

**WASHINGTON SUBURBAN SANITARY COMMISSION**

**MINUTES OF THE COMMISSION MEETING**

**Wednesday, April 18, 2012  
Laurel, Maryland**

Chair Roscoe M. Moore, Jr. called the meeting to order at 8:55 a.m. in the Auditorium of the Richard G. Hoyer Building, 14501 Sweitzer Lane, Laurel, MD 20707, with due notice having been given to all members of the Commission and the public. Vice Chair Chris Lawson, 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.

**PLEDGE OF ALLEGIANCE**

Chair Moore asked Kim Neal, the newly-hired WSSC Ethics Officer to lead the pledge of allegiance.

**AGENDA APPROVAL**

Commissioner Jones moved to approve the agenda for the WSSC Commission meeting for Wednesday April 18, 2012. Commissioner Counihan seconded the motion. Chair Moore asked to add a personnel item pursuant to Section 10-508(a)(1) dealing with the delegation of authority. The vote was called by Chair Moore and the motion carried with six affirmative votes.

**MINUTES**

Commissioner Hartwig-Davis moved to approve the open session minutes of the March 21, 2012 Commission meeting. Commissioner Mandel seconded the motion. The motion carried with six affirmative votes.

**WSSC RETIREES**

Neither of the two retirees attended this month's meeting. They were: David E. Alexander, a Customer Advocate I in the Customer Care Team who retired with 21 years and 1 month of service, and Jeffrey C. Golden, an Application Development Division Manager in the Information Technology Department retired with 5 years and 11 months of service.

**COMMUNICATIONS**

Mr. Jim Neustadt presented Commissioners a video on the 4<sup>th</sup> Annual Women's Business Expo sponsored by the WSSC Small, Local, Minority Business Office.

**MEDIA COMMENTS**

There were no comments from the media.

**COMMISSIONER COMMENTS**

On behalf of all Commissioners Commissioner Mandel commended staff for the many events and activities planned to commemorate Earth Day. She noted that the ads that are announcing the H2O Fest which are being shown in local theaters are innovative. Next, she discussed the history of Earth Day which is celebrated on the 22<sup>nd</sup> of April. It began when a Wisconsin Senator, Gaylord Nelson inaugurated the concept of a teach-in to force environmental issues onto the national agenda. There was very little attention to environmental issues such as environmental degradation, global warming, polluting vehicles, careless waste and sludge disposal, water contamination and oil spills. Approximately 20 million Americans demonstrated for a healthy, sustainable environment and many were the advocates to the current Green Movement that eventually led to the Clean Air Act and the Clean Water Act. Now a world-wide event, Earth Day finds that the earth is not in much better shape than in 1970 at the inception of Earth Day. She stated Commissioners are proud that environmental stewardship is an integral part of WSSC's mission as shown in daily work, Earth Day commemorations, wind power and solar energy in the future. Commissioners applaud every staff member for their efforts to implement the goals of Earth Day every day as they deliver clean water and efficient sanitary sewer services to the 1.8 million residents of Montgomery and Prince George's Counties. Each employee deserves credit for recognizing and acting on a need to conserve and protect our planet for us and future generations. A healthy environment is an essential ingredient not only for quality of life and health but also for a strong economic future for us all.

Commissioner Jones commented on the fly over (April 17<sup>th</sup>) by the space shuttle, Discovery as it was delivered to the Washington D.C. area to be placed in the annex of the National Air & Space Museum. Commissioner Jones served at Goddard Space Flight Center for 30 years and supported the launch of the first space telescope. He commented that many of the technology and materials in use today emanated from space exploration. He opined that there will never be another era like the 80s, 90s and early 2000s when NASA was exploring and doing some fascinating work. He encouraged all to go see this great piece of history once it is on display at the space museum annex.

Commissioner Hartwig-Davis commented later in the meeting about the success of Water Fest. She noted she had been told by a constituent that the event was a wonderful way to reach out to families. Commissioner Hartwig-Davis thanked Sandy August for such a successful event.

#### **PUBLIC COMMENTS**

There were no comments from the public.

#### **GENERAL MANAGER'S OFFICE**

**Monthly Report.** Mr. Johnson began by providing the month's performance of the call center. The answer rate was 75% which he explained is the result of several things: promotions, retirements, and other staff reductions. Staffing remains a challenge but several steps were instituted to improve the call center answer rate including: hiring consultants to do a pilot project for reviewing delinquency calls in order to reduce the call wait time as well as to improve the answer rate; introduce flex schedule options; compress the training process for new hires by two weeks; hire several employees from temp agencies; modify the hours of operation to extend until 7:00 p.m. beginning on June 1<sup>st</sup> with a power group working during the time when the majority of calls are received; examine job descriptions to determine whether there should be tiered positions; and make enhancements to the technology in the call center.

Licensing of WSSC plant operators and the other persons who work in the field will be tracked. Currently there is talk of having certain classes of workers licensed and WSSC is monitoring the process to ensure such a change if instituted is done in a rational manner.

WSSC is making substantial process and is well ahead of water main replacement due to the mild winter which led to fewer

water main breaks. Replacement of laterals is being caught up as is sewer main replacement.

The Dispute Resolving Board (DRB) in April had reviewed 226 of the total 229 cases that had accumulated while the DRB was being reorganized. The dollar amount requested was \$348,371 but only 38 cases were granted adjustments totaling \$69,800. Of the cases reviewed, 185 cases were denied and 3 cases are waiting for a hearing. Mr. Johnson saluted the volunteers who helped reduce the backlog and resolve them in such a short time frame. Several new panels have been formed with two-year terms. Two alternate panels were also formed. The latter will soon be trained and ready to address new billing disputes.

Last month WSSC participated in a substantial three-day emergency exercise for the Potomac River Basin. WSSC was a very active participant with the Metropolitan Council of Governments. These exercises are ways to prepare for emergencies that might occur in the future. He congratulated staff who took three days to participate in this intensive project.

The Sewer Science Project was attended by 40 students from Montgomery County, Gaithersburg High School, Elon Academy and Takoma Academy. The event was covered by Channel 9.

Mr. Johnson was interviewed in a monthly television program called "Speak with the Mayor" of Mt. Rainier. It provided an opportunity to discuss WSSC activities.

The WSSC Chief Information Officer demonstrated the WSSC Mobile App at the Federal Office Systems Expo in Washington, D.C. Seldom is a local entity invited to this federally-sponsored event. It was very significant that WSSC was invited to the exhibit as attendance at this event was estimated at 9,000. It is the Federal Government IT event of the year.

WSSC won the Computer World Honors Award as one of the 2012 Laureates. WSSC submitted the Mobile App for this award. This is one of the very prestigious global awards that recognizes and honors strong bases in academic science. With this award, Computer World recognizes organizations that promote and advance public welfare to benefit society and make the world a better place.

Mr. Johnson concluded his report noting that about 200 people attended WSSC's H2O Fest at Western Branch. Over 22 volunteers participated from the State Highway Administration, Maryland Department of Natural Resources and the Prince George's County Department of Environmental Resources.

**Internal Audit Office**

**Monthly Activity Report.** Ms. Bardwell first introduced Ms. Kim Neal, the newly-hired Ethics Officer. She announced her work schedule.

Financial savings were realized from the System Development Audits, a little over \$23,000. The annual disclosure filing period commenced during the month. WSSC employees are required to file either a financial disclosure statement or conflict of interest statement by April 30th. As of this Commission meeting, 51% of the employees have completed the Ethics Training. Mandatory Workforce Ethics Training began and there is a 90-day time limit.

For the FY 12 audit project status, two are in field work stage and two are in the preliminary review stages. Next Ms. Bardwell reviewed the FY 2011 carryover audit, the HR Regulatory Compliance Phase II, noting that field work has been completed and management is reviewing the reports for the auditors that provided the work. The Blue Plains O & M Capital Indirect Audit is complete. An exit conference will be scheduled in late April or early May.

She then reviewed the statistics for follow-up items: 25 pending or started issues; 24 pending review and 80 closed related to 12 audits. She highlighted other standard duties of the office.

WSSC's first Code of Conduct booklet was distributed to 90% of the workforce. Absentees will receive the booklet when they return to work.

WSSC's contract was continued with Thompson, Cobb and Bazilio for an additional year.

New case management software was initiated. Hotline case data have not yet been received for the first quarter. Next, she reviewed the case status of all hotline cases.

**Board of Ethics.** The Board of Ethics held its regularly-scheduled meeting on March 8, 2012. Several closed and open items were reviewed. Auditors provided Code of Ethics training for new hires during new-hire orientation.

**DEPARTMENT BRIEFINGS****A. Finance****Public Hearing Dates - Proposed Fiscal Years 2014 - 2019**

**Capital Improvements Program.** Ms. Sheila Cohen requested the Commissioners approve public hearings to receive comments on the CIP for FY 2014-1029. They were: Wednesday, September 12<sup>th</sup> at

7:30 pm in Rockville and Thursday, September 13<sup>th</sup> at 7:30 p.m. in Largo.

**Resolution 2012-1957 Authorizing the Issuance of Water Quality Bond, Series 2012-B.** Commissioner Hartwig-Davis moved that the Commission approve Resolution 2012-1967 that authorizes the issuance of water quality bonds Series 2012-B. Commissioner Jones seconded the motion. The motion carried with six affirmative votes.

#### **Customer Care**

**Contract 981000102, Change Order.** Mr. Calvin Farr briefed Commissioners on the necessity for approving a change order to this contract for storm water, water management and stream restoration and other environmental efforts.

#### **Production**

**Contract 6116.** Mr. Jay price presented information on this contract for repairing and repainting the Hill Road reservoirs, specifically, numbers one, two, and three.

#### **Logistics**

**Contract 6120.** Mr. Roscoe Wade offered information on the purchase of the adaptor type fire hydrants.

**Contract 6023.** Mr. Wade also presented information on this change order to a contract for joint gate valves.

#### **Engineering and Construction: Architect and Engineering Contracts**

**CM4626A07.** Mr. Gary Gumm first addressed information regarding Amendment 3 to the Utility-Wide Master Plan IA, 30-year Order of Magnitude Infrastructure Plan.

**PM0007A10, PM0008A10, PM0009A10, PM0010A10, PM0011A10, PM0012A10.** Commissioners received information about these six indefinite delivery, indefinite quantity contracts to complete the design of WSSC's sewer refurbishment program.

#### **Construction Contracts**

**BF5024A09.** This contract addresses compliance with the Stage II Disinfectant Byproduct Rule at the Potomac Plant during the Phase II of construction.

**CI5183A11.** A construction contract that is the last one that involves public rights of way needed to complete Consent Decree work. It is for an indefinite delivery/indefinite quantity of work for sewer repair and/or replacement.

**2011 Plumbing and Fuel Gas Code.** Mr. Gumm briefed Commissioners on Amendment II to this code that covers 69 changes to the Code. Noteworthy changes included enhancement of inspection protocols for replacement of gas appliances, consolidation of all cross-connection-related matters in Chapter 5; modification and elaboration of permit and inspection requirements for federal properties. One public comment was received in reply to an advertisement announcing the changes to the Code. Changes were presented to industry and governmental associations. The changes were deemed non controversial to the regulating community and the general public. The WSSC Plumbing and Fuel Gas Board voted unanimously to recommend approval.

Commissioner Jones moved that The Commission approve Resolution 2012-1955 that Amends the 2011 Plumbing and Fuel Gas Code. Commissioner Hartwig-Davis seconded the motion. The motion carried with six affirmative votes.

#### **CONSENT CALENDAR**

Commissioner Mandel moved that the Commission approve Resolution 2012-1956 that adopts the Consent Calendar for the April 18, 2012 Commission meeting containing the following items:

- A. Finance
  - Public Hearing Dates - Proposed Fiscal Years 2014 - 2019 Capital Improvements Program Wednesday, September 12<sup>th</sup> at 7:30 pm in Rockville and Thursday, September 13<sup>th</sup> at 7:30 p.m. in Largo.
- B. Customer Care
  - 1. Contract 981000102, Stormwater Water Management and Stream Restoration to HGS, LLC d/b/a Angler Environmental for a total of \$2,000,000.00.
- C. Production
  - 1. Contract 6116, Repairing & Repainting Hill Road Reservoirs No. 1, 2, & 3 to D&M Painting Corp for a total of \$11,219,400.00.
- D. Logistics
  - 1. Contract 6120, Adaptor Type Fire Hydrants to Daytner Construction Group and Construction Management & Technology, Inc. for a total of \$1,477,894.35.
  - 2. Contract 6023, Change Order Mechanical Joint Gate Valves to The Daytner Construction Group for a total of \$636,000.00.
- E. Engineering and Construction: Architect and Engineering Contracts
  - 1. CM4626A07, Amendment 3, Utility-wide Master Plan IA, 30-year Order of Magnitude Infrastructure Plan to GHD for a total of \$6,795,594.00.
  - 2. PM0007A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Sligo Creek, Broad Creek, Northwest Branch and Cabin John Sewer Basins to Black & Veatch Corp. for a new upset limit of \$16,200,000.00.

3. PM0008A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Beaverdam, Patuxent Center and Northeast Branch Sewer Basins to Brown & Caldwell for a new upset limit of \$16,500,000.00.
4. PM0009A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Piscataway, Mattawoman and Parkway Basins to Hazen & Sawyer, P.C. for a new upset limit to \$17,500,000.00.
5. PM0010A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Western Branch and Horsepen Sewer Basins to Malcolm Pirnie, Inc. for a new upset limit to \$18,500,000.00.
6. PM0011A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Paint Branch, Oxon Run and Lower Anacostia Sewer Basins to O'Brien & Gere Engineers, Inc. for a new upset limit of \$16,000,000.00.
7. PM0012A10, Change Order 1, Sanitary Sewer Rehabilitation Program Support BOA to Provide Contract Documents for the Rock Creek, Dulles Interceptor, Seneca Creek, Monocacy Creek, Little Falls, Watts Branch, Rock Run and Muddy Branch Sewer Basins to URS Corporation for a new upset limit of \$18,500,000.00.

F. Engineering and Construction: Construction Contracts

1. BF5024A09, Potomac WFP Phase II Disinfectant Byproduct Rule to Ulliman Schutte Construction, LLC for a total of \$5,590,000.00.
2. CI5183A11, IDIQ Sewer Main, Sewer House Connection and Manhole Repair, Replacement and Renewals for the Parkway, Little Falls, Watts Branch, Rock Run and Rock Creek Basins to Inland Waters Pollution Control, Inc. for a total of \$20,000,000.00.

Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes.

**BRIEFING AND POLICY ITEMS**

**Acquisition Office**

**Procurement Regulations.** Ms. Cathy Martin presented the publication that contains the WSSC regulations for acquisition of goods, services, and supplies.

**Engineering and Construction**

Information Briefing on Anaerobic Digestion/Septage Studies. Mr. Rob Taylor provided a power point presentation on the findings and consultant recommendations of two studies: The Anaerobic Digestion and Combined Heat and Power Study and the Septage Discharge Planning and Implementation Study.

**LUNCH RECESS**

Chair Moore recessed the meeting at 12:06 p.m. for lunch. The meeting resumed at 12:50 p.m.

**Intergovernmental Relations Office**

Legislative Update. Mr. Wineland offered the outcome of several WSSC legislative matters. He first noted that the Human Resources Bill (allowing for veterans preference and removing outdated requirements) and the Design Build Bill (requiring WSSC to build to Landscape Energy and Environmental Design (LEED)



standards) would be signed by the Governor and become effective October 1, 2012. Also, the renewal of the Small, Local, Minority, Business Enterprise bill allowing a five-year extension also passed without opposition.

As for the adoption of the Transparency and Rate Relief Act, the committee will be formed and a report is due to the legislature by the end of the calendar year. It will be staffed with 12 members and two appointees will come from the Governor's Office.

Two other items that passed included the Bay Restoration Fund (Flush Tax). It was doubled but also contains exemptions for far Western Maryland and parts of the Eastern Shore which do not drain into the Chesapeake watershed. The other item, the Condominium Owners' bill was not reported to Commissioners during the session because the IRO staff believed it was so poorly worded it would not pass. It did pass and gives WSSC the right to enter condominium owners' property to post shut-off notices even though the legislature denied another bill giving WSSC the right to enter property for this very reason.

The bill for biosolids management was killed for the third year in a row.

#### **Commission Office**

#### **Corporate Secretary's Report**

Ms. Bundy provided Commissioners an update on her month's activities.

#### **Committee Reports**

1. Bi-County Infrastructure Funding. Commissioner Jones noted that the consultant brought additional analysis of the May 1<sup>st</sup> to get a presentation report the final draft the first week of May. Rate and fee structure analysis and the roll-out of the proposals.

2. Personnel & Governance. The Governance Policy will be reviewed by General Counsel and then provided to Commissioners in an upcoming month.

3. WSSC Employee Pension Fund Board of Trustees. Vice Chair Lawson asked that he provide the report after closed session.

#### **CLOSED SESSION**

At 12:55 p.m. Commissioner Jones 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 March 21, 2012 Closed Session minutes; and Section 10-508(a)(7) to receive legal advice on various matters in litigation and proposed

changes to Bylaws; and Section 10(508)(a)(1) to discuss a personnel matter regarding the employment contract of a direct report. Commissioner Mandel seconded the motion. The motion carried with six affirmative votes.

At 1:17 p.m. Chair Moore declared the meeting was closed.

**CLOSED SESSION**

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

**Closed Session Minutes.** Commissioner Mandel moved to adopt the Closed Session Minutes for the March 21, 2012. Commissioner Jones seconded the motion. The motion carried with six affirmative votes.

**ATTENDEES:** Attorneys Todd Horn and George Johnson of Venable, LLP joined that meeting at 1:20 p.m.

Messrs. Horn and Johnson gave Commissioners a briefing on the status of the Bowen v. WSSC matter and offered their advice about the strategy of the case. There was a motion (Commissioner Jones) and a second (Commissioner Counihan) to approve an increase of \$750,000 to the upset limit of the professional services contract with the Venable, LLP. The motion carried with six affirmative votes. Mr. Horn and Mr. Johnson left the meeting at 1:55 p.m. Commissioner Mandel also left the meeting.

Mr. Blask presented his legal opinion about a proposed change to the Bylaws to allow for a description of the duty of a Commissioner to announce a conflict of interest at the first available time during a discussion.

At 3:50 p.m. Vice Chair Lawson moved to end the closed session. Commissioner Counihan seconded the motion. The motion carried with five affirmative votes. At 3:50 p.m. Chair Moore declared the meeting was re-opened.

**OPEN SESSION RESUMED**

Vice Chair Lawson provided his committee report on the WSSC Employee's Board of Trustee meeting from March 28, 2012. Mr. Lawson stated that the Plan's assets were \$650.8 million which represents an investment gain of \$50.3 million since the December 31, 2011 report. The market is recovering well. Domestic and international equities represents 55.8% of the Plan's assets with domestic fixed income was 26.5% and global tactical fund was at 14.7% with real estate at 3% of the Plan's total investment portfolio. No rebalancing was required since the previous month's report. As of February 2012, all asset classes were within the

