following the videos, the Chair and Commissioners recognized General Manager Jerry Johnson for his five years of service to the Commission.

#### COMMISSIONER COMMENTS

Dr. Moore provided an update on his work as a member of the "Constituency on Africa" in researching the Ebola issue in Africa and its potential impact on WSSC.

#### PUBLIC COMMENTS

There were no comments from members of 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 Center answer rate at 88% for the month; GM provided overview of developments in contact center to enhance operations.

Slight uptick in delinquencies over last month; seasonal change/trend responsible for increase.

All plants and facilities well within permit parameters with zero drinking water violations.

WSSC is experiencing increase in water main breaks due to the temperature changes (237 in month of December). Cumulative water main construction is slightly ahead of target; sewer repair and replacement continues to lag. Several major facilities are out of service due to maintenance (e.g., installing valves, inspecting PCCP).

Bi-County tunnel to be put into full-service in the next few weeks.

Busy outreach month in SLMBE Office. Disparity Study contract award delayed a bit to pose additional questions.

Mid-Year Budget Report to be provided at February meeting.

AWWA Partnership for Safe Water Directors Awards for 2014 presented to Potomac and Patuxent Water Filtration Plants. The Potomac Plant has earned this award since 2011; Patuxent since 2012.

GM acknowledged generosity of WSSC employees who have participated in various holiday and community outreach events in December to help the less-fortunate residents in the sanitary district, including the Annual Food Drive and the Toys for Tots Annual Campaign. WSSC also hosted its Annual Calendar Art Contest, which featured 12 elementary school student winners from both Counties,

who illustrated "Ways That I Am a Good Environmental Steward: Reduce, Reuse, Recycle."

New Chief Financial Officer Yvette Downs officially joined the Commission in January, brings a wealth of experience in finance and is a certified construction manager.

The GM concluded his report by unveiling the new WSSC website that WSSC is launching today, which is much more customer-centric and user/mobile-friendly.

**Following discussion, the General Manager and Chief Executive Officer'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 December 8, 2014 through January 2, 2015. The fiscal year-to-date System Development Charge (SDC) Audits remain same as last reported with no adjustments during this period. Twelve SDC audit requests are in process with nine active and three inactive. With respect to Fiscal Year 2015 Audit projects - Auditors performing preliminary work for the Regulatory Services Group Operational Audit and conducting field work for the Technical Services Group Special Audit. For Fiscal Year 2014 Carryover Audit Projects, fieldwork completed for the Blue Plains Audit with draft adjustments submitted to DC Water for review. Discussion draft for the Customer Relations Group Operational Audit has been issued. The Construction Contracts Change Orders Special Audit has been postponed until completion of the Blue Plains audit. The Lead Auditor is preparing the final report findings and recommendations for the Physical Inventory Observation Audit. Under internal audit follow-up activities, five management action items were closed since the last status report and a review is underway for the ten implemented-pending Internal Audit verification action items. No management action plans are delinquent.

**Hotline.** Report to be provided at the next quarterly audit committee meeting to be held in February 2015.

**Board of Ethics.** The Board held its regularly-scheduled meeting on December 11, 2014; several open and closed items were reviewed.

**Code of Ethics Training.** The Ethics Officer provided training to 6 new employees on December 8, 2014. Annual Ethics Training for all employees commenced on November 20, 2014 with 97% of the training completed for the total workforce. The EO also created and published WSSC's Lobbyist Registration and Reporting Training presentation on the agency's website.

**External Auditors.** The external auditors BCA Watson Rice, LLC are expected to commence work in March 2015 for the year end financials for Fiscal Year 2015.

**Audit Committee Meeting.** Next quarterly meeting of the Audit Committee will be held on February 18, 2015.

**Following discussion, the Internal Audit Office Monthly Activity Report was received as information.**

#### OTHER REPORTS/BRIEFINGS

#### GENERAL COUNSEL'S OFFICE

**Approval of Amendments to GM/CEO Delegation of Authority.** General Counsel Jerome Blask presented proposed amendments to Paragraph 2 of Resolution 2010-1876 (adopted by the Commission in 2010), which delegates certain authority to the General Manager/CEO. Specifically, the proposed Amendment Four to Resolution 2010-1876, expands the General Manager's existing authority under Paragraph 2, to allow the GM to apply for and execute permits with various permitting agencies, including but not limited to, EPA, MDE, Counties, and other government entities, as needed for WSSC facilities, construction projects, or other WSSC related matters.

**After discussion and on motion made by Commissioner Coughlin and seconded by Commissioner Lawson, the Commission approved, by a vote of five-to-zero, with one absent (Commissioner Navies), Amendment Number Four to WSSC Resolution 2010-1876, the Delegation of Authority for the WSSC General Manager/Chief Executive Officer, which authorizes the GM/CEO to apply for and execute permits with various permitting agencies, including, but not limited to, EPA, MDE, Counties and other governmental entities, on behalf of the Commission, for WSSC facilities, construction projects or other WSSC related matters, as proposed by the WSSC General Counsel.**

**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, and that no one had requested that any contracts be removed prior to consideration; the Chair therefore called for the vote.

Whereupon, a motion was made by Commissioner Mandel, and seconded by Commissioner Coughlin, to adopt Resolution 2015-2073, approving the two contracts on the Consent Calendar for the January 27, 2015 Commission Meeting, as follows:

**A. Engineering and Construction (Construction Contracts)**

1. BR5609A13, Rock Creek Forest Water Main Replacement, to A&M Concrete Corporation, in the amount of \$2,992,866.00.
2. CD4231D05, Change Order No. 3, Piscataway Waste Water Treatment Plant (WWTP) Storage and Headworks Improvements, to Adams Robinson Enterprises, Inc., in the amount of \$2,032,969.70; for a total amount of \$45,102,466.10.

The motion carried with five affirmative votes, one absent (Commissioner Navies absent from vote).

**ADDITIONAL BRIEFINGS**

**Purchase of Property in Rocky Gorge Watershed.** Chief Engineer Gary Gumm provided an overview of the action the Environmental Group is requesting of the Commission. In summary, a 6.69 acre fee simple parcel located at 10627 Stansfield Road in Howard County, contiguous to the existing WSSC watershed lands surrounding the T. Howard Duckett Reservoir, is being sold and management is recommending that the Commission purchase the property for source water quality protection purposes. Total acquisition costs (including demolition of existing structures) total \$944,100. Further details can be found in the written board report contained in the board materials and the corresponding segment of the archived meeting video; both are referred to for this purpose.

Following discussion, a motion was made by Commissioner Mandel, and seconded by Commissioner Lawson, to approve the purchase of property located at 10627 Stansfield Road in Howard County, adjacent to the T. Howard Duckett (Rocky Gorge) Reservoir lands owned by WSSC, for a total acquisition cost of \$944,100, for purposes of protecting the Commission's drinking water source in the Patuxent Reservoirs watershed, as recommended by management.

The motion carried by a vote of five-to-zero, one absent (Commissioner Navies absent from vote).

**Consent Decree Quarterly Update.** Chief Engineer Gary Gumm provided Commissioners with a quarterly update on the status of projects being undertaken to comply with the Consent Decree. Mr. Gumm circulated copies of the presentation he reported from, which is incorporated herein by reference. Detailed information can be found in the presentation handout and the corresponding segment of the archived meeting video. In summary, Mr. Gumm reported on schedule status, projected/actual costs to date and areas of concern. Cumulative projected design and construction costs at \$937.6 million (drop from last reported due to several factors) with total program costs estimated at \$1.415 billion; \$645.4 million has been spent-to-date. Areas of concern continue to center around: Joint Permitting; Rights of Entry (ROE); National Park Service (NPS); Stream Stabilization Permits; Contractor Capacity Limitations; Modifications to Approved Permits and Consent Decree Modification.

**2015 Legislative Agenda Update.** Intergovernmental Relations Office (IRO) Director Michael Stroud provided an update of the IRO activities over the past month. He also provided an update on the WSSC-sponsored and non-sponsored bills being proposed for the 2015 Legislative Session and various meetings he's had with legislators relating to the bills. This year's Annual Legislative Breakfast hosted by WSSC and held in Annapolis on Thursday, January 15, 2015 was a success; 29 legislators in attendance.

Commissioners expressed concern with timing of Customer Affordability Program (CAP) Bill implementation and new rate structure being proposed by WSSC, cautioning management to be sure to factor in planning for CAP implementation with new proposed rate increases projected date of effectiveness so that no changes in rate structure precede CAP implementation. Commissioners also

expressed concern with recent name change of the Montgomery County Bi-County Committee to the Montgomery County Metro-Washington Area Committee and asked the IRO Director to seek further information on the rationale for the name change. The Prince George's County Bi-County Committee still operates under the same name.

**The Commission received the report of the Intergovernmental Relations Office on the 2015 WSSC Legislative Agenda, as information.**

**COMMISSION OFFICE**

**Corporate Secretary Report.** Corporate Secretary Sheila Finlayson provided an overview of her activities for the month.

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

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Moore reported that the Board of Trustees did not meet in January. The next meeting will be held on February 25, 2015.

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

**Personnel and Governance.** Commissioner Mandel provided an update of the Committee's activities for the month, noting that the Committee continues to communicate weekly with the Commission Office direct reports to stay apprised of their activities and any issues/concerns that may affect their operations.

**The Commission received the Personnel and Governance Committee report, as information.**

**Legislation.** Commissioner Counihan indicated that he had nothing further to add outside of the report provided by the IRO Director and that the Committee is looking forward to meeting with legislators over dinner (further details on proposed dinner to be provided by IRO Director).

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

**Audit.** The Chair indicated that the next meeting of the Committee will be held on February 18, 2015.

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

**CLOSED SESSION**

Whereby at 12:51 p.m., Commissioner Lawson moved that the Commission go into Closed Session pursuant to Maryland Code Annotated, General Provisions Article: Section 3-305(b)(13) to approve the December 17, 2014 Closed Session Minutes; Section 3-305(b)(7) to consult with counsel to obtain legal advice on pending and/or threatened litigation; and, Section 3-305(b)(1) to discuss personnel matters.

Commissioner Counihan seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Navies absent from vote).

Chair Boulware declared the meeting was Closed (12:51 p.m.). The Chair then called for a recess. The meeting reconvened in Closed Session at 1:33 p.m.

**ATTENDEES:** Chair Omar Boulware; Vice Chair Adrienne Mandel; Commissioners Gene Counihan, Chris Lawson, and Roscoe Moore, Jr. **Absent:** Mary Hopkins Navies. **Staff present:** General Manager Jerry Johnson, General Counsel Jerry Blask, and Corporate Secretary Sheila Finlayson.

**Closed Session Minutes** - On motion made by Commissioner Mandel and properly seconded by Commissioner Lawson, the Commission voted five-to-zero (one absent - Commissioner Navies), to adopt the closed session minutes of its December 17, 2014 Commission Meeting, as drafted.

**Pending Litigation/Legal Advice** - Commissioners were briefed by the General Counsel on pending litigation and other confidential/privileged legal matters affecting the Commission, including updates on meetings with the Maryland Department of the Environment (MDE), Department of Justice (DOJ), U.S. Environmental Protection Agency (EPA) and respective environmental groups, on a

potential extension of the Consent Decree; continued discussions with the National Park Service (NPS) on gaining access to WSSC property controlled by the NPS; and, the status of negotiations with the MDE relating to the Clean Water Act lawsuit filed by the Potomac Riverkeeper environmental group.

**Personnel Matters - The Corporate Secretary and General Counsel were excused at this juncture while the Commission met with the General Manager in executive session to discuss personnel matters (2:13 p.m.).**

At 2:45 p.m., Commissioner Lawson moved to end the Closed Session. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Navies absent from vote).

OPEN SESSION RESUMED

ADJOURNMENT

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

At 2:46 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

---

Sheila R. Finlayson, Esq.  
Corporate Secretary