

**WASHINGTON SUBURBAN SANITARY COMMISSION**

**MINUTES OF THE COMMISSION MEETING**

**Wednesday, March 16, 2016  
Laurel, Maryland**

Vice Chair Chris Lawson called the meeting to order at 10:03 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 Vice Chair Lawson, Commissioners Fausto R. Bayonet, Omar M. Boulware, Howard A. Denis 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 Carla A. Reid, 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**

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

**AGENDA APPROVAL**

Commissioner Boulware moved to adopt the Commission's Public Meeting Agenda of March 16, 2016, as drafted, to which Commissioner Denis seconded the motion. The motion carried unanimously with five affirmative votes.

**APPROVAL OF MINUTES**

Commissioner Boulware then moved to approve the open session minutes of the February 8, 2016 Special Commission Meeting, as drafted. Commissioner Denis seconded the motion. The motion carried unanimously with five affirmative votes.

Commissioner Boulware also moved to approve the open session minutes of the February 17, 2016 Regular Commission Meeting, as drafted. Commissioner Denis seconded the motion. The motion carried unanimously with five affirmative votes.

**WSSC RETIREES**

Richard Baker, Executive Director of the WSSC Employees' Retirement Plan, recognized the following WSSC Retirees for the

month of March 2016: Vidol Ogunlade, Accounting Technician, Accounting Group, retired with 29 years and 9 months of service; and Gordon Walker, Utility Technician III, Utility Services North Group, retired with 30 years and 4 months of service.

#### COMMUNICATIONS VIDEO

Commissioner Mary Hopkins Navies paid tribute to the outstanding women executive leaders at WSSC. Following such recognition, Communications and Community Relations Director Jim Neustadt presented a video on Women's History Month.

#### COMMISSIONER/PUBLIC COMMENTS

**Commissioner Comments.** Commissioner Denis shared that he and Commissioner Bayonet had met with Laundromat owners from the Long Branch area to discuss their concerns as follow-up to the testimony the Commission had received from this group in January. He also made mention of a bipartisan bill being proposed by Michigan U.S. Senators Debbie Stabenow, Gary Peters and Jim Inhofe which would provide federal assistance to Flint and funding for water infrastructure improvements in other states in light of the issues experienced in Flint.

**Public Comments.** None.

#### GENERAL MANAGER'S REPORT

General Manager ("GM") Carla Reid was recognized to provide her monthly report. The GM'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:

GM continuing to hold series of Lakeside Conversations designed to allow employees to share thoughts and ideas for WSSC's future. Thus far, GM has touched a total of 465 employees through these meetings.

GM to also conduct her first all management "Leaders on the Same Page" meeting on March 29<sup>th</sup> to ensure all members of management are moving forward together; that communications are flowing effectively; and, that WSSC is transparent in its activities.

Women's Business Owners Expo to be conducted on March 31<sup>st</sup>; IT Expo on April 1<sup>st</sup> and April 8<sup>th</sup> and "How to Do Business with WSSC" event scheduled for April 15<sup>th</sup>.

Call/Contact Center answer rate at 96% for the month; which exceeds 95% target. The Contact Center also answered 88.77% of incoming calls within 180 seconds which exceeds 80% target.

Delinquencies decreased in February overall with the exception of Federal Government accounts which increased.

Water production ran slightly lower than the same period in FY 2015.

All plants and facilities are operating well within permit parameters with zero violations.

Water main breaks and leaks dropped in February to 182; almost half of the number reported in January. Both cumulative water main replacements and sewer main repairs and replacements were slightly above target.

Operating revenues in January were \$50,578,000.00 with operating expenses at \$49,045,000.00.

Average time to fill vacancies in January was 60 days.

Disparity Study is still on target. SLMBE activities can be found on page 17 of GM Report.

Community Outreach Activities and Other WSSC Accomplishments can be found on pages 21 and 22 of GM Report. Of particular note, WSSC teamed up with WHUR radio to send a truckload of bottled water to Flint, Michigan. WSSC to host an Engineering Academy for a group of area high school students on March 29<sup>th</sup>. WSSC's Annual Children's Water Festival is scheduled for May 4<sup>th</sup> and 5<sup>th</sup> at Brighton Dam.

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

**Monthly Activity Report.** Internal Auditor Maxene Bardwell reported on the monthly activities of the Internal Audit Office (IAO) for the period of February 8, 2016 through March 4, 2016. No SDC audit reports were issued during the reporting period. IAO currently has fourteen SDC audit requests in process with ten active and four inactive. The status of the Fiscal Year (FY) 2016 Audit Projects are as follows: FY 2014 Blue Plains WWTP O & M and Capital Indirect Audit (in planning phase); Payroll Operational Audit (in planning phase); Cloud Computing Services Compliance Audit (in planning phase) and Right to Audit Specified Procurement Contracts (preliminary work has begun). With respect to FY 2015 Carryover Audit Projects - Regulatory Services Group Operational Audit is under management review and auditors performing field work on Construction Contracts Change Orders Audit. Under Internal Audit Follow-up Activities, three management action items were implemented pending with no delinquent management plans of action.

**Hotline.** Next report to be provided at the May 18, 2016 Audit Committee Meeting.

**External Auditors.** No activity during reporting period.

**Audit Committee Meeting.** Next Meeting to be held on May 18, 2016.

**Ethics Office.** The Board of Ethics held its regularly-scheduled meeting on February 11, 2016; several open and closed items were reviewed. New hire orientation/code of ethics training was provided to 19 new employees on February 29, 2016. The completion rate for annual ethics training was at 99% as of January 5, 2016.

**The report of the Internal Audit Office was received as information.**

#### **OTHER REPORTS**

##### **Finance**

**Setting Front Foot Benefit Appeals Hearing Date.** Affected property owners are notified in writing in early spring of their front foot benefit assessments. Customers who have issues with such assessments may request an appeal hearing before the Commission. Management is recommending the Commission set Wednesday, May 18, 2016 at 3:00 p.m. as the date and time for the

2016 appeals' hearings with one Commissioner to be appointed as the hearing officer.

**Whereby, a motion was made by Commissioner Denis and seconded by Commissioner Bayonet, to set the Front Foot Benefit Appeals Hearing date for Wednesday, May 18, 2016 at 3:00 p.m. in the WSSC Auditorium, with Commissioner Denis to serve as the Hearing Officer. The motion carried unanimously by a vote of five-to zero.**

**WSSC Employees' Retirement Plan Annual Report.** Retirement Plan Executive Director Richard Baker presented the 2015 Annual Results for the WSSC Employees' Retirement Plan. Mr. Baker referenced the full report included in the advance board materials and walked through an executive summary also provided to Commissioners; both are incorporated herein by reference. At December 31, 2015, the Plan's assets were \$712.7 million.

**The Annual Report was received as information.**

#### **Engineering and Construction**

**Resolution 2016-2117 - Authorizing GM/CEO to Enter into Memorandum of Agreement with MTA.** Deputy General Manager for Operations Joe Mantua, along with General Counsel Jerome Blask, Chief Engineer Gary Gumm and Infrastructure Systems Group Leader Marcia Tucker, presented the briefing and proposed Resolution pertaining to the WSSC and MTA proposed agreement for the design and relocation of existing water and sewer facilities impacted by the proposed construction of the Purple Line Light Rail Transit system. Management is requesting the Commission to delegate its authority to the GM/CEO for approval of the agreement with MTA. Management reported from a power point presentation contained in the Commission meeting advance materials and incorporated herein by reference. Specific details can be found in the presentation handout and corresponding segment of the archived meeting video; both are referred to for that purpose.

**Following discussion (which was special ordered to later in the meeting), the Commission unanimously decided by a vote of five-to-zero (Commissioner Boulware, mover and Commissioner Bayonet, seconder) to defer action on this item until the next meeting of the Commission. Such action special ordered for consideration at the April 20, 2016 Commission Meeting.**

**CONSENT CALENDAR***Contracts for Approval*

The Vice Chair asked if there were any contracts that Commissioners would like removed prior to consideration of the Consent Calendar Resolution, to which there were none.

Whereby, a motion was made by Commissioner Bayonet and seconded by Commissioner Boulware, to adopt Resolution 2016-2116, approving the thirteen contracts included on the Consent Calendar for the March 16, 2016 Commission Meeting, as follows:

**A. Engineering and Construction****Architect/Engineer Contracts:**

1. Contract BF6066A16, Potomac WFP Consent Decree BOA, to CH2M Hill Engineers, Inc., in not to exceed amount of \$10,000,000.00. The contract will have a base term of five years with one (1) five year option term with not to exceed contract amount of \$10,000,000.00 for option term.

**Construction Contracts:**

2. Contract 1125, Corrosion Construction Services IDIQ, to Ross Contracting, Inc., in an amount not to exceed \$30,000,000.00. The contract will have a base term of three years with one (1) year option term in the amount of \$10,000,000.00.
3. BR5650A14, Glenarden Water Main Replacement, to Rivers Construction Group, Ltd., in the amount of \$3,121,289.00, with substantial completion time of 290 calendar days.
4. BR5868A15, Daniel Park Water Main Replacement, to J. Fletcher Creamer & Son, Inc., in the amount of \$3,121,435 .00, with substantial completion time of 850 calendar days.
5. BR5733A14, Swan Creek Water Main Replacement, to Sagres Construction Corporation, in the amount of \$977,041.00, with substantial completion time of 514 calendar days.
6. BRLR5711A14, Kemp Mill Park Water Main Replacement, to Sagres Construction Corporation, in the amount of \$3,630,130.00, with substantial completion time of 560 calendar days.

**B. Utility Services**

1. Contract 6479, Change Order No. 9, "On Call" Emergency Water and Sewer Main Repairs, Option Term I, to Ross Contracting, Inc., in the amount of \$400,000.00, with total not to exceed contract amount of \$9,890,000.00.

**C. Logistics**

1. **Contract 6906, Four Cab & Chassis Tri-Axle Dump Trucks, to K. Neal International Trucks, Inc., in the amount of \$859,240.00.**
2. **Contract 6953, Six Cab & Chassis Trucks, to K. Neal International Trucks, Inc., in the amount of \$1,273,478.00.**
3. **Contract 6957, Thirteen Cab Dump Trucks, to K. Neal International Trucks, Inc., in the amount of \$1,775,800.00.**
4. **Contract 6252, Fire Service Meters, Option Term III, to Business Promotion Consultants, in the amount of \$727,650.00.**
5. **Contract 6122, Restrainer Glands, Option Term IV, to Tricon Chemical Corporation, in the amount of \$650,000.00.**

**D. Production**

1. **Contract 6707, Option Term I, Residual Management and Utilization, Potomac Water Filtration Plant, to Duffield Hauling, Inc., in the amount of \$698,700.00, with a contract term of one year.**

The motion carried with four affirmative votes, one absent (Commissioner Denis left the room momentarily during the vote).

**ADDITIONAL BRIEFINGS**

**IRO Legislative Update - Proposals.** IRO Director Michael Stroud provided an update of the IRO activities for the month, including an update on the bills moving through the 2016 Maryland General Assembly. He noted that both bills sponsored by WSSC (Salary Study and Subpoena Power) had died.

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, sharing details on this year's Commissioners' Engineering Scholarship Program which is underway with press release issued on March 14<sup>th</sup> and website updated on the application process and essay topic.

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

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Lawson indicated Mr. Baker had provided the report earlier in the meeting and that there was nothing additional to report.

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

**Legislation.** Nothing additional to report outside of IRO report.

**Audit.** The Vice Chair indicated that the Minutes of the Audit Committee Meeting held on February 17, 2016 were before the Commission for adoption.

**Whereby, a motion was duly made by Commissioner Bayonet and properly seconded by Commissioner Boulware, to approve the Audit Committee Minutes of February 17, 2016. The motion carried unanimously with five affirmative votes.**

The Vice Chair announced that the Morning Open Session business has concluded. The Commission will recess for lunch and reconvene in Open Session at 1:30 p.m. to continue discussions relating to the Purple Line Project MTA Agreement.

**The Meeting reconvened in Open Session at 1:43 p.m. with discussions continuing on the Purple Line Project. The Commission voted unanimously to defer action on this item until the next meeting of the Commission set for April 20, 2016.**

The Vice Chair then announced that he reviewed the closing statement and approves it as written. He then called for a Motion to go into Closed.

**CLOSED SESSION**

**Whereby at 2:05 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 February 17, 2016 Closed Session Minutes; Section 3-305(b) (7) and Section 3-305(b) (8) to consult with counsel to obtain legal advice and discuss pending or potential litigation for attorney/client privileged legal matters; and, Section 3-305(b) (1) to discuss personnel matters relating to General Manager staffing.**



Commissioner Bayonet seconded the motion. The motion carried unanimously with five affirmative votes.

The Vice Chair declared the meeting was Closed (2:05 p.m.) and Commissioners relocated to the Commissioners' Large Conference Room.

ATTENDEES: Vice Chair Chris Lawson; Commissioners Fausto Bayonet, Omar Boulware, Howard Denis and Mary Hopkins Navies. Staff present: General Manager Carla Reid, General Counsel Jerry Blask, Corporate Secretary Sheila Finlayson, Deputy General Manager for Operations Joe Mantua, Deputy General Manager for Strategic Partnerships Monica Johnson, Associate Counsel Laura Swisher, Associate Counsel James O'Day and Chief Engineer Gary Gumm.

Closed Session Minutes - On motion made by Commissioner Boulware and seconded by Commissioner Denis, the Commission voted unanimously five-to-zero to adopt the closed session minutes of its Regular Commission Meeting held on February 17, 2016, as drafted.

Legal Matters - Commissioners were briefed by the General Counsel on confidential legal matters affecting the Commission, which included attorney/client privileged legal and pending litigation matters. The Commission authorized legal counsel to move forward with settlement discussions on a pending legal claim (Commissioner Boulware - mover; Commissioner Bayonet - seconder). Motion unanimously carried with five affirmative votes.

Ms. Swisher and Mr. Gumm were excused at 2:37 p.m. Mr. O'Day was excused at 3:06 p.m. General Counsel Blask was excused at 3:42 p.m.

The Commission next discussed personnel matters relating to GM staffing. Following discussion, Mmes. Reid and Johnson and Mr. Mantua were excused at 4:14 p.m. while the Commission continued to meet in executive session.

At 4:48 p.m., the Vice Chair called for a motion to end closed, whereby a motion was made by Commissioner Boulware and seconded by Commissioner Denis to end the Closed Session. The motion carried unanimously with five affirmative votes.

OPEN SESSION

At 4:48 p.m., the Commission reconvened back into Open Session.

ADJOURNMENT

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

At 4:48 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

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Sheila R. Finlayson, Esq.  
Corporate Secretary