

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

**Wednesday, September 19, 2018
Laurel, Maryland**

Chair T. Eloise Foster 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 Foster, Commissioners Fausto R. Bayonet, Omar M. Boulware, Howard A. Denis, 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, General Counsel Amanda Stakem Conn and Corporate Secretary Sheila R. Finlayson, Esq., who recorded the minutes of the meeting. Other members of WSSC management were called upon, during certain portions of the meeting, to provide information to the Commission.

PLEDGE OF ALLEGIANCE

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

Following the pledge, the Chair asked General Manager Carla Reid to lead the Commission in the recitation of its mission and vision statements.

AGENDA APPROVAL

Commissioner Boulware moved to adopt the Commission's Public Meeting Agenda of September 19, 2018, as drafted, to which Commissioner Bayonet seconded the motion. The motion carried unanimously with six affirmative votes.

APPROVAL OF MINUTES

At the request of the Corporate Secretary, approval of the minutes was deferred until next month.

WSSC RETIREES

WSSC Retirement and Investments Division Manager Richard Baker recognized the following Retirees for the month of September 2018:

Dennis Geary, Plant Engineering Section Manager, Parkway Water Resource Recovery Facility, retires with 28 years and 3 months of service.

COMMISSIONER/PUBLIC COMMENTS

Commissioners shared the following highlights:

Chair Foster shared that she, along with Commissioners Denis and Bayonet, attended the Public Hearing earlier this month in Montgomery County, Maryland on WSSC's Capital Improvements Program (CIP) - held September 5, 2018 at the Stella B. Werner Office Building in Rockville, MD.

Commissioner Bayonet recognized Deputy General Manager Joe Mantua who is leaving WSSC next month for another opportunity, wishing him well in his newest endeavor in South Carolina, to which other Commissioners joined in expressing similar sentiments. Mr. Bayonet then expressed his pleasure in representing WSSC again this year at the Annual Maryland Hispanic Gala at the Fillmore in Silver Spring and also in serving as a WSSC representative at the Maryland Hispanic Business Conference at the North Bethesda Marriott & Conference Center.

Commissioner Denis shared an anecdotal narrative where he and his wife had traveled earlier this month to "Palatine Hill" in Rome, Italy, home to the oldest water systems in existence, pointing out how fascinating it was to see the ancient pipes and how they can be identified today by their first specific owner who was the wife of a Roman emperor and whose name is imprinted directly on the pipe ("Livia's house").

Commissioner Rogers commented on a recent article from the Washington Post regarding the deaths of several sewage workers in

New Delhi, India, using the story as an opportunity to emphasize the premium WSSC places on the safety of its workers and employees.

There were no comments from the public.

GENERAL MANAGER' S REPORT

Monthly Report. General Manager ("GM") Carla Reid provided her monthly report, reporting from a power point presentation displayed at the meeting and incorporated herein by reference. The GM's full report can be found in the presentation and corresponding segment of the archived meeting video and both are referred to for this purpose.

Following the GM's briefing and Commissioner questions, the GM's Monthly 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 August 6, 2018 to September 5, 2018. Ms. Bardwell presented from a power point presentation displayed at the meeting and incorporated herein by reference. The full report can be found in the presentation handout and corresponding segment of the archived meeting video and both are referred to for this purpose.

Fiscal Year 2019 Proposed Risk-Based Audit Plan. In accordance with the International Standards for the Professional Practice of Internal Auditing, the Internal Audit Office presented its Risk-Based Internal Audit Plan for Fiscal Year 2019 for the Commission's review and approval. Internal Auditor Dana Whiting reported from a power point presentation contained in the advance materials and incorporated herein by reference. Specific details can be found in the presentation and corresponding segment of the archived meeting video.

On motion made by Commissioner Bayonet and seconded by Commissioner Boulware, the Commission unanimously approved, by a vote of six-to-zero, the Fiscal Year 2019 Risk-Based Audit Plan, as proposed by the Internal Audit Director.

The IAO report was received as information.

OTHER REPORTS

FINANCE

Schedule for Approval of 2019 Front Foot Benefit Rates and House Connection Charges. New front foot benefit rates and house connection charges will be effective as of January 1, 2019. The approval process includes one Commission work session (to be held at the November 2018 meeting), advertisement of the proposed rates and a public hearing held in November following the commission meeting with record remaining open until the December meeting for comments. Management presented a proposed schedule of the rate setting process for Commission approval with final approval of the rates to be presented at the December 19, 2018 Commission Meeting.

Whereby, a motion was duly made by Commissioner Rogers and properly seconded by Commissioner Boulware, to adopt the proposed Schedule for the rate setting and approval process for the 2019 Front Foot Benefit Rates and House Connection Charges with the public hearing set for November 21, 2018 at 2:30 p.m. at the WSSC RGH Building - Auditorium.

The motion carried unanimously with six affirmative votes.

Approval of Transmittal of Proposed CIP to Counties. WSSC Capital Budget Section Manager Mark Brackett reported on this item, advising the Commission is required to prepare and submit a copy of WSSC's Proposed Capital Improvements Program (CIP) to the two County Governments by October 1st of each year. Management is therefore requesting approval to carry-out this mandate as required by Maryland Law. Six year CIP Combined Program is \$3,229,062,000.00 with no substantive changes made to CIP

document since the work-session conducted at July 18, 2018 Commission Meeting. Two public hearings were held in each County (September 5, 2018 in Montgomery County and September 6, 2018 in Prince George's County). WSSC received testimony from customers/public at both hearings along with written comments which have been appended to the hearing transcripts provided in Commission materials and incorporated herein by reference.

Whereby, Commissioner Boulware moved to approve the transmittal of WSSC's Proposed CIP for Fiscal Years 2020-2025 to the Prince George's and Montgomery County Governments, as mandated under the Maryland Public Utilities Code.

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

INFORMATION TECHNOLOGY (IT)

Monthly Project Cornerstone Update. Chief Information Officer (CIO) Vennard Wright provided the monthly update on Project Cornerstone, reporting from a power point presentation contained in the advance materials and incorporated herein by reference. Specific details can be found in the presentation handout and archived meeting video. In summary, Mr. Wright advised Cornerstone Go-Live on target for weekend of May 31, 2019.

Approval of Contract 15968, Oracle Exadata Upgrades. CIO Wright reviewed contract whereby management is seeking Commission approval for hardware to support Project Cornerstone technology.

Following discussion, a motion was made by Commissioner Lawson and seconded by Commissioner Denis, to approve IT Contract No. 15968, Oracle Exadata Updates, to Mythics, Inc., in a not to exceed amount of \$3,935,211.76, for a term of five years.

The motion carried unanimously with six affirmative votes.

The Commission received the Project Cornerstone monthly update, as information.

CUSTOMER SERVICE**Approval of Customer Assistance Program (CAP) Regulation.**

Management briefed Commission on this item at the July Commission Meeting and is now requesting approval. The Regulation will govern the WSSC partnership with the Maryland Office of Home Energy Programs (OHEP), which certifies customers for the program. Currently, over 10,000 enrollees.

Whereby, a motion was made by Commissioner Bayonet and seconded by Commissioner Boulware, to approve the Regulation for Administration of the Customer Assistance Program, as recommended by management.

The motion carried unanimously with six affirmative votes.

INTERGOVERNMENTAL RELATIONS

Legislative Update. Intergovernmental Relations Office (IRO) Director Karyn Riley provided an overview of the legislative activity of the office and WSSC-sponsored and related bills for the 2019 legislative session. Ms. Riley also provided a briefing on the Graywater/Water Reuse legislation. Details can be found in the corresponding segment of the archived meeting video.

The Commission received the IRO report, as information.

Utility Services Contract 7342 - Cleaning and CCTV Inspection Services. Utility Services Director Damion Lampley presented this contract (deferred from last month) for Commission approval.

Whereupon, a motion was made by Commissioner Bayonet and seconded by Commissioner Lawson, to approve Utility Services Contract No. 7342, Cleaning and CCTV Inspection Services, to Riviera Enterprises, Inc., Midas Utilities, LLC and Savin Engineers, PC, for a base term of four years with an upset limit of \$12,000,000.00 and one (1) one year option for \$3,000,000.00.

The motion carried unanimously with six affirmative votes.

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 Boulware and seconded by Commissioner Bayonet, to adopt Resolution 2019-2200, approving the three contracts included on the Consent Calendar for the September 19, 2018 Commission Meeting, as follows:

A. Utility Services

1. Contract BF1582H91, Patuxent Water Filtration Plant Phase II Expansion and UV Disinfection Facilities, Change Order No. 9, to Ulliman Schutte Construction, Inc., in the amount of \$630,319.00, for a cumulative contract total of \$44,313,300.00.
2. Contract PM5337A11, Option Term 1, Sanitary Sewer System Rehabilitation Projects, Piscataway Basin, ESA, IDIQ (Multiple Awards/Consent Decree Work) to: Layne Inliner, LLC (\$5,833,333.34); Inland Waters Pollution Control, Inc. (\$5,833,333.33); and AM-Liner East, Inc. (\$5,833,333.33), for cumulative contract amount of \$17,500,000.00.
3. Contract 7340, DelPac 2500, Poly Aluminum Chloride (Single Source), to USALCO, LLC, in not to exceed amount of \$3,467,723.20, for initial term of one year with four (4) one year options to renew, subject to Commission approval.

ADDITIONAL BRIEFINGS**COMMISSION OFFICE**

Corporate Secretary Report. Corporate Secretary Sheila Finlayson provided an overview of her activities for the month, presenting from her report distributed to Commissioners in the advance materials. No questions were raised.

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

WSSC Employees' Retirement Plan Board of Trustees. No meeting held in August.

Governance & Strategic Visioning Committee. No report.

Legislative & Compliance Committee. Commissioner Boulware provided an overview of the meeting he and Commissioner Denis held with the IRO Director on the upcoming legislative session and bill activity.

The Committee report was received as information.

Audit Committee. No report.

Customer and Other Stakeholder Relations Committee. No report.

Innovation & Infrastructure Committee. Chair Bayonet announced that the September meeting was postponed to next month.

Inspector General Recruitment. The Chair provided an update on the Inspector General (IG) Recruitment noting that the IG Search has gone very well. Commission engaged search firm to assist with recruiting candidates. The IG Appointment Committee interviewed candidates in September and recommended a slate to the Commission. The Commission held interviews last week and is expected to continue discussions in closed session today and officially announce its selection of the first WSSC IG during the afternoon open session. The Chair concluded by expressing her pleasure with the Commission having met its mandated requirement to establish the Office of the Inspector General by October 1st.

The Chair then announced that the Morning Open Session business had concluded and called for a motion to go into Closed. After noting her approval of the written closing statement, Chair Foster called for a vote.

CLOSED SESSION

Whereby, at 12:06 p.m., Commissioner Boulware moved and Commissioner Lawson seconded, that the Commission go into Closed Session, pursuant to Maryland Code Annotated, General Provisions Article: Sections 3-305(b) (7) and 3-305(b) (8) to consult with counsel to obtain legal advice on a WSSC Proposed Code of Regulations and to discuss pending or potential litigation for attorney/client privileged legal matters; Section 3-305(b) (3) to consider the acquisition of real property for a public purpose and matters directly related to the acquisition; and Section 3-305(b) (1) to discuss personnel matters relating to Commission Office direct reports and the Inspector General Recruitment.

The motion carried unanimously with six affirmative votes.

The Chair declared the meeting was closed at 12:06 p.m. The Commission then took a lunch recess with the Commission reconvening in Closed at 1:31 p.m. in the Commission Office Large Conference Room.

ATTENDEES: Chair Eloise Foster, Vice Chair Chris Lawson, Commissioners Fausto Bayonet, Omar Boulware, Howard Denis and Thomasina Rogers. Staff present: General Manager Carla Reid, Corporate Secretary Sheila Finlayson, General Counsel Amanda Conn, Senior Counsel Russel Beers, Associate Counsel Stephanie Kinder, Associate Counsel Jim O'Day, Deputy General Manager (DGM) Joseph Beach, DGM Joe Mantua, and DGM Monica Johnson.

Closed Session Minutes - Action Deferred.

Pending Litigation/Legal Advice - Commissioners were briefed by the General Counsel, members of her legal team and other staff on pending attorney/client privileged litigation and legal matters.

Personnel Matters. The Commission convened into executive session to discuss additional personnel matters.

At 3:59 p.m., Commissioner Boulware moved to end the Closed Session. Commissioner Lawson seconded the motion. The motion carried unanimously with six affirmative votes.

OPEN SESSION RESUMED

Appointment of WSSC Inspector General. The new WSSC Office of the Inspector General (OIG) was enacted under Chapter 130, Laws of Maryland 2018, Maryland General Assembly, HB 419. The law requires the establishment of an Appointment Committee to recommend Inspector General (IG) candidates to the Commission and for the Commission to select the IG from such recommended list. The Commission engaged a search firm to assist with the IG recruitment. The established Appointment Committee met on August 22, 2018 to review resumes of potential IG candidates, and selected candidates to interview on September 7, 2018. As required, the Appointment Committee submitted a list of candidates to the Commission and the Commission interviewed the candidates on September 11, 2018 and September 12, 2018, respectively. The Commission selected a final candidate for Inspector General following its interviews on September 12th and made an offer for employment to such candidate, subject to the candidate's acceptance. The candidate accepted the Commission's offer to begin employment as WSSC's new Inspector General on October 15, 2018.

Whereby a motion was made by Commissioner Boulware and seconded by Commissioner Denis, to adopt Resolution 2019-2201 affirming the Commission's appointment of Arthur A. Elkins, Jr., to serve as the new Inspector General of WSSC, for a term of five years, beginning October 15, 2018.

The motion carried unanimously with six affirmative votes.

ADJOURNMENT

There being no additional business, the Chair called for a motion to adjourn, to which Commissioner Boulware moved to adjourn the

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

At 4:03 p.m., the meeting was declared, adjourned.

Respectfully submitted,

//signed//

Sheila R. Finlayson, Esq.
Corporate Secretary