

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, June 17, 2015  
Laurel, Maryland

Chair Omar M. Boulware called the meeting to order at 10:14 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), 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 welcoming everyone and asking Commissioner Lawson to lead the pledge of allegiance.

AGENDA APPROVAL

Commissioner Mandel moved to adopt the Commission's Public Meeting Agenda of June 17, 2015, as drafted, to which Commissioner Lawson seconded the motion. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).

APPROVAL OF MINUTES

Commissioner Lawson moved to approve the open session minutes of the May 20, 2015 Regular Commission Meeting, as drafted.

Commissioner Moore seconded the motion. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).

Commissioner Mandel then moved to approve the open session minutes of the April 28, 2015 Special Commission Meeting, as drafted.

Commissioner Lawson seconded the motion. The motion carried with four votes in the affirmative; one absent (Commissioner Navies absent from vote).

**WSSC RETIREES**

Richard Baker, Executive Director of the WSSC Employees' Retirement Plan, recognized the following WSSC Retirees for the month of June 2015: Jerome James, Pipe Technician III, Utility Enhancement Support Group, retired with 28 years and one month of service; Margaret Naber, Administrative Assistant III, Finance Team Office, retired with 25 years and 2 months of service; Cynthia Mackesy, Accounting Analyst, Accounting Group, retired with 28 years and 9 months of service; and Magda El-Khawalka (present), Infrastructure System Relocation Supervisor, Infrastructure Systems Group, retired with 9 years of service.

**COMMUNICATIONS VIDEO**

Communications and Community Relations Director Jim Neustadt presented a video highlighting the "WSSC Employee Service Awards," which pays tribute to certain WSSC employees and their many years of dedicated service to the agency. The service awards program honoring 94 WSSC employees (with 27 celebrating 30 years) will be held in the Auditorium next week on Thursday, June 25<sup>th</sup> at 9am.

**ROBERT G. BERGER SCHOLARSHIP AWARDS**

David Venanzi of the Technical Services Group and Jane Lewis of the Internal Audit Office, both members of the Robert G. Berger Memorial Scholarship Board, presented the scholarship awards for the 2015-2016 academic year. Mr. Venanzi provided a brief history of the scholarship, personally acknowledging and thanking the Berger family, WSSC employees and WSSC retirees for their generous support and contributions over the years. All funds collected are used solely for the scholarships.

The following 14 student recipients (and WSSC parents) were honored:

- o Cayli Baker (Rick Baker, father accepting) - University of Maryland, College Park
- o Daniel Crowe - Lock Haven University
- o Christian Dixon (Kenneth Dixon, father accepting) - University of Maryland, Baltimore County
- o Timothy Gormley - University of Maryland
- o Sanchita Gupta (Ajay Gupta, father accepting) - University of Virginia
- o Danielle A. Holmes - Towson College
- o Dominique Johnson - Allegany College of Maryland

- o Taylor Lilly - Savannah College of Art and Design
- o Thomas Lilly, III. - Georgia Institute of Technology
- o Caleb B. Mitchell - Howard Community College
- o Theresa Russell (Ann Russell, mother accepting) - University of Maryland College Park
- o Natelie Tobery - Shepherd University
- o Steven Williams - Salisbury University
- o Reyna Wright - University of Maryland

The Robert G. Berger Memorial Scholarship Fund is a tribute to former Commissioner Robert G. Berger and supports the higher education goals of WSSC employees and retirees' children. Since its inception in 1996, the fund has awarded over \$130,000 in scholarships to more than 125 students. Formerly known as the WSSC Employee Scholarship Fund, it was renamed in 2003 to honor the memory of former Commissioner Berger, who was a tremendous advocate for higher education and played a pivotal role in creating the WSSC Scholarship Fund. Mr. Berger was appointed to the Commission from Montgomery County in 1993 and served until 2001.

At the conclusion of the award presentations, Chair Boulware congratulated the student recipients, wishing them well in their academic studies.

#### **OUTGOING CHAIRMAN RECOGNITION**

**Recognition of Chairman Omar M. Boulware.** Vice Chair Mandel recognized the excellent leadership of outgoing Chairman Omar Boulware and presented him with a plaque of appreciation and engraved glass replica water drop "in recognition of [his] distinguished service to the Washington Suburban Sanitary Commission."

**Outgoing Chair Remarks.** Chairman Boulware thanked the Vice Chair and the rest of his fellow Commissioners, following with a summary of his accomplishments over the past year. The Past Chair's comments can be found in the corresponding segment of the archived meeting video.

#### **ELECTION OF FISCAL YEAR 2016 CHAIR**

The departing Chair then called for nominations for Chair of the Commission for the upcoming fiscal year.

Whereupon, a motion was duly made by Commissioner Lawson, and properly seconded by Commissioner Moore, to nominate Vice Chair Adrienne Mandel as the Chair of the Commission for Fiscal Year 2016. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).

Commissioner/Past Chair Boulware congratulated the new Chair, officially passing the gavel to Chair Mandel.

[Chair Mandel is now presiding over the meeting].

**New Chair Remarks.** Chair Mandel then commented as follows:

*"Good morning. I certainly appreciate all the confidence, trust and responsibility the Commissioners have placed in me and it's really my honor, once again, to serve as Chair of WSSC. The last time I was Chair I was brand new here [I mean literally my first meeting]. This time I bring some seasoning but I'm no less dependent on and appreciative of the assistance of all of my colleagues here and I pledge to be an actively engaged Chair who will work with five colleagues in doing our responsibilities of governance, policy and oversight.*

*[As you said, Omar] It is our shared responsibility here to protect, preserve and deliver clean water, life's most precious, essential and undervalued resource, and return wastewater to the community in an environmentally-responsible way. WSSC is, where water matters, where our customers matter, where our employees and government partners matter and where our contractors and suppliers matter.*

*When we change this leadership at WSSC, it's more of a passing of the torch (actually a passing of the gavel) than a changing of the guard. It's more like picking up where predecessors leave off... and that's exactly what I intend to do. During my career, actually all my adult life in public service, one of my greatest honors was serving in the Maryland State General Assembly - the Legislature of our State. And when it came to making a difference in Annapolis and getting things done, it wasn't a place of "I" or "my." It was a place of "WE"... It wasn't "MY" Legislative Aide with whom I worked, it was the Legislative Aide in my Office. And I tried my best to ensure it was a place of "we," ... of teamwork and of being part of a team. And that's the approach I intend to continue here at WSSC. I firmly believe that we all today very much treasure the comforting - calm - of current continuity and*

*collaboration and that spirit should serve us well as we move through multiple transitions and challenges.*

*Once again, I thank County Executive Isiah "Ike" Leggett for the confidence he has shown in me and I welcome his continued support. And I thank and congratulate you, Past Chair Omar Boulware, for a job very well done. I will continue to seek your help and assistance and know and feel confident that it will be there. I will also continue to seek the help and assistance from each of you Chairs and former Chairs and future Chairs.*

*I thank our shared source of effectiveness, strength and knowledge --- our extraordinary Corporate Secretary Sheila Finlayson [clapping]. I thank our expert Director of Internal Audit Maxene Bardwell who provides us with the formal auditing of management and operations and highlights risk aversion for us as well; both of these professionals here who support the Commissioners are members of our team on whom we definitely rely.*

*I'm not going to discuss what I hope to accomplish and that's what an incoming Chair is supposed to do but what I believe WE Commissioners together should consider as our aspirational goals during FY'16 and beyond.*

*We'll continue to count on our current GM/CEO Jerry Johnson whose nationally-recognized leadership in the water and wastewater industry makes WSSC Commissioners really look good and helps to make our job less daunting ... (Thank you Jerry very much for your outstanding service. Thank you for agreeing to defer your retirement and hang in here with us for a while until we're able to select another GM/CEO. We know that, that incoming person will have exceedingly large shoes to fill but we look forward to the continuation of the excellent legacy that you will leave here for all of us ... for our ratepayers, for our staff, for our employees; all of us at WSSC will benefit from your years here.) You've put us on a path of progress as we gain momentum toward that "world class" status and we Commissioners intend to build on the successes of Mr. Johnson and his Staff by continuing our oversight, our policy revisions, where necessary; and by maintaining the following focus on these five or six priorities that we all share... infrastructure renewal; caring about our customers; guaranteeing minority business opportunities; supporting technology enhancements; continuing procurement improvements and increasing knowledge transfer and recruitment... And all these goals are interrelated.*

*When we talk about heightened customer awareness, we have been successful in heightening customer awareness of the need for*

resources to increase this ever-increasing concern of pipe failure, It's a forever challenge. And I recall reading the words of Benjamin Franklin who once said "when the well is dry we know the worth of water." But we Commissioners will never wait for a "dry well" before we act so we must together pledge ourselves and dedicate ourselves to continuing the progress we've already made in infrastructure renewal.

Commissioner approval of the policy to achieve targeted revenues from our revised fee structure, coupled with the Customer Assistance Program, are accomplishments that required tremendous staff efforts to educate and enlist legislators, county executives and council members. It's now the Commissioners' responsibility, with our GM/CEO, to ensure implementation is smooth and sensitive to the needs of all our customers.

We have done an excellent job keeping pace with most of the requirements of the Consent Decree, a court order that relates directly to implementing the effectiveness of our sewer systems and ensuring the health of our customers and the environment. And, we have aggressively challenged the few roadblocks that have slowed this infrastructure renewal objective.

In the realm of environmental stewardship and infrastructure renewal, there is another objective for us to pursue with our two Counties. It's important to our region and the Chesapeake Bay that a funding method is found to provide service to households that may have failing septic systems and currently are not connected to our system. Potential strategies proposed by the Bi-County Infrastructure Funding Working Group are being considered by the Counties and we look forward to establishing a policy that will address this growing concern that also directly involves the health of our residents and the health of our environment.

While Customer service continues to improve here at WSSC, we must focus on technology and resources that will allow us to implement the sophisticated and costly "Advanced Metering Infrastructure" system (the AMI). We hope to much better focus on the customer needs once we have that in place. And it's an example of the kind of technology we need to pursue on our path to "world class."

To ensure continuing minority business opportunities, our Disparity Study is underway and will be completed in the coming calendar year. Documentation from this updated study is both required by law and critical because if the study finds that disparities still exist in awarding WSSC contracts and purchases (and by that I mean willing and able specific minority and women owned firms and vendors available in our marketplace area but

*underutilized here at WSSC) we will then continue to seek legislative authority for our continuing MBE Program.*

*One more thing I'd like to highlight... Our baby boomers here at WSSC continue to retire, and we've learned recently, that they are now out-numbered by millennials. The recruitment of talented and skilled new members for the WSSC workforce remains a Commissioner goal. We need to look at new and creative strategies to strengthen our succession planning and knowledge transfer. We have engineering scholarships and intern opportunities; however there is a need to strengthen workforce outreach in order to create career paths TO WSSC and UP THROUGH WSSC with advancement opportunities.*

*It is the role of Commissioners to set the course and destination, to approve the means to get there ... and at the same time to monitor the ongoing operations without getting into the weeds. And we sincerely try to do that ... Right now we are in the midst of the most crucial task of a board of directors: the hiring of a new chief executive to lead us forward---to build on our significant accomplishments and work with the board, with the staff, with counties and customers to take on new challenges. As we get ready to welcome a new GM/CEO we will also welcome two new Commissioners from Montgomery County. They will rely on all of us to assist with their orientation to the many aspects of WSSC, and to all that makes up this critical utility. We turn 97 years young this very month.*

*We, together, engaging all voices, will move ahead with our strategic priorities with teamwork, collaboration, a sense of mission and of knowing what really matters. We are convinced, we will succeed! Thank you very much."*

#### **ELECTION OF FISCAL YEAR 2016 VICE CHAIR**

Chair Mandel then called for nominations for Vice Chair.

**Whereupon, Commissioner Moore moved that the Commission nominate Commissioner Chris Lawson as Vice Chair of the Commission for Fiscal Year 2016. Commissioner Boulware seconded the motion. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).**

#### **FISCAL YEAR 2016 COMMISSION MEETING DATES**

**A motion was made by Commissioner Boulware, and properly seconded by Commissioner Moore, to adopt Resolution 2015-2089 approving the Commission Meeting Dates for Fiscal Year 2016, as follows: July 15, 2015; August 19, 2015; September 16, 2015; October 21, 2015;**

November 18, 2015; December 16, 2015; January 20, 2016; February 17, 2016; March 16, 2016; April 20, 2016; May 18, 2016; and, June 15, 2016. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from the vote).

**Fiscal Year 2016 Committee Assignments.** Chair Mandel announced that Commissioners would continue in their current committee assignments until the new General Manager and Commissioners come on board. The Chair will serve with Commissioner Boulware on the Legislation Committee and the new Commissioner that is expected to join the Commission at the end of the month (replacing Gene Counihan) will likely serve in the Chair's stead on the Personnel and Governance Committee, along with Commissioner Navies.

#### COMMISSIONER COMMENTS

Commissioner Boulware took an opportunity to express his appreciation to Prince George's County Executive Rushern L. Baker, III., for the support he provided to the Past Chair while serving in a leadership capacity for the Commission.

#### PUBLIC COMMENTS

There were no comments from the public.

#### GENERAL MANAGER'S REPORT

General Manager (GM) Jerry Johnson started his report by congratulating the new Chair on her election to the chairmanship of the Commission. 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 down to 84% for the month; augmentation staff attended training during the month which contributed to lower call answer rate. Continue to pursue call center augmentation roadmap; will be introducing new metrics in the coming months.

Delinquencies slightly up for the month; primarily in residential.

Watershed Permit Audit conducted recently; represents 20% growth in permits between 2012 and 2014.



All plants are operating well within permit parameters.

Water main breaks down; able to focus on pipeline replacement.

Water main construction ahead with Sewer continuing to lag.

With respect to financials, budget is on target with projections; focus now on year-end financials; auditors onsite conducting fieldwork for annual audit.

SLMBE activities on page 16; Community Outreach activities can be found on pages 19-21 - some highlights are as follows:

- WSSC won Water Taste Test during Chesapeake Water Environment Association (CWEA) and Chesapeake American Water Works Association (CSAWWA) joint meeting in Annapolis, Maryland - May 15, 2015;
- WSSC Summer Intern Program kicked off on June 1, 2015 with more than 60 college students and recent graduates participating;
- WSSC held its Annual Employee Appreciation Day/Picnic at Bladensburg Waterfront Park on Saturday, June 13, 2015.

**WSSC Code of Regulations Status.** General Counsel Jerry Blask and Associate Counsel Laura Swisher provided an update on the progress of the "New WSSC Digest of Standard Procedures/Regulations" and "Code of Regulations" that the General Counsel's Office is creating. In summary, the digest is a compilation of all of WSSC's policies, procedures, manuals, codes, guidelines and other official documents. Full Digest/Code should be available for WSSC internal use on or before October 30, 2015. Specific details can be found in the presentation handout, incorporated herein by reference, and corresponding segment of the archived meeting video.

**WSSC Customer Assistance Program (CAP).** Chief Financial Officer (CFO) Yvette Downs and Acting Chief of Customer Relations Derrick Phillips presented on the implementation of the new WSSC customer financial assistance program (CAP), which was authorized by the Maryland General Assembly in May 2015; such program to be implemented by July 1, 2015 in accordance with the legislation requirements. Specific details can be found in the presentation handout, incorporated herein by reference, and corresponding

segment of the archived meeting video, and both are referred to for that purpose.

**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 May 4, 2015 through June 5, 2015. The fiscal year-to-date System Development Charge (SDC) Audits total \$254,310.97 in actual financial savings. No SDC audit reports were issued during the reporting period. IAO currently has nine SDC audit requests in process with six active and three 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 discussion draft under review for the Technical Services Group Special Audit. For Fiscal Year 2014 Carryover Audit Projects, lead auditor is reviewing DC Water's responses to the Blue Plains Audit. Final draft has been completed for the Customer Relations Group Operational Audit. Audit has been placed on hold for the Construction Contracts Change Orders Special Audit and the final report was distributed for the Physical Inventory Observation Audit. Under internal audit follow-up activities, one management action item has been closed since last report with thorough review underway for two implemented-pending verification action items. There are no delinquent management action plans.

**Hotline.** Next report to be presented at the August Commission Meeting.

**External Auditors.** The external auditors BCA Watson Rice, LLP commenced field work for the WSSC financial statements annual year-end audit.

**Audit Committee Meeting.** The next quarterly meeting is scheduled for August.

**Ethics Office.** Ethics Officer Kim Neal provided an overview of the Ethics Office activities for May 2015. The Board of Ethics held its regularly-scheduled meeting on May 14, 2015; several open and closed items were reviewed. Code of Ethics training was held on

May 26, 2015 with 13 new employees trained. Also conducted Student Intern Orientation on June 1, 2015; 57 new student interns received employee ethics training. New Ethics Administrative Assistant hired and expected to start on June 22, 2015.

**Following discussion, the Internal Audit and Ethics Office Monthly Reports, were received as information.**

**OTHER REPORTS/BRIEFINGS**

**FINANCE**

**Front Foot Benefit Charges and Deferred House Connection Charges for the 2015 Assessment Levy.** The purpose of Levy 2015 is to assess front foot benefit charges (FFBC) against properties benefitted and/or served by water and sewer mains or deferred house connections (HC) built by WSSC. The assessments, authorized by Maryland Law, are levied to recover WSSC costs of constructing water and sewer mains and connections. The Levy was comprised of 328 Notices, including new assessments levied at the 2015 approved base rate of \$4.80 per foot for water and \$7.18 per foot for sewer. Proposed assessment notices were mailed out to 328 customers in Montgomery and Prince George's County. No appeals were made. Management is recommending approval of the 2015 FFBC Levy comprised of 328 un-appealed assessments.

**Whereupon, a motion was made by Commissioner Boulware and seconded by Commissioner Moore, to approve the Front Foot Benefit Charges and Deferred House Connection Charges for the 2015 Levy. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).**

**Resolution 2015-2084 - Adoption of WSSC FY 2016 System Development Charge (SDC).** This Resolution increases the maximum allowable SDC while keeping the rates to be actually charged unchanged for Fiscal Year 2016. Management recommends that the Commission keep the SDC rates unchanged for Fiscal Year 2016; however, the maximum allowable SDC should be increased by 1.0% from Fiscal Year 2015 limits in order to maintain future rate flexibility to address future potential growth funding gaps. This item was approved by the Montgomery and Prince George's County Councils on May 7, 2015, and upon approval by the Commission, will become effective on July 1, 2015.

Whereupon, Commissioner Boulware moved that the Commission approve Resolution 2015-2084 adopting the Washington Suburban Sanitary Commission's Fiscal Year 2016 System Development Charge, as recommended by management. Commissioner Moore seconded the motion. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

**Resolution 2015-2085 - Adoption of WSSC FY 2016 Operating and Capital Budgets.** This item acknowledges the joint action of the two County Councils on May 7, 2015 to approve the proposed FY 2016 \$1.39 billion WSSC Operating and Capital Budget, with a 1.0% average water and sewer rate increase and modifications to the Ready-to-Serve Charge, along with the establishment of a Customer Assistance Program, in accordance with Public Utilities Article Section 17-202 of the Annotated Code of Maryland.

Commissioner Boulware moved that the Commission approve Resolution 2015-2085, adopting the Washington Suburban Sanitary Commission's Fiscal Year 2016 Operating and Capital Budget of \$1.39 billion. Commissioner Moore seconded the motion. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

**Resolution 2015-2086 - Adoption of WSSC Six-Year Capital Improvements Program for Fiscal Years 2016-2021.** This item, totaling \$4.22 billion, was jointly approved by the Prince George's and Montgomery County Councils on May 7, 2015 and reflects the modifications approved by both Counties in their respective resolutions.

Commissioner Boulware moved that the Commission approve Resolution 2015-2086, adopting the Washington Suburban Sanitary Commission's Six Year Capital Improvements Program, as amended, for Fiscal Years 2016-2021, to which Commissioner Moore seconded. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

**Resolution 2015-2090 - Proposed Revision to BRF Financial Hardship Exemption Program.** Management presented this Resolution which proposes a revision to the Chesapeake Bay Restoration Fee (BRF) Financial Hardship Exemption Program for Residential Customers. WSSC Resolution 2012-1962 was the original resolution for the BRF Financial Hardship Exemption for certain residential users who

demonstrated financial hardship. The revised BRF exemption program would recognize participation in the existing State Office of Home Energy Program (OHEP) as appropriate documentation for both an eligible energy program in addition to meeting the established income criteria. The request is based upon House Bill 1234 from the 2015 Maryland State General Assembly that requires WSSC to establish a customer assistance program (CAP) which provides financial assistance to low income customers. Eligibility for the CAP will be based upon acceptance into the OHEP. In order to extend the BRF exemption automatically to CAP-eligible customers, it is necessary to amend the existing program as approved by the Maryland Department of the Environment (MDE). Following Commission approval, WSSC will seek MDE approval.

**Whereupon, a motion was made by Commissioner Boulware, and seconded by Commissioner Moore, to adopt Resolution 2015-2090, approving a revision to the Chesapeake Bay Restoration Fee Financial Hardship Exemption Program for Residential Customers. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).**

**Approval of Bond Refunding Plan.** Management presented a bond refunding plan, prepared by WSSC's financial advisor Public Advisory Consultants, for Commission approval and transmittal to both County governments for approval. The Plan will provide the Commission with the opportunity to realize debt service savings of approximately \$11.7 million. Estimated cost of issuance is \$400,000.

**Whereupon, a motion was made by Commissioner Boulware, and seconded by Commissioner Moore, to adopt the Bond Refunding Plan as prepared by WSSC's Financial Advisor and presented to the Commission at this meeting, for transmittal to the County Governments of Prince George's and Montgomery County, in accordance with the Washington Suburban Sanitary District Code. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).**

The General Manager advised that once the Commission receives approval from the respective Counties that management will come back to the Commission with a series of Resolutions for approval.

**The Chair called for a lunch recess at this juncture; 12:45 p.m. The Commission reconvened its open session business in the**

Auditorium of the WSSC Headquarters, RGH Building, at 2:07 p.m., with the same four Commission members (and a quorum) present.

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 Commissioners requested that Architect and Engineer Contracts CD4257A05 and CD4173A05 be removed, along with Construction Contract PM5248A11.

The Chair then called for a motion to approve the remaining two contracts on the Consent Calendar Resolution.

Whereupon, a motion was made by Commissioner Boulware, and seconded by Commissioner Moore, to adopt Resolution 2015-2087, as amended, approving the remaining two contracts included on the Consent Calendar for the June 17, 2015 Commission Meeting, as follows:

B. Production

1. Contract 6845, Biosolids Management and Hauling, to Synagro Central, LLC, for Parkway and Seneca/Damascus Wastewater Treatment Plants (WWTP), in the amount of \$3,094,970.00; and to Nutri-Blend, Inc. for the Piscataway Wastewater Treatment Plant (WWTP), in the amount of \$1,847,880.00, for a total contract award amount of \$4,942,850.00.

C. Logistics

1. Contract 6844, Five CCTV Equipment Trucks, to Indian River Equipment Co., in the total amount of \$1,379,755.00.

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

Contract PM5248A11 was then considered separately.

Following discussion, on motion made by Commissioner Boulware and seconded by Commissioner Moore, the Commission approved by a vote of four-to-zero (one absent), Contract PM5248A11, Change Order No. 8, Sanitary Sewer System Rehabilitation, Broad Creek Basin, Prince

**George's County, Maryland, to Layne Inliner, LLC, in the amount of \$679,250.00, for a total not to exceed contract amount of \$36,179,250.00. [Commissioner Navies absent from vote].**

Contract CD4257A05/CD4173A05 was special ordered for consideration later in the meeting following Closed Session business.

#### **ADDITIONAL BRIEFINGS**

**Resolution 2015-2091 - Extension of MBE Program.** The Commission recently awarded MGT of America, Inc. (MGT), a contract to conduct a new Disparity Study which MGT expects to complete in April 2016. The SLMBE Office is seeking approval for the extension of the expiration of Standard Procedure Number MBE SP 11-01 (Minority Business Enterprise Program) to September 30, 2016, pending conclusion of the Study.

**Whereupon, a motion was made by Commissioner Boulware and seconded by Commissioner Moore to adopt Resolution 2015-2091, approving an extension to the Minority Business Enterprise (MBE) Program under Standard Procedure (SP)/Regulation MBE 11-01, as recommended by management. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).**

#### **Amendment to WSSC Bylaws - Section 2.03 - Definition of a Quorum.**

General Counsel Blask presented this item, at the request of Commissioners, whereby Commissioners sought counsel from Mr. Blask and the Corporate Secretary on how best to amend the agency's bylaws to allow the Commission to continue conducting business during official meetings if one or more Commissioners should depart and the quorum is lost. Under the present structure of the Board, due to the current Commissioner vacancy in Montgomery County, and the current Bylaws, the Commission would not be able to continue business if a Commissioner needed to depart the meeting early and the number of Commissioners fell below the established quorum of four Commissioners. The proposed bylaws amendment allows for a "presumptive quorum" (which is authorized under *Robert's Rules of Order*) if a Commissioner or Commissioners should depart (and in the Commission's instance, the number of Commissioners falls below four - the established quorum requirement) as long as there is at least one member from Prince George's County and one member from Montgomery County in

attendance and no member objects to no quorum. The General Counsel explained that the proposed amendment would make explicit what is implicit in *Robert's Rules of Order*.

**Following discussion, the Commission voted to approve this Bylaws Change, as proposed by the General Counsel, but later rescinded its action (mover - Commissioner Boulware; seconder - Commissioner Moore; 4-0 vote) due to the current Bylaws requirement that all six Commissioners must be present during such proposed action to amend the Bylaws. The Commission plans to revisit this action item once a full complement of the Commission is present.**

**2015 Legislative Update.** Intergovernmental Relations Office (IRO) Director Michael Stroud provided an update of the IRO activities for the past month. Two tours of WSSC facilities/plants for recently-elected State Legislators will be conducted in July.

**The Commission received the report of the Intergovernmental Relations Office, as information.**

#### 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 is providing to the Search Committee and Commission on the General Manager search, along with an update on the progress of the 2015 Commissioners' Engineering Scholarship Program which kicked off in March with an application deadline of June 1, 2015. Scholarship Awards to be presented at the July 2015 Commission Meeting.

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

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Lawson reported on the April 2015 investment results, noting that, as of April 30, 2015, the Plan's assets were \$761.4 million, which represents a year-to-date investment gain of \$26.9 million or an increase of 3.7% from December 2014 to April 2015. The next meeting of the Retirement Plan Board of Trustees is scheduled for Wednesday, June 24, 2015.



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

**Personnel and Governance.** Commissioner Mandel provided an update of the Committee's activities for the month, noting that the Committee is in the process of reviewing personnel matters pertaining to the Commission Office direct reports.

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

**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 Commission has narrowed down the pool of candidates and will be conducting interviews soon. Initial screening interviews were conducted by the search firm and the Commission is now in the process of setting up dates for interviews by the Commission.

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

**Legislation.** The Chair indicated there was nothing additional to report outside of the IRO Director's briefing.

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

**Audit.** The Chair indicated that the next Audit Committee Meeting will be held in August.

Chair Mandel then announced that the open 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 3:07 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 April 8, 2015, April 28, 2015, and May 20, 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 with four affirmative votes, one absent (Commissioner Navies absent from vote).

The Chair declared the meeting was Closed (3:07 p.m.). The Chair then called for a short recess. The meeting reconvened in Closed Session at 3:19 p.m. in the Commissioners' Conference Room.

ATTENDEES: Chair Adrienne Mandel; Vice Chair Chris Lawson; Commissioners Omar Boulware and Roscoe Moore. Staff present: General Manager Jerry Johnson, General Counsel Jerry Blask, Corporate Secretary Sheila Finlayson, and Acting Chief Operating Officer Gary Gumm. Associate Counsel Matthew Gallagher and Associate Counsel James O'Day were present for the Legal Report. Absent: Commissioner Mary Hopkins Navies.

Closed Session Minutes - On motion made by Commissioner Boulware and properly seconded by Commissioner Moore, the Commission voted four-to-zero (one absent), to adopt the closed session minutes of its April 8, 2015, April 28, 2015 and May 20, 2015 Commission Meetings, as drafted. Commissioner Navies was absent from the vote.

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

Personnel Matters/Commission Office Direct Reports - Commissioners approved contract extensions for the General Manager and Corporate Secretary. Two motions were considered separately. General Manager Contract Extension: Commissioner Moore - mover; Commissioner Boulware - seconder; Approved 4-0 (one absent). Corporate Secretary Contract Extension: Commissioner Boulware - mover; Commissioner Moore - seconder; Approved 4-0 (one absent).

At 4:52 p.m., Commissioner Boulware moved to end the Closed Session. Commissioner Moore seconded the motion. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

## OPEN SESSION RESUMED

Architect/Engineer Contract CD4257A05/CD4173A05. On motion made by Commissioner Moore and seconded by Commissioner Lawson, the Commission voted to approve Architect/Engineer Contract CD4257A05/CD4173A05, Change Order No. 1 to Amendment No. 2, Western Branch WWTP ENR Upgrade, Design Services During Construction, to AECOM Technical Services, Inc., in the amount of \$1,446,368.06, for a total contract amount of \$16,572,596.05, in addition to increasing the contract completion by 365 calendar days. The motion carried with four affirmative votes; one absent (Commissioner Navies absent from vote).

Action to Rescind Earlier Action to Amend Section 2.03 of WSSC Bylaws. On motion made by Commissioner Boulware and seconded by Commissioner Moore, the Commission voted 4-0 to rescind its earlier action to amend Section 2.03 of the Commission's Bylaws. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

## CLOSED SESSION RESUMED

At 4:57 p.m., Commissioner Lawson moved that the Commission go back into Closed Session pursuant to Maryland Code Annotated, General Provisions Article, Section 3-305(b)(1) to discuss personnel matters relating to the General Manager Search. Commissioner Moore seconded the motion. The motion carried with four affirmative votes, one absent (Commissioner Navies absent from vote).

The Chair declared the meeting was Closed at 4:57 p.m. The General Manager, General Counsel and Acting COO were excused from this portion of the meeting.

ATTENDEES: Chair Adrienne Mandel; Vice Chair Chris Lawson; Commissioners Omar Boulware and Roscoe Moore. Staff present: Corporate Secretary Sheila Finlayson. Gregg Moser and Todd Dorfman, of Krauthamer & Associates, Inc., were also present.

At 5:54 p.m., Commissioner Moore moved to end the Closed Session. Commissioner Lawson seconded the motion. The motion carried with

four 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 Moore moved to adjourn the meeting. Commissioner Boulware seconded the motion. The motion carried with four affirmative votes.

At 5:57 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

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Sheila R. Finlayson, Esq.  
Corporate Secretary