

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

**Wednesday, August 19, 2020
Laurel, Maryland**

Chair Howard Denis called the virtual¹ meeting of the Washington Suburban Sanitary Commission (hereinafter "WSSC Water"), 14501 Sweitzer Lane, Laurel, Maryland, 20707, to order at 10:00 a.m., with due notice having been given to all members of the Commission and the public. In addition to Chair Denis, Commissioners Fausto R. Bayonet, Keith E. Bell, Chris Lawson, T. Eloise Foster and Sandra L. Thompson, were present virtually, 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 Water management were called upon, during certain portions of the meeting, to provide information to the Commission.

PLEDGE OF ALLEGIANCE

Chair Denis opened the meeting by welcoming everyone and asking Vice-Chair Bell 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. After which, the vision statement was read by Commissioner T. Eloise Foster.

AGENDA APPROVAL

Commissioner T. Eloise Foster moved to adopt the Commission's Public Meeting Agenda of August 19, 2020, as drafted, to which Vice-Chair Bell seconded the motion. The motion carried unanimously with six affirmative votes.

¹ Virtual meeting conducted due to the global COVID-19 pandemic public health emergency and the Social Distancing Orders in place in Maryland as well as all other parts of the region and country.

RETIREES

Retirement & Investments Division Manager Richard Baker recognized the Retirees for the month of August 2020, reporting from a power point presentation displayed at the meeting reflecting the Retirees' names and photos for the respective retirement period. Such retirees' information can be found in the archived meeting video and presentation, incorporated herein by reference.

COMMISSIONER COMMENTS

Commissioner Comments. Chair Denis recognized and thanked Commissioner Lawson for his outstanding job as past Chairman. Commissioner Lawson was presented a crystal gavel plaque in recognition of his distinguished service from the period of June 2019 to June 2020. Corporate Secretary, Sheila Finlayson was acknowledged for orchestrating the ordering and delivery of the plaque by both Chair Denis and Commissioner Lawson.

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, which focused on how WSSC Water is operating during the pandemic, can be found in the presentation handout and corresponding segment of the archived meeting video, and both are referred to for this purpose.

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

New Normal Taskforce Update. GM Carla Reid provided an update on the normal taskforce, reporting from a power point presentation displayed at the meeting and incorporated herein by reference. Commissioner Sandra Thompson raised a question pertaining to the Potomac Water Filtration Pump Consent Decree Project. The question was, "How much has been spent and what is left of the allocated funds?". Deputy General Manager, James Price provided the response to Commissioner Thompson's question by answering, "Approximately \$20,000,000 has been spent thus far and a little over \$200,000,000 remains". The GM's full update can be found in the presentation handout and corresponding segment of the archived meeting video, and both are referred to for this purpose.

Following Commissioner questions/comments, the GM's New Normal Taskforce Update 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 July 2020. 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.

Following the report, the Commission received the OIG Report, as information.

OTHER REPORTS

General Counsel's Office (GCO) Ethics Program Update. Ethics Program had no updates.

Finance

Set Public Hearing Dates for Fiscal Year (FY) 2022 Proposed Budget.

Chief Financial Officer, Patricia Colihan recommended for vote that the Public Hearing date for Prince George's County be set for Tuesday, February 2, 2021 at 7:00 PM and Montgomery County Public Hearing date be set for Wednesday, February 3, 2021 at 7:30 PM. Both meetings were suggested to be held virtually via Microsoft Office Teams and streamed by Granicus. If approved, public notices will be inserted to customer bills from October through December 2021.

Commissioner Sandra Thompson moved to adopt the Commission's Public Hearing Dates for Fiscal Year (FY) 2022 Proposed Budget to be set as follows, Prince George's County, Tuesday, February 2, 2021 at 7:00 PM and Montgomery County, Wednesday, February 3, 2021 at 7:30 PM. Both meetings are to be conducted virtually via Microsoft Office Teams and streamed by Granicus, to which Commissioner Foster seconded the motion. **The motion carried unanimously with six affirmative votes.**

FY 2022-2027 Spending Affordability Guidelines Briefing. Chief Financial Officer, Patricia Colihan 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. Commissioner Sandra Thompson stated concerns around raising rates and customer ability to pay. Commissioner Thompson posed a question relative to the various budget scenarios within the presentation asking, what projects would be impacted if the rates did not align with the projections? Commissioner Thompson also requested more information on how WSSC Water compares relative to other water utilities and past due funds. Commissioner T. Eloise Foster posed a three-part question relative to the previous cost savings and cost avoidance mentioned in the presentation. The questions were as follows, how do cost savings and cost avoidance from previous years factor into the development of fiscal year's 2022 Capital Improvement Project budget, if factored into the upcoming budget, what is the impact, and is it a realistic number? Commissioner Chris Lawson posed a three-part question relative to the 66 frozen positions mentioned in the presentation. The questions were as follows, what is the impact, what was the timeframe and were there any critical positions included in that number? Chief Financial Officer, Patricia Colihan agreed to provide Commissioners with the requested information.

Following Commissioner questions/comments, the FY 2022-2027 Spending Affordability Guidelines Briefing was received as information.

Information Technology (IT)

Monthly Project Cornerstone Update. Chief Information Officer, Christopher Carter, IT Chief Governance Officer, Stacey Chisolm, IT Project Manager, Anthony Ferrara, Director of Human Resources, Todd Allen, Director of Utility Services, Damion Lampley, Director of Customer Service, Krystal Knight-Lee and Chief Financial Officer, Patricia Colihan provided the monthly update on Project Cornerstone, reporting from a power point presentation contained in the advance materials and incorporated herein by reference. Commissioner T. Eloise Foster expressed her concern with the world class targets mentioned in the presentation slide entitled, Metric - Meter Read Schedule Compliance presented by Damion Lampley and posed the question, what is the number versus the percentage given the

appearance of insignificant achievement. Commissioner Sandra Thompson echoed the concerns of Commissioner Foster and posed the following question, what are the projected expenditures associated with implementation for the next two years relative to Advanced Metering Infrastructure. Damion Lampley agreed to provide Commissioners with the requested information.

Following Commissioner questions/comments, Cornerstone monthly update, was received as information.

Engineering & Construction (E/C)

A/E Contract PM0002A20, Electrical Engineering Facility Design Services.

Following presentation and discussion of this contract, a motion was made by Commissioner Bayonet and seconded by Commissioner Lawson, to approve management's request to award Shah and Associates a not to exceed amount of \$16,800,000.00. This contract will span seven (7) years; inclusive of both base term and option term. The contract consists of a base term of five (5) years with a not to exceed amount of \$12,000,000.00, and two (2) one-year option terms with a not to exceed amount of \$2,400,000.00. **The motion carried unanimously with six affirmative votes.**

Production

Contract 16102, Bulk Chemicals for Water and Wastewater Treatment, Option Terms 1 - 4. Following presentation and discussion of this contract, a motion was made by Commissioner Bayonet and seconded by Commissioner Lawson, to approve management's request to exercise the four (4) Option Terms of Contract 16102 for Bulk Chemicals for Water and Wastewater Treatment in the total amount of \$24,000,000.00. The original contract award was awarded to the following vendors:

Allegiance Chemicals, LLC
Carmeuse Lime & Stone
Carus Corporation
Chemrite, Inc.
Donau Carbon US LLC
DuBois Chemicals, Inc.
JCI Jones Chemicals, Inc.
Kemira Water Solutions, Inc.
Kuehne Chemical Co., Inc.
Maryland Chemical Co., Inc.
Southern Ionics, Inc.
USALCO, LLC

The motion carried unanimously with six affirmative votes.

Customer Service Department**Customer Affordability Program Enhancements and Engagement Update.**

Customer Service Director, Crystal Knight-Lee and Director of Intergovernmental Relations, Karyn Riley provided a briefing on Customer Affordability, reporting from a power point presentation displayed at the meeting and incorporated herein by reference. Commissioner Sandra Thompson posed the following question relative to customer delinquency: is awareness a part of the "Here to Help Campaign"? The answer was yes, and a detailed provided response was provided by Krystal Knight-Lee. Commissioner Thompson also posed the following question relative to late fees: is there a difference between assessment and collection? The answer was yes, and a detailed response was provided by Associate Counsel, Heather Ashbury.

Commissioner T. Eloise Foster posed the following question relative to the CAP Program: What was the basis of the increase amount to the program or was it simply a 10 percent increase? A detailed response was provided by Karyn Riley. 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.

Following discussion, the Commission received the report as information.

Utility Services

Advanced Metering Infrastructure (AMI) Briefing. Director of Utility Services, Damion Lampley provided a briefing on Advanced Metering Infrastructure, reporting from a power point presentation displayed at the meeting and incorporated herein by reference.

The following questions were submitted by Commissioners:

1. Do you think having an opt-out provision for this AMI Program upon roll-out would help address customer concerns? (Vice-Chair Bell)
2. Do you have any anecdotal data from other utilities who are currently using AMI with an opt-out provision as to what percentage of their customer base has selected the opt-out provision? (Vice-Chair Bell)
3. Based on the anecdotal data, can you determine or calculate

what the impact would be if one percent of customers opted out?

(Vice-Chair Bell)

4. Based on the information you have provided, who are the experts that have weighed-in on the health issues? (Commissioner Foster)

5. Are they advising other utilities? (Commissioner Foster)

6. Are there utilities that have decided to move forward with AMI and are there others who have decided not to move forward with AMI? (Commissioner Foster)

7. Do you think the experts that have weighed-in with information that was responsive to the 60 emails from the 36 customers that continue to raise concerns about this matter? (Commissioner Foster)

8. Based on the opt-out provisions and the health concerns Commissioner Thompson requested the project timeline be updated with both project activities and expenditures by year

9. Has there been any input officially or unofficially from county council executives in either county? (Chair Denis)

10. Based on the discussions during previous Capital Improvement Projects (CIP) Budget Meetings, did County Council Member Elridge take a position on AMI opt-out provision? (Chair Denis)

11. Other than the approval of the CIP budget do we have any information from either county council members on what their position is regarding AMI? (Chair Denis)

12. Has AMI been discussion with the council members since the start of the pandemic? (Vice-Chair Bell)

13. Can we operate with the assumption that the counties are recommending approval of AMI based on the approval of the CIP budget? (Chair Denis)

14. How much is AMI going to cost and who is going to pay for it? (Chair Denis)

15. Over what time will the CIP budgeted amount of \$102,000,000 cover? (Commissioner Thompson)

16. Can you provide an approximate estimate of what AMI will cost? (Chair Denis)

17. Is there grant money or any other money we could apply for? (Chair Denis)

18. Will the Commissioners be voting on the AMI contract in August of 2021? (Chair Denis)

19. Is voting "no" on the AMI contract the only way to vote against AMI for those opposed to the project? (Chair Denis)

20. What is the CIP allocated dollar amount for AMI from 2021 -

2024 (Commissioner Thompson)

21. Are CIP allocated dollars spelled out in the 6-year CIP budget? (Commissioner Foster confirmed request to receive the AMI Project Description Form and copy of the 6-year CIP Budget)

22. In response to the General Manager's comments relative to the AMI project, do we have any projections on how AMI would reduce our carbon footprint? (Vice-Chair Bell)

23. What happens to the remaining employees if AMI is implemented and is it correct that no one will lose their job as a result of AMI implementation? (Vice-Chair Bell)

Public Comments

Katherine Katzin, Montgomery County resident, called in to express her personal concerns regarding Advanced Metering Infrastructure (AMI). Ms. Catson highlighted the following concerns relative to the installation of wireless smart meters during her testimony: elimination of smart meter jobs, potential threat to public health, cost of conversion and potential rate increases. Ms. Catson closed by requesting an opt-out option for the project be adopted.

Theodora Scarato, Montgomery County resident, called in to express her concerns regarding Advanced Metering Infrastructure (AMI). Ms. Scarrato was under the assumption that a formal decision was made to implement smart meters without having a conversation or public involvement. Ms. Scarrato requested information on when a vote took place to move forward with the implementation and went on to express her concerns regarding the potential project expenditures. In closing Ms. Scarrato requested a transparent forum to which the WSSC Water and its AMI expert, Dr. XXX could address the public and their responses to her report.

Anna Pritchard, Montgomery County resident, called in to provide her personal testimony and concerns regarding Advanced Metering Infrastructure (AMI) and how another utility's smart meter had a negative effect on her pet. Ms. Pritchard highlighted the following concerns relative to the installation of wireless smart meters during her testimony: not cost effective, health risks and concerns and the need for an opt-

out option at no cost.

Molly Hauck, Montgomery County resident, called in to express her concerns regarding Advanced Metering Infrastructure (AMI). Ms. Hauck recanted parts of written testimony she previously submitted to WSSC Water in 2019 and also highlighted the following (2) two concerns relative to the installation of wireless smart meters: excessive cost and the need for no-cost opt-out option.

Corporate Secretary, Sheila Finlayson reported that there were other members of the public who had submitted comments however, were not on the virtual Commission Meeting call list. Their names were as follows:

Linda Kline, Montgomery County

Cindy Bowman, Montgomery County

CONSENT CALENDAR

Contracts for Approval

A motion was then made by Vice-Chair Bell and seconded by Commissioner Thompson, to adopt Resolution 2021-2262, approving the remaining nine contracts on the Consent Calendar for the August 19, 2020 Commission meeting, as follows:

A. Engineering and Construction

Construction and Architectural/Engineering (A/E) Contracts

1. AC6932A20, Area Water and Sewer House Connection Construction.
2. BR6248A17, Edgewood Water Main Replacement
3. BT6243A17, Marlboro Pike Water Main Replacement
4. PM0003A18, Large Meter and Large Meter Vault Replacement Program IDIQ, Option Term 1
5. BT6482A18, Greenbelt Road 24-Inch Transmission Water Main Replacement
6. BT6351A17, Gracefield Road Water Main Replacement

B. Production

7. Contract 7340, Poly Aluminum Chloride, Option Terms 2 - 4

Information Technology (IT)

8. Contract 7252, IT Hardware, Software & Services, Change Order No. 2

9. BOA 1124, IT Management Support Services and Expert Assistance, Option Term III

The motion carried unanimously with six affirmative votes.

ADDITIONAL BRIEFINGS

COMMISSION OFFICE

Corporate Secretary Report. Corporate Secretary Sheila Finlayson provided an overview of her activities for the period beginning July 14, 2020 through August 14, 2020, presenting from her report distributed to Commissioners in the advance materials.

Highlights included:

- Planning virtual Commission meetings for July and August and other related TEAMS training for Commissioners
- Coordinating with Customer Service to resume refund hearings virtually and conduct testing on Teams meeting software (Hearings to resume in September 2020)
- Recruitment process completed for Administrative Assistant position; selected internal candidate Alexis Kosh
- Developing performance metrics with Consultant at the request of Governance Committee

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

WSSC Water Employees' Retirement Plan Board of Trustees.

Commissioner Chris Lawson reported on the WSSC Water Employees' Retirement Plan Board of Trustees Meeting held on July 29, 2020, from a memo prepared. Commissioner Fausto Bayonet posed the following question relative to percentage financial loss reported: what caused the 2 percent loss (later clarified as 6.2 percent)? The corresponding segment of the archived meeting video is referred to for this purpose.

Following Commissioner questions/comments, WSSC Water Employees' Retirement Plan Board of Trustees update, was received as information.

Governance & Strategic Visioning Committee.

Commissioner Foster reported on the Governance & Strategic

Visioning Committee and summarized the meeting that took place in July 2020 with General Manager and other members of her management team. A follow up meeting is forthcoming. The corresponding segment of the archived meeting video is referred to for this purpose.

The Commission received the report of the Governance Committee Chair Foster, as information.

Legislative & Compliance Committee. Commissioner Bayonet reported on the Legislative and Compliance Committee updates. A brief update on the amended Executive Order issued by Governor Larry Hogan on August 10, 2020, was provided as well as information relative to the Board of Elections and the Maryland General Assembly Special Session. The next Legislative and Compliance Committee Meeting will take place on September 8, 2020.

The Commission received the report of the Legislative & Compliance Committee Commissioner Bayonet, as information.

Audit Committee. The Chair transitioned to the Audit Committee agenda item to convene the Quarterly Audit Committee Meeting agenda item.

Quarterly Audit Committee Meeting. Commissioner Thompson serving as Audit Committee Chair, requested a motion to approve the August 19, 2020 Audit Committee Meeting Agenda, to which Chair Denis moved and was seconded by Commissioner Bayonet. **The vote carried unanimously with affirmative votes.**

Commissioner, Sandra Thompson, Inspector General, Arthur Elkins, Assistant Inspector General for Audit, Maxine Bardwell, Deputy Assistant Inspector General for Audit, Dana Whiting, Associate Counsel, Tamika Taylor, Supervisory Auditor, James Wall, Supervisory Auditor, Jane Lewis and Auditor, Janice Hicks provided the monthly report, reporting from a power point presentation displayed at the meeting and incorporated herein by reference. The Committee'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. Following the report, Committee Chair Thompson requested a motion to close the August 19, 2020 Audit Committee Meeting, to which Commissioner Lawson so moved and was seconded by Commissioner Foster. **The vote carried**

unanimously with affirmative votes and the meeting was adjourned.

Following the conclusion of the Audit Committee meeting, the Chair requested a motion to end the Open Session and to go into Closed Session.

CLOSED SESSION

Whereby, at approximately 3:16 p.m., Commissioner Chris Lawson moved and Commissioner Sandra Thompson seconded, that the Commission go into Closed Session, pursuant to Maryland Code Annotated, General Provisions Article, Title 3, Open Meetings Act, Subtitle 3, Open Meetings Requirements - Closed Sessions: Section 3-305(b)(13) to approve the June 17, 2020 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 regarding the Public Service Commission rate case; Section 3-305(b)(15) to discuss cybersecurity, if the public body determines that public discussion would constitute a risk to: (i) security assessments or deployments relating to information resources technology; (ii) network security information, including information that is: 1) related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity; 2) collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or 3) related to an assessment, made by or for a governmental entity or maintained by a governmental entity of the vulnerability of a network to criminal activity; or (iii) deployments or implementation of security personnel, critical infrastructure, or security devices; and Section 3-305(b)(1) to discuss personnel matters affecting one or more specific individuals.

The motion carried unanimously with six affirmative votes.

The Chair declared the meeting was closed at approximately 3:20 p.m. The Chair then called for a short recess.

The Commission reconvened in Closed Session by conference call at approximately 3:30 p.m.

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

Staff present: Corporate Secretary Sheila Finlayson, General Manager Carla Reid, General Counsel Amanda Conn, Deputy General Counsel Russel Beers, Associate Counsel Danny O'Connor, Associate Counsel Heather Ashbury, Associate Counsel Stephanie Kinder-Epps, Associate Counsel Rahel Kifle, Deputy General Manager (DGM) Jay Price, DGM Joe Beach, DGM Monica Johnson, and HR Director Todd Allen, Senior Manager IT Security & Compliance Christine Grooby, Chief Information Officer Christopher Carter.

Closed Session Minutes - Approved the June 17, 2020 Closed Session Minutes.

Pending or Potential Litigation - Discussion of PSC Rate Structure Case

Cybersecurity - Update on an IT security event.

Personnel Matters - Vote was taken to take a specific personnel action and to instruct staff to implement that action. Vote was taken on a second specific personnel action and to instruct staff to implement that action.

Recess to Reconvene in Open Session

The Commission reconvened in Open Session at approximately 6:28 p.m. as a confirmed quorum.

ADJOURNMENT

There being no additional business, the Chair called for a motion to adjourn, to which Vice Chair Keith Bell moved to adjourn the meeting. Commissioner Lawson seconded the motion. **The motion carried with five affirmative votes.**

At approximately 6:30 p.m., the meeting was declared, adjourned.

Respectfully submitted,

//signed//

Julianne Montes De Oca
Corporate Secretary
(Acting)