

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

**Wednesday, February 15, 2012
Laurel, Maryland**

Chair Roscoe M. Moore, Jr. called the meeting to order at 9:00 a.m. in the Auditorium of the Richard G. Hovevar Building, 14501 Sweitzer Lane, Laurel, MD 20707, with due notice having been given to all members of the Commission and the public. Commissioners Adrienne A. Mandel, Antonio L. Jones, Gene W. Counihan and Melanie Hartwig-Davis were present at the meeting. Also, present were General Manager Jerry Johnson, General Counsel Jerry Blask, and Corporate Secretary Charlett Bundy. Vice Chair Chris Lawson was absent from the meeting.

PLEDGE OF ALLEGIANCE

Chair Moore asked Commissioner Jones to lead the pledge of allegiance.

AGENDA APPROVAL

Commissioner Jones moved to approve the agenda for the WSSC Commission meeting for Wednesday February 15, 2012. Commissioner Mandel seconded the motion. The vote was called by Chair Moore and the motion carried with five affirmative votes.

MINUTES

Commissioner Mandel moved to approve the open session minutes of the January 18, 2012 Commission meeting. Commissioner Hartwig-Davis seconded the motion. The motion carried with five affirmative votes.

WSSC RETIREES

Four of the five retirees this month attended the meeting to be recognized. They were: Nicholas C. Eccleston, a Fleet Technician in the Fleet Technician Group/Anacostia who retired with 29 years and 3 months of service; James E. Bishop, a Utility Technician II, in Customer Care North Group/Gaithersburg, who retired with 27 years and 4 months of service; Jeffrey L. Diggs, an Engineering Assistant IV who retired with 15 years and 1 month of service; and Elaine E. Herman, a Customer Care Agent II, in the Customer Relations Group/COB who retired with 14 plus years of service.

Not in attendance was Scott D. Grim, a Facility Technician I, in the Seneca Damascus/Hyattstown Group who retired with 16 years and 11 months of service.

COMMUNICATIONS

This month Commissioners viewed a video of WSSC's Sewer Science Program. This program is a learning experience for high school students and promotes their interest in science and math.

MEDIA COMMENTS

There were no comments from the media.

COMMISSIONER COMMENTS

Commissioner Hartwig-Davis reported that she had attended the WSSC Legislative Breakfast held February 1, 2012 in Annapolis. She also addressed the employees at the Employee Service Award Ceremony on January 25, 2012. She remarked that it was amazing to see such longevity and dedication among so many WSSC employees. Lastly, she summarized the lecture of Rita Caldwell noting that it was fascinating to learn how underdeveloped countries manage their water distribution and purification systems.

PUBLIC COMMENTS

There were no comments from the public.

GENERAL MANAGER'S OFFICE

Monthly Report. Mr. Johnson referred Commissioners to page two of his report where the projections for water production and revenue were explained. Staff continues to address the issues in the Call Center as automated out-bound calls seem to continue to contribute to the higher than normal in-bound calls.

All plants are operating well within their permit parameters. The Watershed Study is continuing and includes a review of GIS information. Mild weather continued to mitigate water main breaks. The SEU Unit of Customer Care has not been called on because of the small number of breaks in the season so far, but they will get work installing new pipes.

Design Manual changes are in draft form and has been shared with primary stakeholders. Next it will be shared with developers and then with Commissioners.

Mr. Robert Trimble was selected as plant superintendent of the Patuxent Plant to replace Jay Price who was promoted to Production Chief. Mr. Johnson described how Mr. Trimble went to school at nights for 15 years to obtain a civil engineering degree from the University of Maryland and worked his way up to take on the role of Patuxent Plant Supervisor. Mr. Johnson noted this is a great example of how internal succession management works at WSSC.

The American Water Works Association award Mr. Johnson referenced in January was delivered. It is titled, "Partnership for Safe Water Directors' Award WSSC Potomac Water Filtration Plant in recognition of your commitment to superior water quality."

Media coverage on the WSSC Customer Advocate Program that featured Kevin Woolbright and Brandon Stewart was well received and was followed by a surge of calls for more information. For the Martin Luther King Day of service, a letter writing campaign was organized for the U.S. armed forces in combat. Some 242 letters were written to servicemen/women during this event that was held at the Consolidated Laboratory. Ms. Teresa Bond was congratulated for a successful Employee Service Award Ceremony wherein employees with service ranging from 10 to 40 years were recognized. The Gazebo at the Brighton Dam Azalea Garden has been rebuilt and is ready for the onset of spring season visitors.

Mr. Johnson was awarded the National Association of Clean Water Agencies 2012 National Environment Achievement Award for local public service and he will receive it at a ceremony in April in Washington, D.C.

Internal Audit Office

Monthly Activity Report. Ms. Bardwell presented the activity of her office from January 9th through February 3rd 2012. The FY 2012 Audit Plan continues and the completion of the FY 11 carryover also continues. Ms. Bardwell noted that the Blue Plains Audit is awaiting a response from DC Water. No special audit requests are pending but several hotline audits are underway. There was no new information to report regarding the System Development Charges which remain at a zero dollar balance.

The WSSC Board of Ethics met February 8th to address closed and open items and selected Mr. Robert Moore as the proposed chair for the upcoming year.

Code of Ethics training was provided to new hires. The Code of Conduct was distributed to all employees who must sign acknowledging receipt of a copy of the code. Solicitation for external auditors continues. Five of the 24 applicants for the vacant Ethics Officer position will be scheduled for interviews. As a follow-up to a request made at the January 18, 2012 Commission meeting Ms. Bardwell stated provided a briefing on audit results classified as delinquencies to the Change Leadership Team at its January 12th meeting.

Resolution 2012-1952. Commissioner Hartwig-Davis moved that the Commission approve Resolution 2012-1952 that appoints Robert

J. Moore as Chairman of the WSSC Board of Ethics. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes.

DEPARTMENT BRIEFINGS

Finance

Transmittal of Proposed FY 2013 Operating and Capital Budgets. Mr. Traber requested authority to transmit the 2013 budgets for approval by the county councils of Prince George's and Montgomery County. He reviewed the highlights and advised that there were no written comments to transmit with the budget.

Front Foot Benefit Briefing. Commissioners requested a briefing on the front foot benefit payment system to improve their understanding of this billing process at WSSC.

Customer Care

Contract 5791, Change Order for Emergency Rehab & Repair of PCCP. Mr. Derrick Phillips presented this contract for a change order to the contract to allow for emergency on-call repairs to PCCP transmission mains based on inspections.

Contract 6031, Trunk Sewer Inspection Services. Mr. Phillips presented this contract for work that is required for trunk inspections 15" and larger in diameter and manholes.

Resolution 2012-1950: Resolving Customer Complaints for Unpaid Water/Sewer Bills. Following last month's briefing on this topic, Commissioners were asked to formally approve the resolution that adopts changes to the standard procedure for resolving customer complaints for unpaid water and sewer bills. Commissioner Hartwig-Davis moved to approve Resolution 2012-1950 that Amends the Process for Resolving Customer Complaints for Unpaid Water/Sewer Bills. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes.

Production

Contract 6110, Methanol for Western Branch Wastewater Treatment Plant. Mr. Jay Price presented information for this contract to purchase methanol for Western Branch on an as-needed basis.

Contract 5605, Change Order and Option Year for Biosolids Management. Mr. Price described the necessity for the change order (out-of-service furnaces).

Engineering and Construction

Contract P76324, Program Management for Long Term Control Plan, Option Term. Mr. Gary Gumm provided information on this

contract that: Is part of a D.C. Water contract WSSC has been riding; and is work that is scheduled because of the Consent Decree.

Logistics

Contract 6109 Hauling and Disposal of Debris. Mr. Roscoe Wade presented information on the necessity for this contract.

CONSENT CALENDAR

Commissioner Jones moved that the Commission approve Resolution 2012-1951 that adopts the Consent Calendar for the February 15, 2012 containing the following items:

A. Finance

Transmittal of Proposed FY 2013 Operating and Capital Budgets

B. Customer Care

1. Contract 5791, Change Order for Emergency Rehab & Repair of PCCP to Spiniello Companies.; Wilson & Co., Inc.; and Orbit Construction, Corp. for \$6,000,000.

2. Contract 6031, Trunk Sewer Inspection Services (Consent Decree) to URS in the amount of \$8,000,000.

C. Production

1. Contract No 6110, Methanol for Western Branch Wastewater Treatment Plant to Inter-coastal Trading, Inc., C&E Services, Inc and Key Chemical, Inc. at an up-set limit of \$1,500,000.

2. Contract 5605, Change Order and Option Year for Biosolids Management & Utilization at the Western Branch Wastewater Treatment Plant to Jabb II, LLC in the amount of \$439,938.

D. Engineering and Construction

Architect and Engineering Contract

1. Contract P76324, Program Management for Long Term Control Plan (WSSC Consent Decree) Option Term to Greeley and Hansen Engineers in the amount of \$6,300,000.00.

E. Logistics

Contract 6109 Hauling and Disposal of Debris to L.E. Blue & Associates, Inc., Jeda Trucking, and Dorchester Dumping Co. in the amount of \$2,075,400.

Commissioner Mandel seconded the motion. The motion carried with five affirmative votes.

BRIEFING AND POLICY ITEMS

Corporate Secretary

Ms. Bundy provided an overview of her attendance at a conference in New York on trends on issues of interest to Boards and Commissions as well as her other monthly activities.

Chair Moore recessed the meeting for lunch at 11:10 a.m.

COMMISSIONERS' CONFERENCE ROOM

The meeting resumed at 12:20 p.m. in the Commissioners' Conference Room.

Logistics

Mr. Wade presented follow-up information on the performance history of the contractor awarded Contract 6109 during the morning session.

Intergovernmental Relations Office

PG/MC 107-12. WSSC Rate and Transparency Relief Act. Mr. Wineland noted that the bill had been amended with the consent and support of the sponsor. The bill was amended such that: 1) now only a task force will be charged with certain tasks to determine if a water/sewer company similar to WSSC has caps on percentage of rate increases; 2) it will allow comparison of WSSC water and sewer usage rates to other similar public utilities; 3) it will study the effect on WSSC if the General Assembly implements a cap on increases for annual water/sewer rates; 4) it would determine the implications if WSSC had to give up pre-payment discounts to customers who extinguish or redeem final front foot benefit charges due; 4) it will study the process developers follow in charging property owners for constructing water sewer facilities; 5) it will authorize the task force to study and make recommendations on the process developers should use to bill customers prior to WSSC accepting these customers into the WSSC system; and 6) improve the transparency of developers' dealing with homeowners in the water district. The Prince George's Delegation has supported the bill and it is still in Montgomery County's Delegation. Staff recommended, "Approve as amended." Commissioner Hartwig-Davis moved that the Commission support PG/MC107-12 as amended. Commissioner Jones seconded the motion. The motion was tabled until the Montgomery County Commissioners could hear from Montgomery County as to what their position is on this bill. Mr. Dave Lake left the meeting to call to determine Montgomery County's position on the bill. When the motion was recalled, it failed as Commissioners Jones and Hartwig-Davis voted aye and Commissioners Mandel and Counihan voted nay and Chair Moore abstained because he appreciates both points of view and lacking additional information could not make a decision at the time of the vote.

Senate Bill 727. WSSC Procurement Oversight Committee and MBE Program Termination - Extension. Commissioner Jones moved that the Commission oppose Senate Bill 727. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes.

Senate Bill 240. Bay Restoration Fund Fees. Commissioner Mandel moved that, "in the interest of cleaning up the Bay, the area's treasure," the Commission support Senate Bill 240. Commissioner Jones seconded the motion. The motion carried with five affirmative votes. After the vote was taken there was discussion about the exemption requirement in the bill.

House Bill 412. Timing of Winter Application of Sewer Sludge. Commissioner Counihan moved to oppose this bill.

Commissioner Jones seconded the motion. The motion carried with five affirmative votes.

Senate Bill 594. Application of Nutrients. Commissioner Mandel moved that the Commission oppose Senate Bill 594. Commissioner Hartwig-Davis, seconded the motion. The motion carried with five affirmative votes.

Commission Office

1. Sub-Committee Reports

I. Governance Policy - Commissioner Hartwig-Davis advised Commissioners that the review would be resumed in March after she reviewed the advice of General Counsel.

b. Bi-County Infrastructure Funding Working Group - Commissioner Jones advised Commissioners that the draft report was ready for review by the working group. The group is collecting comments and analyzing the proposals for rate structures to fund infrastructure renewal. It is hoped that the report will be ready for discussion at the March Committee meeting. Mr. Johnson noted that the comments will not be included in the final report.

c. Pension Board of Trustees - There was no report from this committee this month as Vice Chair Lawson was absent. Commissioner Mandel reminded Commissioners of the annual meeting later in the afternoon sponsored by the WSSC Employees' Retirement Plan Trust which would be followed by a reception.

CLOSED SESSION

At 2:12 p.m. Commissioner Hartwig-Davis moved that the Commission go into closed session pursuant to Maryland State Government Article 10, Subtitle 5, Section 10-508(a)(13) to approve the January 18, 2012 Closed Session minutes; and Section 10-508(a)(7) to receive legal advice on the settlement of a licensing matter. Commissioner Jones seconded the motion. The motion carried with five affirmative votes.

At 2:14 p.m. Chair Moore declared the meeting was closed.

CLOSED SESSION

ATTENDEES: Chair Dr. Roscoe Moore; Vice Chair Lawson; Commissioners Adrienne A. Mandel, Gene Counihan, Antonio Jones, and Melanie Hartwig-Davis, General Manager Jerry Johnson, General Counsel Jerry Blask, Mujib Lodhi, Chief Information Officer, and Corporate Secretary Charlett Bundy.

Licensing Matter. Mr. Lodhi provided Commissioners with information regarding settlement of a licensing matter that had been audited. Commissioner Counihan moved that the Commission approve the proposed settlement of the matter and delegate authority to the General Manager to negotiate and execute a final agreement incorporating the agreed upon terms. Commissioner Jones seconded the motion. The motion carried with five affirmative votes. At 2:30 p.m. Mr. Lodhi left the closed session.

Closed Session Minutes. Commissioner Hartwig-Davis moved to adopt the Closed Session Minutes for the January 18, 2012. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes.

Commissioner Hartwig-Davis moved to end the closed session immediately thereafter. Commissioner Jones seconded the motion. The motion carried with five affirmative votes. At 2:54 p.m. Chair Moore declared the meeting was re-opened.

OPEN SESSION RESUMED

Adjournment

At 2:56 p.m. Commissioner Hartwig-Davis moved to end the Commission meeting for February 15, 2012. Commissioner Counihan seconded the motion. The motion carried with five affirmative votes. At 2:57 p.m. Chair Moore declared the meeting was adjourned.

Respectfully submitted,

//signed//
Charlett Bundy
Corporate Secretary