

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, June 15, 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 T. Eloise Foster 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, Acting General Counsel Russel Beers, 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 Thomasina V. Rogers.

**PLEDGE OF ALLEGIANCE**

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

The Vice Chair then paused for a moment of silence for those who lost their lives in the terror attack in Orlando, Florida.

**AGENDA APPROVAL**

**Commissioner Denis moved to adopt the Commission's Public Meeting Agenda of June 15, 2016, as drafted, to which Commissioner Boulware seconded the motion. The motion carried with five affirmative votes; one absent.**

**APPROVAL OF MINUTES**

Corporate Secretary Finlayson advised Commissioners that the minutes of the May 18, 2016 Commission Meeting were still in preparation, thereby requesting that consideration be tabled until the next regular Commission meeting, to which there were no objections.

**Recognition of Departing Commissioner.** Vice Chair Lawson and Commissioners took an opportunity to recognize departing

Commissioner Mary Hopkins Navies by expressing appreciation for her service, camaraderie and leadership during her three-year tenure at WSSC and wished her well in her future endeavors. Commissioner Navies was then presented with an engraved Workmen's Statue Replica Plaque in honor of her distinguished service to the Commission. Ms. Navies thanked WSSC for the great experience, noting how much of a pleasure it was to serve the Commission and Prince George's County.

**Welcome New Commissioners.** The Vice Chair announced that New Commissioner Thomasina Rogers would not be joining the meeting today due to a family emergency. He then formally introduced and welcomed Montgomery County's newest Commissioner T. Eloise Foster to the WSSC Board, sharing her illustrious past experience and leadership in State government and particularly as the former Secretary of the Maryland Department of Budget and Management.

#### **WSSC RETIREES**

Retirement Plan Administrator Laurie Watson recognized the Retirees for the month of June 2016 (in Richard Baker's absence), as follows: Joel Harper, Collection Technician III, Utility Management Group, retired with 28 years and 9 months of service; Robert Spigone (present), Contract Manager, Systems Inspection Group, retired with 34 years of service; Cathy Coleman (present), Accounting Clerk III, Disbursement Group, retired with 29 years and 2 months of service; David Hall, Facility Technician III, Patuxent Group, retired with 31 years and 3 months of service; and David Johnston, Plumbing Inspections Supervisor, Regulatory Services Group, retired with 27 years and 3 months of service.

#### **COMMUNICATIONS VIDEO**

Communications and Community Relations Director Jim Neustadt presented a video "From Intern to Employee," which highlighted WSSC's summer internship program and the experiences of past and present interns who are now employees at WSSC.

#### **ROBERT G. BERGER SCHOLARSHIP AWARDS**

Senior Internal Auditor Jane Lewis and Utility Strategic Development Administrative Assistant Sarah Tillery; both members of the Robert G. Berger Memorial Scholarship Board, presented the scholarship awards for the 2016-2017 academic year. Ms. Tillery provided a brief history of the scholarship program, 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 20 students/children of WSSC employees/retirees were honored:

- o Drew Arnett - Coppin State University
- o Cayli Baker - University of Maryland, College Park
- o Tyler Bond - Florida State University
- o Jennifer Delacey - North Carolina State University
- o Kelley Delacey - Berry College
- o Christian Dixon - University of Maryland, Baltimore County
- o Keona Gardner - University of Maryland, College Park
- o Jalen Graham - Stevenson University
- o Sanchita Gupta - University of Virginia
- o Dominique N. Johnson - Allegany College of Maryland
- o Amber Kelly - Salisbury University
- o Jessica Kelly - Frederick Community College
- o Taylor Lilly - Savannah College of Arts and Design
- o Thomas Lilly, III - Georgia Institute of Technology
- o Gabrielle Madike - Frostburg State University
- o Celeb B. Mitchell - Liberty University
- o Jennifer Ngo - University of Maryland, College Park
- o Natelie Tobery - Shepherd University
- o Alexandra Whatley - Stevenson University
- o Justin Wright - University of Maryland, Baltimore County

The Robert G. Berger Memorial Scholarship Fund, named in honor of former Commissioner Robert G. Berger, 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, the program 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.

**ELECTION OF FISCAL YEAR 2017 CHAIR**

**Waiver of Provisions under Section 17-105 Maryland Code.** Vice Chair Lawson explained that the Commission would normally vote to elect a Chair from Prince George's County for Fiscal Year (FY) 2017 as the FY 2016 Chair was from Montgomery County (i.e., Adrienne Mandel). However, due to the past chair's resignation in October of 2015 after having served only 4 months as chair, the Vice Chair after consulting with both County Executives, recommended that the Commission consider waiving the Code requirements that the Chair position alternate back to Prince George's County and allow a Chair from Montgomery County to be elected for the FY 2017 year (if the Commission so chooses).

**Whereby, a motion was made by Commissioner Denis and seconded by Commissioner Boulware, to waive the provisions of paragraph (2) (ii) of subsection (b), Section 17-105 of the Public Utilities Article, Annotated Code of Maryland, relating to Election of the Chair and Vice Chair offices of the Commission and the requirement that each office shall alternate annually between Montgomery County and Prince George's County. Such waiver shall be effective for one year from the date of the approved action. All Commissioners present and acting at the meeting voted in the affirmative and the motion thereby carried unanimously with five affirmative votes. Commissioner Rogers was absent from the meeting and thus absent from the vote.**

The Vice Chair then called for nominations for Chair of the Commission for the Fiscal Year 2017.

**Whereupon, a motion was duly made by Vice Chair Lawson and properly seconded by Commissioner Denis, to nominate Commissioner Fausto Bayonet as the Chair of the Commission for Fiscal Year 2017. The motion carried with five affirmative votes; one absent (Commissioner Rogers absent from vote).**

Vice Chair Lawson congratulated the new Chair, officially passing the gavel to Chair Bayonet.

**[Chair Bayonet is now presiding over the meeting].**

**New Chair Speech.** Chair Bayonet offered the following remarks: *Good Morning. "First, I want to welcome new Commissioner Eloise Foster. I want to assure you that you will be working with some very dedicated and very professional people. You will be guiding*

*an agency that is critical to the health, safety and overall well-being of our entire community. I hope you find it as interesting and rewarding as I do. I am sure you will be a great asset to the Commission because of your wealth of knowledge about budget matters. And we need that.*

*I also want to take time to express my thanks to someone who is not here, Adrienne Mandel, our former colleague, who was a teacher and mentor to me when I first came 11 months ago and for that I'm really appreciative and thankful. I would also like to thank Vice Chair Lawson for the excellent work he did for the past eight months. Many thanks to my colleagues for choosing me as the new Chair. It is indeed an honor. I thank you for your confidence in me. I promise you I will do my best for the benefit of WSSC and our customers over the next year.*

*And I want to especially thank Montgomery County Executive Ike Leggett for appointing me to the Commission and entrusting me with this responsibility, as well as giving me an opportunity to serve.*

*This past year, my first one, has proved to be very interesting. There were many changes. There were many challenges. It has been a year of learning about the industry and how we make water and process wastewater and about the business of water as well. For that I thank the staff. It's been a learning experience and I continue to learn how the Commission operates. So I thank my fellow Commissioners for the guidance. To Corporate Secretary Sheila Finlayson, for her tutelage, knowledge and expertise. We Commissioners are lucky to have her support and I don't know what we'd do without [her] support.*

*But with change comes opportunity. Our new general manager has been moving quickly to establish her team and her priorities. I believe there is a lot of excitement and optimism inside and outside the Commission about what is happening. Carla understands the importance of relationships. She knows that how we relate to people is so very important to meeting our goals and fulfilling our mission. And I certainly support and encourage her efforts to improve the customer experience by improving overall customer service on every level, and to a level that is clearly world class. I welcome her approach and I look forward to frequent and open dialogue with her, members of her team and with our partners in the two counties.*

*As an industry we face many challenges. Our pipes and plants are getting old. Our costs continue to rise and yet our revenues have not been keeping up. Our customers don't always appreciate the value of water... not just the dollars and cents value... but the value of what water and wastewater services mean to our health, safety and well-being. We saw quite vividly this year in Flint, Michigan what can happen when something goes tragically wrong when things are not done right.*

*We want to do things right. We continue to replace our aging infrastructure and we continue to look at ways to keep the costs down, protect our environment, find alternative revenue streams and provide water to our customers at reasonable and affordable rates. We have started a study to examine our rate structure, which has not changed in nearly 40 years.*

*Finally, I want to thank our employees. Whatever challenges we face, they always keep this agency running... and keep the water flowing. Without their hard work and dedication, we could not continue to make the statement that WSSC has never had a drinking water violation in its 98-year history. Because of them, I could not be prouder to be part of this organization.*

*I am very optimistic about the Agency's future and looking forward to the coming year. I see nothing but clear water ahead. Thank you."*

#### **ELECTION OF FISCAL YEAR 2017 VICE CHAIR**

Chair Bayonet then called for nominations for Vice Chair.

**Whereupon, Commissioner Denis moved that the Commission nominate Commissioner Chris Lawson as Vice Chair of the Commission for Fiscal Year 2017. Commissioner Boulware seconded the motion. The motion carried with four affirmative votes; one abstention (Commissioner Lawson abstained from the vote as the nominee up for consideration. Commissioner Rogers was absent from the vote).**

#### **FISCAL YEAR 2017 COMMISSION MEETING DATES**

**A motion was made by Commissioner Foster, and properly seconded by Commissioner Boulware, to adopt Resolution 2016-2126 approving the Commission Meeting Dates for Fiscal Year 2017, as follows: July 20, 2016; August 17, 2016; September 21, 2016; October 19, 2016; November 16, 2016; December 21, 2016; January 18, 2017; February**

15, 2017; March 15, 2017; April 19, 2017; May 17, 2017; and, June 21, 2017.

**The motion carried with five affirmative votes; one absent (Commissioner Rogers absent from the vote).**

#### **COMMISSIONER COMMENTS**

Commissioner Denis referenced an article circulated to Commissioners and pending federal legislation to address pathogens and chemicals in water which is monitored by the federal government, requesting that the Board be briefed at an appropriate time on this subject matter in addition to Senator Cardin's bipartisan legislation on drinking water facilities around the country.

Vice Chair Lawson shared details on the charity golf tournament event he hosted through his nonprofit "Path to Greatness" and WSSC's Employee Appreciation Day which he attended, thanking and congratulating staff on a great event. Commissioner Boulware wished all fathers within WSSC a very Happy Fathers' Day.

#### **PUBLIC COMMENTS**

There were no comments from the public.

#### **GENERAL MANAGER'S REPORT**

General Manager (GM) Carla A. Reid began her report by congratulating the new Chair on his 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:

The GM shared the many events and community activities that WSSC has hosted since March to raise awareness on the importance of the environment and how WSSC carries out one of its core values in serving as environmental stewards in the community which in turns helps WSSC to keep its drinking water safe (e.g., Annual Children's Water Festival, Wonders of Water Journeys, Fish Release Events, Wonders of the Watershed, etc.). WSSC has also received several awards for the educational and informational videos it has produced on this topic and others.

WSSC also again was recognized as a recipient of the CIO 100 Award by CIO Magazine which recognizes the top 100 organizations around the world that exemplify operational and strategic excellence in Information Technology.

Call/Contact Center answer rate down to 83% for the month of May; monthly target at 95% so there's still work to do.

Overall account delinquencies decreased slightly in May from April. Water Production ran lower in May than the same period in FY 2015.

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

In May, in accordance with Consent Decree, a week-long Plant Operations Review was conducted at the Potomac Water Filtration Plant.

Unfortunately, a fatality occurred at the WSSC Damascus facility last month - an AT&T subcontractor fell from cell tower on property. The WSSC Safety Group handled the investigation in concert with the Montgomery County Police and Maryland Occupational Safety and Health departments.

Operating revenues in April were \$49.5 million with operating expenses at \$52 million.

The average time to fill vacancies in April was 88 days; target at 60 days.

Commissioners will be briefed at this meeting on the findings of the recently completed Disparity Study. Public meetings in both counties will also be held today at WSSC following the Commission meeting and tomorrow in Silver Spring. Findings from the study will be shared at the meetings with businesses and other key stakeholders.

New FY 2017 Budget takes effect on Friday, July 1<sup>st</sup>. Budget focuses on the continued rehabilitation of water and sewer pipeline miles throughout the system and includes a 3 percent increase in water/sewer usage rates along with full phase-in of



the Infrastructure Investment Fee which will add \$6 per quarter to the fixed Ready-to-Serve charge approved in last year's budget. Both increases combined will add \$3.28 per month to bill of a typical customer using 145 gallons per day. Additionally, budget includes \$2.2 million in revenue offset to continue administration of WSSC's Customer Assistance Program (CAP).

The GM and several WSSC employees will be attending the American Water Works Association (AWWA) ACE Annual Conference and Expo in Chicago next week. WSSC's Patuxent Water Filtration Plant will formally receive the President's Award from the Partnership for Safe Water at Conference which recognizes WSSC's outstanding commitment to delivering superior quality drinking water to WSSC customers.

**WSSC Utility Benchmarking and Organizational Efficiency Review.**

Consultants are present today to present WSSC's recently-completed Benchmarking Study widely requested and initiated by WSSC's two Counties. The study will highlight comparisons of WSSC's services, programs, cost drivers and planning documents to industry best practices and standards.

The GM recognized Deputy General Manager for Strategic Partnerships Monica Johnson along with representatives from Veolia North America and Juggernaut Consulting to report on the benchmarking study findings. Specific details can be found in the presentation materials 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 9, 2016 through June 3, 2016. The fiscal year-to-date System Development Charge (SDC) Audits total \$29,521.91 in actual financial savings. One SDC audit report was issued during the reporting period. IAO currently has thirteen SDC audit requests in process with ten active and three inactive. With respect to Fiscal Year 2016 Audit Projects: FY 2014 Blue Plains WWTP O&M and Capital Indirect Audit - auditors in preliminary review phase; Payroll Operational Audit - auditor

conducting field work; Cloud Computing Services Compliance Audit - auditor conducting field work; and Right-to-Audit Specified Procurement Contracts - auditor conducting field work. Regarding FY 2015 Carryover Audit Projects - Regulatory Services Group Operational Audit and Construction Contracts Change Orders Audit, both in report phase. Under internal audit follow-up activities, no management action items were closed since last status report. Thorough review underway for seven implemented-pending verification action items. No delinquent management action plans reported.

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

**External Auditors.** Commission's financial statements' audit is underway.

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

**Ethics Office.** Board of Ethics held its regularly-scheduled meeting on May 12, 2016; several open and closed items were reviewed. Code of Ethics training was held on May 23, 2016 for 13 new employees. 100% annual financial disclosure filing rate has been achieved for all employees as of May 18, 2016.

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

#### OTHER REPORTS

##### FINANCE

**Front Foot Benefit Charges and Deferred House Connection Charges for the 2016 Assessment Levy.** The purpose of Levy 2016 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 service connections. The Levy was comprised of 362 Notices mailed in April to affected customers in Montgomery and Prince George's County. The informal FFBC Appeal Hearings were held on May 18, 2016 and no appeals were made or heard. Management is recommending approval of the 2016 FFBC Levy comprised of 362 un-appealed assessments.

Whereupon, a motion was made by Commissioner Denis and seconded by Commissioner Boulware, to approve the Front Foot Benefit Charges and Deferred House Connection Charges for the 2016 Levy. The motion carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).

**Resolution 2016-2127 - Adoption of WSSC FY 2017 System Development Charge (SDC).** This Resolution increases the maximum allowable charge while keeping the rates to be actually charged unchanged for Fiscal Year 2017. Management recommends that the Commission keep the SDC rates unchanged for Fiscal Year 2017; however, the maximum allowable SDC should be increased by 0.4% from Fiscal Year 2016 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 12, 2016, and upon approval by the Commission, will become effective on July 1, 2016.

Whereupon, Commissioner Lawson moved that the Commission approve Resolution 2016-2127 adopting the Washington Suburban Sanitary Commission's Fiscal Year 2017 System Development Charge Fee Schedule and Rates to be effective July 1, 2016, as recommended by management. Commissioner Denis seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).

**Resolution 2016-2128 - Adoption of WSSC FY 2017 Operating and Capital Budgets.** This item acknowledges the joint action of the two County Councils on May 12, 2016 to approve the proposed FY 2017 \$1.426 billion WSSC Operating and Capital Budget with a 3.0% average water and sewer rate increase and the full phase-in of the Infrastructure Investment Fee in accordance with Public Utilities Article Section 17-202 of the Annotated Code of Maryland.

Commissioner Boulware moved that the Commission approve Resolution 2016-2128, adopting the Washington Suburban Sanitary Commission's Fiscal Year 2017 Operating and Capital Budgets of \$1.426 billion, as amended. Commissioner Foster seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).

**Resolution 2016-2129 - Adoption of WSSC Six-Year Capital Improvements Program for Fiscal Years 2017-2022.** This item, totaling \$4.427 billion, was jointly approved by the Prince George's and Montgomery County Councils on May 12, 2016 and reflects the modifications approved by both Counties in their respective resolutions.

**Commissioner Foster moved that the Commission approve Resolution 2016-2129, adopting the Washington Suburban Sanitary Commission's Six Year Capital Improvements Program, as amended, for Fiscal Years 2017-2022, to which Commissioner Lawson seconded. The motion carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).**

**Resolution 2016-2130 - Designation of Primary Agent for FEMA and MEMA Transactions.** Management presented this Resolution which formally designates WSSC's primary agent for Federal Emergency Management Agency (FEMA) and Maryland Emergency Management Agency (MEMA) reimbursement claims. Management is recommending Senior Financial Analyst Elizabeth Scibek to serve as WSSC's primary agent.

**Whereupon, a motion was made by Commissioner Boulware, and seconded by Commissioner Lawson, to adopt Resolution 2016-2130, designating WSSC Senior Financial Analyst Elizabeth Scibek as the authorized agent for all matters and transactions pertaining to federal or state disaster assistance from the Federal Emergency Management Agency (FEMA) and the Maryland Emergency Management Agency (MEMA). The motion carried with five affirmative votes; one absent (Commissioner Rogers absent from vote).**

**Resolution 2016-2131 - Authorization for Condemnation.**

WSSC Counsel is seeking Commission approval to initiate condemnation proceedings for right of entry to raw land (lots) located at Springwood Drive and Edgewood Drive in Temple Hills, Maryland in order to complete pipe rehabilitation and stream step pools and bank stabilization in accordance with required work under the Consent Decree mandate. The property owner, Mr. Mihaita Balan, refuses to grant right of entry (temporary easement) unless WSSC purchased the two lots he owned or conducted a feasibility study to determine whether construction of a house was possible on his properties, which WSSC is unwilling to do. The appraised value of the temporary taking is \$1850.00.

WSSC counsel advised that Mr. Balan had intended to show up at today's meeting but that he was not present. Commissioners therefore special ordered this item until later in the meeting to give WSSC counsel an opportunity to contact Mr. Balan to determine if he still plans to attend today's session.

The Commission took up this matter following lunch and counsel advised that it had contacted Mr. Balan and he indicated that he could not attend today and informed counsel that they could proceed as planned.

**Following further discussion and on motion made by Commissioner Boulware and seconded by Commissioner Foster, the Commission voted five-to-zero, with one absent, to adopt Resolution 2016-2131, as amended, granting authority to management to pursue quick take condemnation proceedings to obtain a temporary construction easement to rehabilitate WSSC sewer mains on subject property located at Springwood Drive/Edgewood Drive, Temple Hills, Maryland (Mihaita Balan property). Such work is being conducted to comply with the U.S. District Court-ordered Consent Decree. Motion carried.**

**Resolution 2016-2133 - General Manager Delegation of Authority.**

The Acting General Counsel provided an overview of the Resolution being submitted for Commission consideration, which adopts the language of the current Delegation of Authority (Resolution No. 2010-1876) and incorporates all amendments made to the document to date. The new Delegation of Authority also reinstates the General Manager's contracting authority levels as previously provided to the former General Manager and essentially repeals the amendments adopted under Amendments 5 and 6 to Resolution 2010-1876.

**Following discussion, a motion was made by Commissioner Boulware and seconded by Commissioner Denis, to adopt Resolution 2016-2133 which delegates certain Commission authority to the WSSC General Manager/CEO, as presented by the WSSC Acting General Counsel on this date with amendment to be made to paragraph 28 as pointed out by the WSSC Corporate Secretary. Such newly approved General Manager Delegation of Authority will supersede the existing General Manager Delegation of Authority previously approved under WSSC Resolution No. 2010-1876 and dated May 19, 2010. The motion**

carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).

#### CONSENT CALENDAR

##### *Contracts for Approval*

Following a short strategic sourcing briefing by members of management on the chemical contracts on the consent calendar per the request of the GM, the Chair called for a motion to approve the sixteen contracts on the Consent Calendar Resolution.

Whereupon, a motion was made by Commissioner Lawson, and seconded by Commissioner Foster, to adopt Resolution 2016-2132, approving the sixteen contracts included on the Consent Calendar for the June 15, 2016 Commission Meeting, as follows:

#### A. Engineering and Construction

##### *Architect/Engineer Contracts:*

1. PM0006.7.8.18.A16, Water Main Relocations Review and Design Basic Ordering Agreement, to Johnson, Mirmiran & Thompson, The Wilson T. Ballard Company, Prime AE Group, Inc., and Michael Baker, Jr., Inc. Each contract shall be awarded in a not to exceed amount of \$4,000,000.00 for a base term of three (3) years, with a one (1), year option term, each in the amount of \$1,333,000.00.

##### *Construction Contracts:*

1. BL7053A86, John Hanson Highway Water Transmission Main Replacement, to Garney Companies, Inc., in the amount of \$11,385,999.00, with substantial completion time of 730 calendar days
2. BF5339C12, Potomac Water Filtration Plant (WFP) Filter Underdrain Replacement, to CPP Construction Company, Inc., in the amount of \$1,385,000.00, with a substantial completion time of 200 calendar days.
3. BE3227B02, St. Barnabas Elevated Water Tank Demolition and Replacement, to Landmark Structures I, L.P., in the amount of \$8,864,000.00, with a substantial completion time of 660 calendar days.

##### *Goods and Services/Professional Services:*

1. Contract 5986, Street Repair Services, Change Order No. 2, Option Term III, to M.T. Laney Company, Inc., in the amount of

\$40,000,000.00, for a total not to exceed Option Term III amount of \$84,000,000.00.

**B. Human Resources**

1. Contract 1133, Temporary Personnel Services, to 1st Choice, LLC, ABSS Solutions, Inc., and JuneGem Technologies, Inc., in the total not to exceed amount of \$7,000,000.00 for the period starting July 1, 2016 through June 30, 2019. The contract has a base term of three (3) years with two (2) one-year option terms.

**C. Information Technology (IT)**

1. Contract 6871, IT and Telecommunication Services, Materials, and Equipment, Option Term I, in the amount of \$1,000,000.00.
2. Contract 6936, Installation and Configuration Services and Associated Hardware, Change Order No. 1, in the amount of \$800,000.00 for a total amount of \$1,750,000.00.
3. Contract 1052, Temporary IT Support Basic Ordering Agreement (IT Project Manager), Change Order No. 4 to Task Order 34, in the amount of \$75,000.00 for a total amount of \$628,280.00.
4. Contract 1066, IT Professional Services, e-Permitting Solution, Change Order No. 4, in the amount of \$150,000.00 for a total contract amount of \$1,784,535.00.

**D. Logistics**

1. Contract 6969, HVAC Inspection and Maintenance Services, to Fidelity Engineering Corporation, in the amount of \$1,390,898.36 with a base term of three (3) years and a one (1) year option term.
2. Contract 6241, Copper Tubing, Option Term III, to HD Supply Waterworks, Ltd., Tricon Chemical Corporation, Prospectus Enterprises, Inc., and Construction Management and Technology, Inc., in the amount of \$300,000.00 each, for a total contract amount of \$1,200,000.00.

**E. Production**

1. Contract 7027 (Single Source), for the furnishing and delivering of Polyaluminum Chloride on as-needed basis to support WSSC's Water Filtration Plants, for one year in the amount of \$3,114,496.00.
2. Contract 6998, for the furnishing and delivering of Methanol on an as-needed basis, to support the Wastewater Treatment Plant's

filtration process for a total of four years, in the amount of \$7,099,520.00.

3. Contract 6362, Sewage Sludge Management and Utilization, Option Term II, in support of the Western Branch Wastewater Treatment Plant, in the amount of \$2,870,500.00.

**F. Utility Services**

1. Contract 1130, Trunk Sewer Inspection Services, to Hazen & Sawyer, P.C., AECOM Technical Services, Inc., Brown and Caldwell, Arcadis U.S., Inc., and the RJN Group, Inc. Each contract shall be awarded in a not to exceed amount of \$3,200,000.00 for a base term of four (4) years for a total not to exceed amount of \$16,000,000.00, with a one (1) year option term for \$800,000.00 each, for a total not to exceed amount of \$4,000,000.00.

The motion carried with four affirmative votes, two absent (Commissioner Rogers was absent from vote and Commissioner Denis temporarily left the meeting room during the vote and thus was absent from vote).

The Chair called for a lunch recess at this juncture; 1:35 p.m. The Commission reconvened its open session business in the Auditorium of the WSSC Headquarters, RGH Building, at 2:58 p.m., with the same five Commission members (and a quorum) present.

**ADDITIONAL BRIEFINGS**

**GCO Request for Condemnation,** The General Counsel's office provided an update to Commissioners per Commissioners' earlier request on this special ordered item. Details and action taken are recorded in the original discussion of this item earlier in these minutes

**2015 Disparity Study Results.** Pursuant to SP MBE 11-01, the Commission must, every four years, undertake an independent assessment of its factual predicate for an MBE Program through the performance of a Disparity Study. SLMBE Director Towanda Livingston, along with Disparity Study Consultants MGT of America, Inc., briefed Commissioners on the results of the 2015 Disparity Study. Specific details can be found in the presentation materials and corresponding segment of the archived meeting video and both are referred to for that purpose.



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

**COMMISSION OFFICE**

**Corporate Secretary Report.** Corporate Secretary Sheila Finlayson provided an overview of her activities for the month, which included an update on the progress of the Commissioners' Engineering Scholarship Program, enthusiastically sharing that the Commission received 22 applications with 18-19 appearing to be eligible for further consideration by the Selection Committee. Scholarship Awards to be presented at the July 2016 Commission Meeting. The Corporate Secretary also reported that 3 past winners are participating in the 2016 summer internship program which is an added benefit of the scholarship awards program.

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

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Lawson reported on the April 2016 investment results, noting that, as of April 30, 2016, the Plan's assets were \$711.6 million, which represents a year-to-date investment gain of \$16.6 million or an increase of 2.5% from December 2015 to April 2016. The next meeting of the Retirement Plan Board of Trustees is scheduled for Wednesday, June 29, 2016.

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

**Personnel and Governance.** Nothing to report for the month.

**Legislation.** Nothing to report for the month.

**Audit.** The Chair called for a motion to adopt the minutes of the May 18, 2016 Audit Committee Meeting, whereby a motion was made by Commissioner Denis and properly seconded by Commissioner Boulware to approve the Audit Committee Minutes of May 18, 2016. The motion carried with five affirmative votes, one absent (Commissioner Rogers was absent from the vote).

**Fiscal Year 2017 Committee Appointments.** Chair Bayonet announced the following: Commissioners Boulware and Denis will continue to

serve on Legislation Committee; the Chair and Commissioner Rogers will serve on the Personnel and Governance Committee; and Commissioners Foster and Lawson will serve on the Employees' Retirement Plan Board of Trustees.

Chair Bayonet then announced that the open business has concluded and called for a motion to go into Closed. The Closed Session portion of the meeting was conducted in the Commissioners' Conference Room.

#### CLOSED SESSION

Whereby at 4:01 p.m., Commissioner Boulware moved that the Commission go into Closed Session pursuant to Maryland Code Annotated, General Provisions Article: Section 3-305(b)(7) and Section 3-305(b)(8) to consult with counsel to obtain legal advice and to discuss pending or potential litigation for attorney/client privileged legal matters; and Section 3-305(b)(1) to discuss personnel matters relating to the Commission Office direct reports.

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

The Chair declared the meeting was Closed (4:01 p.m.). Commissioners relocated to the Commissioners' Large Conference Room.

ATTENDEES: Chair Fausto Bayonet; Vice Chair Chris Lawson; Commissioners Omar Boulware, Howard Denis, and Eloise Foster. Staff present: General Manager Carla Reid, Corporate Secretary Sheila Finlayson, Acting General Counsel Russel Beers, and Deputy General Managers Joe Mantua and Monica Johnson. Absent: Commissioner Thomasina Rogers.

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

The Commission approved a change order request and an amendment to two contracts for confidential outside legal services (mover - Commissioner Foster and seconder - Commissioner Boulware; both motions carried with five affirmative votes).

**Personnel Matters** - The Commission discussed a personnel matter with the GM.

At 4:51 p.m., Commissioner Denis moved to end the Closed Session. Commissioner Lawson seconded the motion. The motion carried with five affirmative votes, one absent (Commissioner Rogers absent from vote).

OPEN SESSION RESUMED

ADJOURNMENT

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

At 4:52 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

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Sheila R. Finlayson, Esq.  
Corporate Secretary