

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, September 21, 2011
Laurel, Maryland

Chair Roscoe M. Moore, Jr. called the meeting to order at 8:41 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. 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, Corporate Secretary Charlett Bundy, and General Counsel Jerry Blask.

PLEDGE OF ALLEGIANCE

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

AGENDA APPROVAL

Vice Chair Lawson moved to approve the agenda for the WSSC Commission public meeting for Wednesday September 21, 2011 with the addition of an item on the organization chart presented by the General Manager. Commissioner Hartwig-Davis seconded the motion. The vote was called by Chair Moore and the motion carried with six affirmative votes.

MINUTES

Vice Chair Lawson moved to approve the open session minutes of the August 17, 2011 Commission meetings. Commissioner Mandel seconded the motion. The motion carried with six affirmative votes.

WSSC RETIREES

Mr. Baker announced that four employees had retired since the last Commission meeting. They were: Barry A. Hayden who retired as a Maintenance Worker Group II, in the Systems Control group Brighton Dam 17 years and 8 months of service; Traci Munch-Wells who retired as a Permit Agent in the Development Services Program with 20 years and 9 months of service; Francis A. Leonard, Field Service Representative in Customer Care West Group Lyttonsville who retired with 30 years and 10 months of service; Jewel A. Howard who retired as a Property Management Technician

II, with the Property Management Group/Logistics-Anacostia with 30 years and 1 month of service.

COMMUNICATIONS

Mr. Neustadt showed a public service commercial announcing the availability of WSSC's cell phone application that can be used to pay bills, check on customer service issues and provide other public information from WSSC. On the first day of issue there were at least 500 downloads of WSSC's cell phone app exclusive of BlackBerry phones which do not report downloads. There were over 1000 hits on Google to review the application's service.

MEDIA COMMENTS

There were no comments from the media.

COMMISSIONERS COMMENTS

Commissioner Mandel spoke about her travel during the previous month. She talked about her attendance at the Maryland Association of Counties where the WSSC Intergovernmental Relations Office welcomed all attendees with continental breakfast and discussions about WSSC's infrastructure needs. The WSSC booth on the convention floor gave participants an opportunity to learn about WSSC's operations. Commissioners manned the booth during the conference as well as WSSC employees. She learned about the MAP, a web site offering information on care options and care services for seniors. She recounted that Governor Martin O'Malley spoke, noting among other things that Maryland is one of eight states in the nation with a triple A bond rating but the state has a billion dollar deficit which will be addressed in the next several months.

Commissioner Counihan noted how many elected officials visited the WSSC exhibit booth, including Lieutenant Governor Brown. He noted that there were many comments about infrastructure, a topic which previously had rarely been discussed by attendees to the conference. He also congratulated County Executive Rushern Baker whose staff caused the Maryland State Department of Housing (MSDH) to locate in New Carrollton. MSDH is the first state agency to locate in Prince George's County.

Commissioner Hartwig-Davis talked about the remarks made during the session where County Executive Rushern Baker spoke regarding the status of the economy. She noted that she also attended a conference regarding the permitting process in Prince George's County after the hearing on the CIP budget.

Commissioner Jones noted that the water infrastructure discussion was reported in the Washington Post. He said it was the first time water was related to infrastructure. This attention should not be lost he noted. Mr. Jones also suggested that out-of-state, large vendors who contract with WSSC should be encouraged to locate in Prince George's County.

Vice Chair Lawson spoke about his attendance at a conference for economic development sponsored by County Executive Rushern Baker who is promoting the idea of the Economic Development Incentive (EDI) fund, comprising a one-time investment of \$50 million to be set aside as a multi-year commitment to expand the County's commercial tax base, create additional jobs, and increase the County's income tax base. The conference explored ways to attract business, retain business, and compete for federal opportunities to locate business in Prince George's County.

PUBLIC COMMENTS

Debbie Poole, owner and operator of Belle Cote Horse Farm, spoke on behalf of over 500 equestrians, business people, and land owners who have expressed their concern over WSSC limiting access to the equestrian trails. She noted the groups' desire to make the equestrian trail as environmentally sound as possible. She offered free and expert trail assessment and plans for rerouting by Prince George's County experts from the Soil Conversation District Office.

Barbara Sollner-Webb spoke about WSSC budget cuts and reorganization that caused what she described as a lack of maintenance by WSSC's reduced watershed patrols. This reduction in staff maintenance she believes led to washouts that were greater than the erosion caused by use of the trails by equestrians. She and other equestrians offered to patrol the district to maintain the area in light of the budget constraints that limit WSSC's maintenance of the area. She presented a

picture of a washout. On behalf of equestrians, she offered to unplug culverts to prevent washouts until WSSC can decide what to do about the matter.

GENERAL MANAGER'S OFFICE

Monthly Report. This month Mr. Johnson first advised Commissioners that the second month of the fiscal year shows the budget pretty much on target. The solar photovoltaic project has been placed on hold: A federal grant for biosolids digestion to recycle methane gas generated from that digestive process creates a larger volume energy source than the solar project. This detail led to consideration of a biosolids digestion plan for the entire organization. Continuing to pursue the solar photovoltaic project would interfere with the footprint for the biosolids management project so the solar project has been stalled until the biosolids digestion project is more fully developed.

IVR use continues to climb but the self-service rate remained at 13% despite the lack of aggressive promotion of this bill-payment tool. Water main reconstruction is a little ahead of schedule. Sewer main and sewer lateral construction is on target.

Next, Mr. Johnson related information on a number of community outreach efforts.

The call center performance is recovering from the steep decline of the last several months. At 89% last month, performance is about nine points over the previous month.

Mr. Johnson described how WSSC began preparation for Hurricane Irene five days ahead of the day it actually hit the area ensuring WSSC's chemical storage facilities were full, lowered the reservoir levels and otherwise prepared for the volume of rain predicted. Following the hurricane and tropical storm, Western Branch registered over 15 inches of rain for the month of August, which is high compared to the 11.3 inches registered at Andrews Air Force Base during the two days of the storm. The water level rose from 1.5 to 11.5 but there was no release at any of the dams. Mr. Johnson gave other examples of how the severity of Hurricane Irene and Tropical Storm Lee impacted WSSC: Water levels in the dams rose and sanitary sewer overflows occurred necessitating the use of back-up generators in

certain facilities. There were only five basement backups despite the volume of water generated by the two storms. He attributed this to the upgrades that have been completed to the system. WSSC's dedicated staff Mr. Johnson noted continued to provide safe, reliable drinking water to the water district throughout the two storms. He thanked the staff for working through the storms and noted that the media was accurate in its reporting of WSSC's efforts during the storm.

Mr. Johnson gave the keynote remarks at the annual Human Opportunities Fair sponsored by Prince George's County Delegates Braveboy and Vaughn. The County Council Chair attended along with representatives of the County Executive's Office. The purpose was to give public information about how to do business in Prince George's County including WSSC.

The Chesapeake Section of the American Water Works Association offers Top Ops Awards to plant operators who prevail in a contest with questioning similar to the game show Jeopardy as well as demonstrating command of certain technical equipment and processes. Present to be honored and receive the trophy for Top Ops from the Patuxent Plant were: Ronnell High, Dinesh Bahadursingh, and John Luu.

WSSC held its first Green Expo at WSSC through the Acquisition Office to promote environmental awareness throughout the organization. About 180 WSSC employees attended to understand the kinds of things available from the vendors who provide WSSC with products and options so that WSSC can become a more environmentally friendly organization with our daily activities. There were members of the Acquisition Office present who helped stage this event. The event was a reminder that each employee has a responsibility to recognize and be aware of green opportunities.

Internal Audit Office

Monthly Activity Report. Mr. Dana Whiting presented the report on behalf of Ms. Bardwell who was attending a conference. Fiscal 2011 carryover audit projects were described: IT general computer controls audit -- a draft was issued on August 31, 2011; the Blue Plains audit is being compiled and will be provided later in the year. Fiscal 2010 carry over projects include the

HR regulatory compliance Phase I compliance - this report was distributed to Mr. Johnson for review on August 26, 2011. System Development Charges have 16 audit requests for processing and 7 are actively being audited, awaiting further information. Mr. Whiting then described the status of the 89 audits in the office. He noted a delinquent item that is 63 days overdue. Fraud, Waste and Abuse Hotline training was completed for some but for others the training was interrupted by the August earthquake.

Ethics training for 2011 is complete and the 36 employees who missed the training will make up the training as new employees are trained. Evaluations of the training have been tabulated and are under review. The external auditors are on target to compile the final external audit report and management letter. The Internal Auditors and Ethics Officer continue to engage in training/educational activities.

Fiscal Year 2012 Risk Based Audit Plan. Commissioner Jones moved that the Commission approve Resolution 2012-1938 that approves the Fiscal Year 2012 Risk-based Audit Plan. Commissioner Mandel seconded the motion. The motion carried with six affirmative votes.

DEPARTMENT BRIEFINGS

Engineering and Construction

Architect/Engineer Contracts. Mr. Gumm presented a work summary and bid information for the following projects:
CD4275A05/CD4173A05 - Design Amendment, Design Services During Construction, Western Branch Waste Water Treatment Plant
ENR/Facility Upgrade; BR/CR5168A11 - Water Main Replacement, Knox Road West; BR4889A08 - Water Main Replacement, Riverdale I;
BR/LR5135A10 - Water Main Replacement, Cloverly; BF1582C91 - Patuxent Raw Water Pipeline Cleaning; LC4957A09 - Area Water Sewer House Connection Change Order No. 1; BR4878C08 Repost - Hillcrest Water Main Replacement; PM0014A10 - Water, Sewer and Meter Vault Rehabilitation Program Support; and PM0015A10 - Water, Sewer and Meter Vault Rehabilitation Program Support.

Finance

Mr. Traber presented a request to schedule a meeting for approving 2012 front foot benefit charges and house connection rates on November 16, 2011 at 8:30 a.m.

CONSENT CALENDAR

Commissioner Counihan moved that the Commission approve Resolution 2012-1936 that adopts the Consent Calendar for the September 21, 2011 Commission meeting minus items 2b and 2f which would have the Consent Calendar contain the following items:

Engineering & Construction / Design**1. Architect/Engineer Contracts**

- a. CD4275A05/CD4173A05 - Design Amendment, Design Services During Construction for Western Branch Waste Water Treatment Plant ENR/Facility Upgrade to Metcalf and Eddy, Inc. for \$8,198,864.99;

2. Construction Contracts

- a. BR/CR5168A11 - Water Main Replacement, Knox Road West to Fort Myer Construction Corp. for \$2,099,796.36;
- b. BR4889A08 - Water Main Replacement, Riverdale I (removed)
- c. BR/LR5135A10 - Water Main Replacement, Cloverly, to Mid Atlantic Utilities, Inc. for \$840,802.00;
- d. BF1582C91 - Patuxent Raw Water Pipeline Cleaning to J. Fletcher Creamer & Son, Inc. for \$3,983,984.40;
- e. LC4957A09 - Area Water Sewer House Connection Change Order No. 1 to City Contractors, Inc. for \$1,004,760.00 change order; and
- f. BR4878C08 Repost - Hillcrest Water Main Replacement(removed)

Engineering Design Contracts/Basic Ordering Agreements

- a. PM0014A10 to The Wilson T. Ballard Company with an upset limit of \$3,000,000.00; and
- b. PM0015A10 to KCI Technologies, Inc. with an upset limit of \$3,000,000.00

Finance

Schedule for Approving 2012 Front Foot Benefit Charges and House Connection Rates at 8:30 a.m. on November 16, 2011.

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

BRIEFING AND ACTION ITEMS**Engineering & Construction**

Potomac River Water Supply and Quality Report. Mr. Tom Kelly presented information about automated meter reading and a presented the case for adopting this technology at WSSC.

SLMBE. Mr. Johnson reminded Commissioners of the statutory requirement of filing an annual report of the activities of the Small, Local, and Minority Business Enterprise Office. He noted the filing of the report will be delayed and that the State has been notified of the delay. Commissioners then received a synopsis of the report. MBE contract payments totaled \$269,962,000.00. Payments to MBE firms totaled \$66,853,000.00 or

27% of the total. Mr. Johnson provided additional data from the report but questions were tabled until after the lunch break.

At 11:54 a.m. Chair Moore recessed the meeting so Commissioners and the Change Leadership Team could attend the Commissioners' Appreciation Luncheon. The luncheon was attended by Montgomery County Executive Ike Leggett and 16 former Commissioners who were: Prem Agarwal, Sandra Allen, Henry Arrington, Marita Brown, Kevin Maloney, Dr. Juanita Miller, Anthony Morella, Johanna Norris, Norman Pruitt, Gerald Roper, Joyce Starks, Leonard Teitelbaum, Jinhee Wilde, and W. Gregory Wims. Mr. Jerry Johnson gave attendees an update on the status of WSSC's current strategic projects. At 1:55 p.m. the meeting resumed.

COMMISSIONERS' CONFERENCE ROOM

SLMBE

Mr. Johnson entertained questions about the statistics he quoted from the draft annual report of the SLMBE Office.

Commission Office

Sub-Committee Reports

Governance/Personnel. Chair Moore discussed the need to change the ceiling amount of Commissioners' individual expense accounts. Commissioner Counihan moved that the Commission restore the Commissioners' expense account to \$3000 total for Fiscal Year 2012 and increase it to \$4000 for Fiscal Year 2013. Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes.

Commissioners' office budget was discussed and the need for an administrative assistant for the Ethics Officer.

2012 Legislative Proposals/Outreach Strategy - Mr. Wineland reviewed the pending legislative proposals for the upcoming legislative session. Commissioners took the following actions:

MBE Program Extension. Commissioner Mandel moved that WSSC support legislation that would extend the MBE Program to 2017. Commissioner Jones seconded the motion. The motion carried with six affirmative votes.

Amendment to Human Resources Sections. Commissioner Counihan moved that the Commission support legislation that would eliminate out-dated provisions applicable to

WSSC in the Public Utility Code and provisions that restrict the Human Resources operations. It adds veterans' preference in hiring, exclusive of examinations. Commissioner Hartwig-Davis seconded the motion. The motion carried with six affirmative votes.

Sewer Reconstruction. Commissioner Counihan moved that the Commission support legislation to include design/build pipeline as part of the facilities construction. Commissioner Mandel seconded the motion. The motion carried with six affirmative votes.

Receivership. Commissioner Mandel moved that the Commission support legislation to allow for the appointment of a court-appointed receiver to receive rent payments from multi-unit residences to cover obligations to WSSC. Commissioner (inaudible) seconded the motion. The motion carried with six affirmative votes.

Lien Authority. Commissioner Counihan moved that the Commission support legislation that grants WSSC authority to place a lien on property where there is an overdue WSSC account. Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes.

Commissioners' Terms/Staggered Terms/Salary. Commissioner Counihan moved to support legislation that would change Commissioners' terms to six years with specific staggering. The motion was withdrawn after some discussion.

Engineering & Construction

Potomac River Water Supply. This report described a one billion gallon reservoir that will be constructed in a vacated rock quarry as a back-up for water supply in the case of a drought that impacts the Potomac River.

Chesapeake Bay Fund. Commissioners received information on the Chesapeake Bay Fund's viability and its application to WSSC's ENR upgrades. Legislative proposals that would impact the fund were also highlighted.

Design Manual Change. Mr. Johnson explained the proposed changes to the WSSC design manual addressing developments built in close proximity to large, cast iron and PCCP pipe. The proposal addresses modifying the depth of a set back in developments to avoid building over top of large pipes.

WSSC Reorganization. Commissioners were advised of the dismantling of the Corporate Asset Management Organization (CAMO) with the employees being disbursed to the IT and Engineering & Construction departments. The purpose of the change was to relocate all CAMO employees involved in IT to the IT department and those involved in Engineering activities to that department.

Corporate Secretary

Monthly Report. Ms. Bundy provided a synopsis of her month's activities.

Personnel & Governance Committee. There were no reports but Chair Moore acknowledged performance evaluations of direct reports were due.

MEETING CLOSING

At 5:30 p.m. Commissioner Jones moved to close the meeting pursuant to Maryland State Government Article 10, Subtitle 5, Section 10-508(a)(13) to approve the August 19, 2011 Closed Session minutes; Section 10-508(a)(7) to receive legal advice on a whistleblower claim and two contracts (BR4889A08 and BR4878C08) scheduled for approval at this meeting; and Section 10-508(a)(1) to discuss a personnel matter related to an employee used in the Delegation of Authority. Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes. Chair Moore called for a five minute recess.

CLOSED SESSION

COMMISSIONERS' CONFERENCE ROOM

ATTENDEES: Chair Dr. Roscoe Moore; Vice Chair Lawson; Commissioners Adrienne A. Mandel, Antonio Jones, and Melanie Hartwig-Davis. General Manager Jerry Johnson, General Counsel Jerry Blask, Corporate Secretary Charlett Bundy, and Attorneys Russell Beers and Vicki Webb of the General Counsel's Office.

Commissioners convened the closed session in the Conference Room at 5:45 p.m. Commissioners received legal advice on the next steps following the verdict in the *Sillers vs. WSSC* case. Mr. Beers left at the conclusion of this discussion.

Attendees: Mr. Gary Gumm, M. Thomas Turner, and Cathy Martin joined the meeting.

Commissioners received legal advice on the two contracts that had been removed from the consent calendar, to wit: BR4889A008 and BR4878C08. At 6:45 p.m. Ms. Webb, Ms. Martin, Mr. Thomas, and Mr. Gumm, and Mr. Johnson left the conference room.

Commissioner Counihan moved to approve the closed session minutes from August 19, 2011. Commissioner Hartwig-Davis seconded the motion. The motion carried with six aye votes. Commissioners then held a discussion about an employee's delegated authority.

Commissioner Mandel moved to end the closed session at 7:05 p.m. Commissioner Counihan seconded the motion. When the Chair called for the vote, the motion carried unanimously.

OPEN SESSION RESUMED

Commissioner Jones moved to approve contract BR4889A008 (to Rustler Construction Inc. for \$1,434,971.00) and BR4878C08 (to Rustler Construction, Inc. for \$2,075,001.40). Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes.

Adjournment

At 7:10 p.m. Commissioner Jones moved to adjourn the meeting. Vice Chair Lawson seconded the motion. The motion carried with six affirmative votes. At 7:11 p.m. Chair Moore declared the meeting was adjourned.

Respectfully submitted,

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Charlett Bundy, Esq.
Corporate Secretary