

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

**Wednesday, October 16, 2019
Laurel, Maryland**

Chair Chris Lawson called the meeting to order at 10:06 a.m., in the Auditorium of the Washington Suburban Sanitary Commission (hereinafter "WSSC Water") 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 Lawson, Commissioners Fausto R. Bayonet, Howard A. Denis, T. Eloise Foster and Sandra L. Thompson, were present at the meeting, reflecting a quorum. Also, in attendance were WSSC Water General Manager and Chief Executive Officer ("GM") 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 Lawson opened the meeting by welcoming everyone and asking Commissioner Foster to lead the pledge of allegiance.

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

NEW COMMISSIONER WELCOME

Next, the Chair took a moment to officially welcome WSSC Water's newest Commissioner, Sandra L. Thompson, to the Board of Commissioners. Ms. Thompson represents Prince George's County and was appointed by the Prince George's County Executive with confirmation by the Prince George's County Council, on September 17, 2019. Ms. Thompson is a senior executive in the federal government with a successful track record in implementing

strategic change and overseeing risk management and policy development.

AGENDA APPROVAL

Commissioner Foster moved to adopt the Commission's Public Meeting Agenda of October 16, 2019, as drafted, to which Commissioner Bayonet seconded the motion. The motion carried unanimously with five affirmative votes.

APPROVAL OF MINUTES

Commissioner Bayonet moved to approve the open session minutes of the August 21, 2019 Regular Commission Meeting, as drafted. Commissioner Denis seconded the motion. The motion carried unanimously with five affirmative votes.

WSSC RETIREES

Retirement & Investments Division Manager Richard Baker recognized the Retirees for the month of October 2019, as follows:

Tonya Penn-Huff, Industrial Investigator, Regulatory Services Division, retires with 25 years and 11 months of service.

Osama Amad (present), Seneca Plant Superintendent, Seneca/Damascus/Hyattstown Wastewater Treatment Plant, retires with 27 years and 10 months of service.

Thomas Harshman (present), Chief Wastewater Plant Operator, Seneca/Damascus/Hyattstown Wastewater Treatment Plant, retires with 34 years and 2 months of service.

Clyde Jackson (present), Administrative Assistant II, Meter Services Division, retires with 30 years of service.

Frances Parker (present), Learning and Development Specialist II, Utility Services Learning & Development Division, retires with 30 years and 6 months of service.

COMMISSIONER/PUBLIC COMMENTS

Commissioner Comments. Vice Chair Foster shared that she and Commissioner Denis had recently attended the Montgomery County Transportation & Environment (T & E) Committee's Spending Affordability Guidelines ("SAG") Meeting for WSSC Water and that the Committee agreed to a 7% increase for the agency, which she was very pleased with, noting it has been the highest percentage increase approved by the County since she's been on the board, to which Commissioner Denis joined in agreement. WSSC Water was seeking an 8% increase.

The Chair acknowledged the GM and her team for their efforts in getting the Counties to reach consensus on the 7%, noting that Prince George's County had approved the 7% increase figure as well.

Commissioner Denis also shared that Montgomery County Councilmember Tom Hucker, on behalf of the Montgomery County Council, had requested more in-depth budget briefings from WSSC Water, expressing his hope that management would indeed oblige.

Lastly, Commissioner Denis paid tribute to the Washington Mystics and Washington Nationals' sports teams for recently winning national championships for the District of Columbia.

Public Comments. There were no comments from the public.

GENERAL MANAGER'S REPORT

Monthly Report. 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 handout and corresponding segment of the archived meeting video and both are referred to for this purpose.

At the start of her report, GM Reid called for a moment of silence for a WSSC employee, Tim Brown, who lost his life due to a motorcycle accident.

Following Commissioner questions, the GM's Report was received as information.

INSPECTOR GENERAL REPORT

Monthly Activity Report. Inspector General ("IG") Arthur Elkins reported on the monthly activities of the Office of the Inspector General (OIG), for the month of September 2019. Mr. Elkins 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 (FY) 2020 Audit Plan. Next, Mr. Elkins provided a high-level overview of the OIG FY 2020 Audit Plan, presenting from a power point presentation contained in the advance materials and incorporated herein by reference. Specific details can be found in the corresponding segment of the archived meeting video. Full FY 2020 Audit Plan can be accessed under the OIG page of the WSSC Water website.

Following discussion, the Commission received both reports, as information.

OTHER REPORTS

General Counsel's Office (GCO)

Ethics Program Update. Ethics Program Activity Report for September 2019 was provided in advance materials. No questions were raised.

The Commission received the Ethics Program Update, as information.

Bay Restoration Fees. Deputy General Manager (DGM) for Administration Joseph Beach, along with General Counsel Amanda Conn, reported on an issue discovered by WSSC Water's Finance department in 2018, where the agency had inadvertently retained about \$10.8 million in Bay restoration fee collections. WSSC had collected the fees but had inadvertently failed to remit the payments quarterly to the State. The primary reason for the

oversight was due to WSSC Water's legacy billing system, and reports that were generated as a result. The reports did not reflect charges for customers that were put on a payment plan. Moreover, when such customers came off the plans, the paid Bay Restoration fees were not reflected as well. Accounting staff discovered the error upon conducting an exhaustive review/analysis. Management has informed the Maryland Comptroller's Office who was appreciative of the disclosure. Management has also proposed reasonable repayment terms for the State to consider. Lastly, management has thoroughly tested the new billing system to make sure this problem won't occur again and expects to have the matter with the State resolved soon. Potential late fees and penalties could be assessed by the State for the delay in payments.

The Commission received the report as information. Commissioner Denis requested that County officials be briefed on the matter as well.

INFORMATION TECHNOLOGY (IT)

Monthly Project Cornerstone Update. Chief IT Governance Officer Stacey Chisholm provided the monthly update on Project Cornerstone, reporting from a power point contained in the advance materials and incorporated herein by reference.

With regard to Release One, Customer-to-Meter (C2M) and Mobile Workforce Management (MWM) accomplishments this month, WSSC Water has achieved the following: completed initial stabilization on 9/30/19 with full stabilization on target for 12/31/19 completion. Six successful releases have been completed to C2M and MWM since July 2nd Go-Live date. Challenges continue to center around increased workload from the new system. As part of 9/30/19 initial stabilization, a Cornerstone post-production center was created that can be replicated for other initiatives.

For Release Two, the task force continues to conduct requirements analysis, which is on track to be completed by fourth quarter 2019.

Commissioner Denis inquired about WSSC Water's IT security and related risks and potential threats to the agency's water system, referencing an article he read recently about increases in threats to utility water and power systems around the country. He also pointed out the additional costs required to keep the agency safe; asking management to stress this factor during the budget discussions with the Counties. Specific details relating to this discussion can be found in the corresponding segment of the archived meeting video.

The Commission received the Cornerstone monthly update, as information.

HUMAN RESOURCES (HR)

HR Contract 1133, Temporary Personnel Services, Change Order No.

1. HR Director Todd Allen provided an overview of this contract, requiring change order approval, for the Commission's consideration. Such change order funding will enable the Commission to augment existing staff with temporary employees to help address the increased billing workload resulting from implementation of the new billing system.

Following discussion, a motion was made by Commissioner Thompson and seconded by Commissioner Denis, to approve Change Order No. 1 to HR Contract 1133, Temporary Personnel Services, in the amount of \$5,000,000.00, for a total cumulative contract value of \$15,000,000.00, as recommended by management. Awardees under contract are 1st Choice, LLC; ABSS Solutions, Inc.; and JuneGem Technologies, Inc. Change Order increases funding for additional temporary staffing required to assist Customer Service Department's enhanced workload due to Project Cornerstone implementation.

The motion carried unanimously with five affirmative votes.

UTILITY SERVICES (US)

US Contract 6837, Change Order No. 1, By-Pass Pumping Services, Option Term III and Request for Ratification of Change Orders

Processed Under Option Terms I and II. DGM for Operations James "Jay" Price presented this contract change order for Commission consideration, which provides support for by-pass pumping services required to divert sewage from one manhole to another to avoid sanitary sewer overflows. These services are necessary to redirect sewage flows when work crews and/or contractors perform emergency repairs. In addition to approval of the change order for Option Term III, management is requesting ratification of two previous change orders under Option Terms I and II that were processed by management without prior Commission approval.

Following discussion, a motion was made by Commissioner Denis and seconded by Commissioner Bayonet, to approve Change Order No. 1 to US Contract 6837, Option Term III, for By-Pass Pumping Services, in the amount of \$600,000, and to ratify two change orders previously processed by management during Option Terms I and II, totaling \$580,000.00, as requested and recommended by management. Awardees under contract are Ross Contracting, Inc.; Orbit Construction; and Humphrey & Son, Inc.

The motion carried unanimously with five affirmative votes.

US Contract CK6318A17, Anacostia Trunk Sewer Rehabilitation.

Next, Mr. Price presented the second US contract on the agenda for Commission approval. The scope of this project is to provide sanitary sewer system rehabilitation including repair, rehabilitation and replacement of mains and manholes located along the Anacostia River in Bladensburg, MD.

Whereupon, a motion was made by Commissioner Bayonet and seconded by Commissioner Thompson, to approve US Contract CK6318A17 for Anacostia Trunk Sewer Rehabilitation, to Spiniello Companies, Inc., in the amount of \$31,433,000.00, as requested and recommended by management.

The motion carried unanimously with five affirmative votes.

Contract for Approval

The Chair asked if Commissioners would like the Production contract removed from the Consent Calendar for discussion purposes, to which there was no such request.

Whereby, a motion was made by Commissioner Foster and seconded by Commissioner Bayonet, to adopt Resolution 2020-2239, approving the one contract on the Consent Calendar for the October 16, 2019 Commission Meeting - Change Order No. 1 to Production Contract 6740, Roofing Supplies and Services, Option Term IV, in the amount of \$400,000.00, to Garland/DBS, Inc., for a total cumulative contract amount of \$5,900,000.00.

The motion carried unanimously with five affirmative votes.

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. Commissioner Foster reported on the recent meeting of the Retirement Plan Board of Trustees held on September 25, 2019. As of August 31, 2019, the Plan's assets were \$817.9 million which represents a year-to-date investment gain of \$88.6 million, or an increase of 12.2% from December 31, 2018 to August 31, 2019.

The Commission received the report of the Retirement Plan Board, as delivered by Trustee Foster, as information.

Governance & Strategic Visioning Committee. No report.

Legislative & Compliance Committee. Commissioner Denis requested the IRO Director to provide quick update of activities and proposed legislation for 2020 legislative session. The IRO Director reported on three bills that will be proposed by others and affect the Commission. More information will be presented next month.

The Commission received the report as information.

Audit Committee - Approval of Audit Committee Minutes of August 21, 2019.

On motion made by Commissioner Denis and seconded by Commissioner Bayonet, the Commission approved the Audit Committee Minutes of August 21, 2019, by a vote of five-to-zero.

Customer and Other Stakeholder Relations Committee. No report.

Innovation & Infrastructure Committee. No report.

Following the Committee reports, the Chair announced that the Morning Open Session business had concluded and called for a motion to go into Closed. After noting his approval of the written closing statement, Chair Lawson called for a vote.

CLOSED SESSION

Whereby, at 12:08 p.m., Commissioner Thompson moved and Commissioner Denis seconded, that the Commission go into Closed Session, pursuant to Maryland Code Annotated, General Provisions Article: Section 3-305(b) (13) to approve the August 21, 2019 Closed Session Minutes; Sections 3-305(b) (7) and 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.

The motion carried unanimously with five affirmative votes.

The Chair declared the meeting was closed at 12:08 p.m. The Commission convened in executive session at 12:09 p.m., without the Corporate Secretary or any other members of management present, in the Commission Office Large Conference Room, to discuss committee assignments and related work of the Commission's Committees. The Commission conducted these discussions in its administrative function capacity.

ATTENDEES: Chair Chris Lawson, Vice Chair Eloise Foster, Commissioners Fausto Bayonet, Howard Denis and Sandra Thompson.

Following this session. The Commission recessed for lunch at 12:45 p.m.

Following lunch, the Commission reconvened in Closed Session in the Commission Office Large Conference Room, at 1:55 p.m.

ATTENDEES: Chair Chris Lawson, Vice Chair Eloise Foster, Commissioners Fausto Bayonet, Howard Denis and Sandra Thompson.
Staff present: Corporate Secretary Sheila Finlayson (for a portion of the closed session).

Closed Session Minutes - On motion made by Commissioner Foster and seconded by Commissioner Bayonet, the Commission unanimously voted 5-0, to adopt the closed session minutes of the August 21, 2019 regular meeting, as drafted.

Pending Litigation/Legal Advice. There was no legal report.

Personnel Matters. The Commission met in closed executive session to discuss personnel matters. The Corporate Secretary was present for a portion of the discussion.

At 5:30 p.m., Commissioner Foster moved to end the Closed Session. Commissioner Denis seconded the motion. The motion carried unanimously with five affirmative votes.

OPEN SESSION RESUMED

ADJOURNMENT

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

At 5:30 p.m., the meeting was declared, adjourned.

Respectfully submitted,

//signed//

Sheila R. Finlayson, Esq.
Corporate Secretary