

**WASHINGTON SUBURBAN SANITARY COMMISSION**

**MINUTES OF THE COMMISSION MEETING**

**Wednesday, July 20, 2016  
Laurel, Maryland**

Chair Fausto R. Bayonet called the meeting to order at 10:06 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 Bayonet, Commissioners Omar M. Boulware, Howard A. Denis, T. Eloise Foster, Chris Lawson and Thomasina V. Rogers, 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.

**PLEDGE OF ALLEGIANCE**

Chair Bayonet opened the meeting by asking Commissioner Foster to lead the pledge of allegiance.

Chair Bayonet and the other Commissioners welcomed new Prince George's County Commissioner Thomasina Rogers, noting there was now a full complement of Commissioners for the first time in a long while. Commissioner Rogers joins the Board with extensive government experience having served at the highest levels as the long standing Chair of the Occupational Safety and Health Review Commission (OSHRC) and as Chair of the Administrative Conference of the United States.

**AGENDA APPROVAL**

**Commissioner Boulware moved to adopt the Commission's Public Meeting Agenda of July 20, 2016, as drafted, to which Commissioner Foster seconded the motion. The motion carried unanimously with six affirmative votes.**

**APPROVAL OF MINUTES**

**Commissioner Boulware then moved to approve the open session minutes of the May 18, 2016 and June 15, 2016 Regular Commission Meetings, as drafted. Commissioner Denis seconded the motion. Commissioners Foster and Rogers abstained from voting on the May**

18<sup>th</sup> minutes as they both were not yet members of the Commission. Commissioner Rogers also abstained from voting on the June 15<sup>th</sup> minutes as she was absent from the meeting. The motion on the May 18, 2016 Minutes approval carried with four affirmative votes, two abstentions. The motion on the June 15<sup>th</sup> Minutes approval carried with five affirmative votes, one abstention.

#### WSSC RETIREES

WSSC Retirement Plan Group Leader Richard Baker recognized the following Retirees for the month of July 2016:

- **Nelson Carbajal**, Utility Technician III, Utility Services West Group, retired with 23 years and 9 months of service.
- **Matthew Brown**, Facility Technician III, Systems Control Group, retired with 30 years and one month of service.
- **Nacole Brown (present)**, Customer Care Agent, Customer Relations Group, retired with 9 years and 5 months of service.
- **Gilda Corioni (present)**, Administrative Assistant I, Utility Services Central Group, retired with 33 years of service.
- **Joseph Jackson (present)**, Utility Technician III, Utility Services South Group, retired with 30 years and one month of service.
- **Aaron Mitchell**, Pipe Technician II, Utility Enhancement Group, retired with 28 years and one month of service

#### ENGINEERING SCHOLARSHIP AWARDS

Chair Bayonet recognized the Corporate Secretary to present this year's Commissioners' Engineering Scholarship Awards. The Awards program provides for up to two new scholarships to be awarded annually to engineering student residents of the WSSC sanitary district of Prince George's and Montgomery County. Candidates' rankings are based on scholastic achievement, essay content and overall application package. This year's essay topic was as follows: "It seems like every year we learn about more and more products making their way into WSSC's source water. Recognizing this problem, what treatments should WSSC be considering for use in the future? Please describe in 1500 words or less." Winners may receive awards of \$1000 each year for up to four consecutive years as long as they maintain a cumulative GPA of 2.5 or above and continued residency in the sanitary district. The

winners also receive priority consideration for participation in WSSC's paid summer internship program.

This year's winners were:

- Mr. William Rosenberg, a Prince George's County resident and incoming Freshman this Fall at the A. James Clark School of Engineering, University of Maryland at College Park, majoring in mechanical engineering; and
- Mr. Jean-Jacques Mvom Ondoua, a Montgomery County resident and civil/environmental engineering student at Montgomery College in Rockville.

Ms. Finlayson also recognized the continuing recipients of the award who are also participating in WSSC's summer internship program:

- Ms. Brooke Nessel, Rising Sophomore and mechanical engineering major at University of Maryland, College Park and 2015 scholarship winner from Montgomery County;
- Ragime Young, 2014 winner from Prince George's County and Rising Senior at Morgan State University majoring in electrical engineering; and
- Kwynn Johnson, Rising Junior from Montgomery County and mechanical engineering major at University of Maryland Baltimore County (UMBC); also won in 2014 (unable to attend).

Commissioner Denis thanked Corporate Secretary Sheila Finlayson for her fine work in overseeing the awards program on behalf of Commissioners and ensuring its success.

#### **COMMUNICATIONS VIDEO**

Communications and Community Relations Director Jim Neustadt introduced the monthly video highlighting employees who will be honored at the upcoming "Employee Service Awards" on July 28, 2016. This year's honorees range from those celebrating ten years to a few long standing employees who have faithfully served WSSC for 40 years.

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

**Commissioner Comments.** Commissioner Denis commented on the lead issues currently facing other utilities in the nation along with structures served by those entities such as the Congressional

building in Downtown Washington which had to shut down its water fountains due to lead problems in the pipes and the EPA's continued monitoring of DC-area schools due to lead also being found in those public buildings. Additionally, Commissioner Denis made mention of the recent theft of water campaign that WSSC has been publicizing in an effort to get a handle on this common problem, requesting additional information be provided on this and water loss due to pipe breaks. Lastly, Commissioner Denis shared that he and other Montgomery County Commissioners will be attending the Benchmarking Study briefing that WSSC will be providing to County officials on July 21, 2016, sharing that he believes the stakeholders may be looking for next steps on how WSSC plans to implement the study with particular emphasis on the customer service and procurement issues identified in the report.

**Public Comments. None.**

Chair Bayonet asked for a moment of silence, at this juncture, to memorialize the fallen in Dallas and Baton Rouge.

#### **GENERAL MANAGER 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:

Ms. Reid opened by welcoming Commissioner Rogers to the Board. GM Reid also introduced the newest members of her senior team:

- Jaclyn Vincent, Senior Staff Director, who comes from the Maryland Lottery and Gaming Commission. Ms. Vincent will help facilitate communications on behalf of the GM's office between employees, customers and the general public.
- Joseph Beach, Chief Financial Officer, who comes to WSSC from Montgomery County government where he served as Assistant Chief Administrative Officer, Office of Management and Budget and most recently as Finance Director.
- Damion Lampley, Utility Services Team Chief. He comes from Prince William County Service Authority where he was Deputy Director of Operations and Maintenance. He also served previously in the Operations and Maintenance Department at DC Water.

GM Reid then shared her plans for the new fiscal year, sharing that this is an opportunity to start fresh with creative initiatives in hopes of achieving world-class utility status, stressing her 3 primary areas of execution - simplify, focus and connect.

WSSC's 3 main strategic priorities in the fiscal year will involve (which her monthly report will be centered around):

1. Maintaining and improving WSSC infrastructure;
2. Providing excellent customer service; and
3. Engaging stakeholders (including employees, elected officials, businesses, vendors and community members) to keep them engaged and supportive of WSSC efforts.

WSSC rolled out its new water and sewer rates which included an external communications plan with a letter to customers published in the Washington Post and on social media along with radio spots.

WSSC kicked off a water theft prevention program in partnership with local fire departments, informing customers to be alert for unusual fire hydrant activity and to report any suspicious behavior. The program has already proven effective with calls from concerned customers and area residents and several sites investigated. In addition, WSSC is looking at revamping policies to address and better track the use of non-metered water and how to combat the theft of water due to this issue.

HomeServe USA contract has been signed and the program, which will provide emergency service plans to WSSC customers to cover unexpected and expensive emergency pipe repair, to be implemented soon.

**AWWA Recognition.** Floyd Salser, President of Mars Company, presented Thomas Kelley, Strategic Coordinator, WSSC Utility Services Enhancement Support Group, with the prestigious American Water Works Association (AWWA) George Anderson Award for Excellence. George Anderson was an engineer and the best designer of metering products in the industry. This highly-esteemed lifetime achievement award recognizes the most outstanding meter experts in the business. Mr. Kelly was unanimously selected by the AWWA Committee comprised of 28 engineers and top professionals in the field from different companies.

**Electronic Security System (ESS) Project.** WSSC Chief Information Officer Mujib Lodhi, along with Police Chief Harvey Baker and Senior IT Project Manager Kenn Bengtsson, provided an update briefing on WSSC's Electronic Security Systems Project and five-year security plan. Management reported from a power point presentation entitled "Leveraging IT to Enhance Physical Security Posture: Paving the Foundation to Success" provided in the advance board materials and incorporated herein by reference. Special details can be found in the presentation and corresponding segment of the archived meeting video and both are referred to for that purpose.

In short summary, the Security Vulnerability Assessment recommendations focused on implementation of the project through 4 phases:

1. Develop & install infrastructure to support the system;
2. Upgrade old end-of-life Access Control & Cameras for 38 critical sites;
3. Upgrade all other less critical sites and add advanced security analytics;
4. Complete construction and add analytical devices.

Completion of the project will enable WSSC to merge cybersecurity with physical security system and the security information center. Phase 1 is complete and 38 sites have been completed. Phase 2 will be complete by the end of Fall this year. Phase 3 is anticipated to be ready in Fall of 2017 and Phase 4 will be completed in the Fall of 2019. Thus far, the project has cost \$6.4 million; with estimated costs at \$1.8 million for FY 2017 and \$1.4 million each for FY 2018 and FY 2019 for a final total estimated cost of \$11 million.

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

#### **INTERNAL AUDIT REPORT**

**Monthly Activity Report.** Internal Audit Director Maxene Bardwell reported on the monthly activities of the Internal Audit Office (IAO) for the period of June 6, 2016 through June 24, 2016. No SDC audit reports were issued during the reporting period. SDC audits total financial savings of \$29,521.97 for fiscal year to date. 13 SDC audit requests in process with 10 active and 3 inactive.

Regarding FY 2016 Audit Projects: all in the field-work stages (substantive test work being conducted) while, the FY 2015 Carryover Projects are in the report phase.

As of June 22<sup>nd</sup>, 5 management action items were closed since last status report with two implemented pending and one - 21 days delinquent (Logistics).

**Hotline.** Quarterly Report to be provided next month.

**Ethics Office.** The Board of Ethics held its regularly-scheduled meeting on June 9, 2016; several open and closed items were reviewed. New hire orientation/code of ethics training was provided to 45 summer interns on June 6, 2016 and 13 new employees on June 20, 2016.

The Ethics Office also continues to work with Human Resources and the General Counsel's Office to finalize the draft of the Anti-Nepotism policy. Also working with outside vendor for web-based ethics training course.

**External Auditors.** Commission's financial statements audit is currently underway with external auditors on site.

**Approval of Fiscal Year 2017 Risk-Based Audit Plan.**

In accordance with the International Standards for the Professional Practice of Internal Auditing, the Internal Audit Director presented the Risk-Based Internal Audit Plan for Fiscal Year 2017 for review and approval.

**On motion made by Commissioner Boulware and seconded by Commissioner Denis, the Commission unanimously approved, by a vote of six-to-zero, the Fiscal Year 2017 Risk-Based Audit Plan, as proposed by the Internal Audit Director.**

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

**OTHER REPORTS**

**Finance**

**Work Session/Briefing for Proposed CIP for Fiscal Years 2018-2023.** Chief Financial Officer Joe Beach and Budget Unit Coordinator Mark

Brackett provided an overview of the proposed WSSC Capital Improvements Program (CIP) for Fiscal Years 2018-2023, as revised pursuant to public hearings in each county. Specific details of the presentation can be found in the corresponding segment of the archived meeting video, written power point handout, and staff draft work session booklet (incorporated herein by reference), and all are referred to for that purpose.

**Point of Information:** Total CIP totaling \$3.3 billion proposes planning and design and construction expenditures for major water and sewer projects. Six year program cost at \$1.9 billion.

Public hearings on the revised CIP will be held in each County in September, as follows:

**Wednesday, September 7, 2016 (7:30 p.m.) - Montgomery County**

Stella B. Werner Building, 7th Floor Hearing Room, 100 Maryland Avenue, Rockville, Maryland; and,

**Thursday, September 8, 2016 (7:30 p.m.) - Prince George's County**

RMS Building, Room 308, 1400 McCormick Drive, Largo, Maryland.

**Following the Work Session, the Commission received the Proposed CIP Briefing for Fiscal Years 2018-2023, as information. The final CIP will be considered by the Commission at June 2017 Commission Meeting.**

**CONSENT CALENDAR**

*Contracts for Approval*

The 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 Foster and seconded by Commissioner Lawson, to adopt Resolution 2017-2134, approving the five contracts included on the Consent Calendar for the July 20, 2016 Commission Meeting, as follows:**

**A. Engineering and Construction**

**Construction Contracts**

1. BF1582G91, Rocky Gorge Pumping Station Upgrade to CPP Construction Company, Inc., in the amount of \$13,400,000.00, with substantial completion time of 730 calendar days.



2. BT5584A13, Baltimore Avenue 16-Inch Transmission Water Main Replacement to Rivers Construction Group, Ltd., in the amount of \$2,801,820.00, with substantial completion time of 516 calendar days.

**B. Logistics**

1. Contract 7008, Complete Dry Barrel Fire Hydrants to Omega Supply Services, Inc. in total not to exceed amount of \$4,248,260.07 for period of August 1, 2016 through July 31, 2019 with base term of three years and one (1) one-year option term.

**C. Utility Services**

1. Contract 6988, 96-Inch Gate Valve, 36 and 48-Inch Plug Valves for Bladensburg 102-Inch Trunk Sewer Rehabilitation Project, to HD Supply Waterworks, Ltd. in the amount of \$1,886,645.00.
2. Solicitation No. 76702582B, Western Branch Sewer Study to RJN Group, for total not to exceed amount of \$7,471,176.25.

**The motion carried unanimously by a vote of 6-0.**

**ADDITIONAL BRIEFINGS**

**COMMISSION OFFICE**

**Corporate Secretary Report.** Corporate Secretary Sheila Finlayson provided an overview of her activities for the month, which included the work she completed to bring the Commissioners' Engineering Scholarship Awards Program to a close with awards presentation conducted earlier in the meeting. Five recipients; two new winners for 2016 and three past winners from 2014 and 2015 received scholarship awards. Three past winners are also currently participating in WSSC's paid summer intern program as an added benefit and result of being named winners of the scholarships. The Corporate Secretary also informed Commissioners that the new Commissioner Orientation for the Commission's two newest members Foster and Rogers will be conducted on Tuesday, August 2<sup>nd</sup>.

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

**WSSC Employees' Retirement Plan Board of Trustees.** Commissioner Lawson reported on the recent activities of the Retirement Plan Board of Trustees sharing that the Plan's assets were \$711.0 million as of May 31, 2016 which represents year-to-date investment gain of \$20.3 million (an increase of 3.1% from December 31, 2015 to May 31, 2016).

**The Commission received the report of the Retirement Plan Board of Trustees as information.**

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

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

**Audit.** The next quarterly meeting to be held in August.

The Chair announced that the Morning Open Session business has concluded and called for a motion to go into Closed after indicating that he has read and approved the written closing statement. Following the vote, the Commission will take a lunch recess and reconvene in Closed Session in the Commissioners' Large Conference Room at approximately 2:10 p.m.

**CLOSED SESSION**

Whereby at 1:06 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 May 18, 2016 and June 15, 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 Commission Office direct reports.

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

The Chair declared the meeting was Closed (1:06 p.m.). The Chair then recessed the meeting for lunch. The meeting reconvened at 2:12 p.m. in the Commission Office Large Conference Room.

**ATTENDEES:** Chair Fausto Bayonet, Vice Chair Chris Lawson; Commissioners Omar Boulware, Howard Denis, Eloise Foster and

Thomasina Rogers. Staff present: General Manager Carla Reid, Corporate Secretary Sheila Finlayson, Acting General Counsel Russel Beers, Deputy General Manager for Operations Joe Mantua, Deputy General Manager for Strategic Partnerships Monica Johnson, Senior Staff Director Jaclyn Vincent, Associate Counsel Heather Ashbury, Associate Counsel Laura Swisher and Associate Counsel Jim O'Day.

Closed Session Minutes - On motion made by Commissioner Boulware and seconded by Commissioner Denis, the Commission voted by an affirmative vote of 4-0 with 2 abstentions (Commissioners Foster and Rogers abstained as they were not yet members of the Commission) to approve the closed session minutes of the May 18, 2016 meeting, as drafted, and an affirmative vote of 5-0 with one abstention (Commissioner Rogers abstained as she was absent from the meeting) to approve the closed session minutes of the June 15, 2016 meeting, as drafted.

Legal Matters - Commissioners were briefed by the Acting General Counsel and other attorneys from the General Counsel's Office on confidential attorney/client privileged legal and pending litigation matters affecting the Commission.

Mmes. Ashbury and Swisher departed at 2:46 p.m. Mr. O'Day was excused at 3:02 p.m. Mr. Beers was excused at 3:03 p.m.

The Commission next discussed confidential personnel matters with the General Manager.

All members of management were excused at 3:15 p.m. while the Commission met in executive session.

At 3:30 p.m., the Chair called for a motion to end closed, whereby a motion was made by Commissioner Denis and seconded by Commissioner Boulware to end the Closed Session. The motion carried unanimously with six affirmative votes.

OPEN SESSION

At 3:30 p.m., the Commission reconvened in open session.

ADJOURNMENT

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

At 3:30 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//

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Sheila R. Finlayson, Esq.  
Corporate Secretary