

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

**Wednesday, September 25, 2013
Laurel, Maryland**

Vice Chair Chris Lawson (serving as the Acting Chair and participating by phone) called the special meeting to order at 2:46 p.m., in the Commissioners' Conference Room, of the Washington Suburban Sanitary Commission (hereinafter "WSSC"), Richard G. Hovevar 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 the Acting Chair, Commissioners Antonio L. Jones, Adrienne A. Mandel and Mary Hopkins Navies also participated by telephone. Commissioner Roscoe M. Moore was present in person in the Commissioners' Conference Room, along with WSSC General Manager and Chief Executive Officer Jerry N. Johnson, General Counsel Jerome K. Blask and Corporate Secretary Sheila R. Finlayson, who recorded the minutes of the meeting. Also in attendance in person were: Acting Chief Financial Officer Chris Cullinan, Intergovernmental Relations Director Kirk Wineland, and Budget Unit Coordinator Mark Brackett. The Acting Chair called the roll to confirm the Commissioner attendees by phone and to ensure a quorum was present. Chair Gene W. Counihan was on travel out of the country and thus, absent from the meeting.

The Acting Chair stated the purpose of the meeting which is to consider the following two items for Commission approval:

- 1) Transmittal of the Proposed Capital Improvements Program ("CIP") for FY 2015-2020 to the Counties; and
- 2) Additional Proposed Legislation for 2014 Maryland General Assembly Session.

AGENDA APPROVAL

Commissioner Mandel moved to adopt the agenda for the Special Commission Meeting of Wednesday, September 25, 2013. Commissioner Jones seconded the motion. A roll call vote was called by the Acting Chair resulting in five votes in the affirmative from the following Commissioners: Antonio Jones, Adrienne Mandel, Roscoe Moore, Mary Hopkins Navies and Chris Lawson. Commissioner Gene Counihan was absent from the vote.

Approval of Transmittal of Proposed CIP to Counties. Acting Chief Financial Officer Chris Cullinan advised Commissioners that, by law, the Commission is mandated to prepare and submit to the two County Governments of Montgomery County and Prince George's County, on or before October 1st of each year, a copy of WSSC's Proposed Capital Improvements Program (CIP). Two public hearings on the CIP were held on September 10, 2013 in Montgomery County and September 12, 2013 in Prince George's County. The hearings were lightly attended and although there were no questions or concerns directly related to the CIP document, several speakers commented on WSSC's rate increases with a petition submitted for the record.

Commissioner Jones then moved to approve the Transmittal of WSSC's Proposed CIP for Fiscal Years 2015-2020 to the Prince George's County and Montgomery County Governments. Commissioner Moore seconded the motion. A roll call vote was called by the Acting Chair resulting in five affirmative votes from the following Commissioners: Antonio Jones, Adrienne Mandel, Roscoe Moore, Mary Hopkins Navies and Chris Lawson. Commissioner Gene Counihan absent from the vote.

Approval of Additional Proposed Legislation. Intergovernmental Relations Director Kirk Wineland presented the Commissioners with a document (incorporated herein by reference) containing additional proposed legislation for the 2014 Maryland Legislative Session pertaining to Sections 25-401 (Definitions) and 25-403 (Amount of System Development Charge) of the Maryland Public Utilities Code.

In summary, the Maryland General Assembly enacted House Bill 883, Chapter 559, System Development Charge legislation, during its 1993 Session. The bill provided the enabling authority for the Montgomery and Prince George's County Councils to establish an impact fee (SDC) which would be paid by applicants when an incremental demand is placed on WSSC's treatment, transmission and collection facilities. For the past twenty years, the statutory design as a whole has operated successfully; however, due to certain ambiguities in the language of the statute, it has caused differing interpretations between how the Public Utilities Article defines the imposition of System Development Charges, and the WSSC

staff interpretation of the intent of the law and business practices since inception of the SDC. The specific statute ambiguities regarding the imposition of the SDC are related to: 1) Construction of a new building or improvement connecting to an existing water and/or sewer Site Utility System; and, 2) the "Apartment Unit" definition.

The proposed legislation will provide the needed statutory clarification to the definitions under the Public Utilities Article with regards to "New Service" and "Apartment Unit." The legislation will also clarify the language pertaining to Definitions and Imposition of system development charges.

Following discussion, Acting Chair Lawson called for the vote, whereby, Commissioner Mandel moved that the Commission approve the Additional Proposed WSSC Legislation for the 2014 Maryland General Assembly Session, as recommended by management. Commissioner Jones seconded the motion. Antonio Jones voted yes; Adrienne Mandel voted yes; Mary Hopkins Navies voted yes; Roscoe Moore voted yes; and, Chris Lawson voted yes. The motion carried by a vote of five-to-zero (Commissioner Gene Counihan absent from vote).

ADJOURNMENT

There being no additional business, the Acting Chair called for a motion to adjourn, whereby, Commissioner Jones moved to adjourn the meeting. Commissioner Moore seconded the motion. A roll call vote was called by the Acting Chair resulting in aye votes from the following Commissioners: Antonio Jones, Adrienne Mandel, Roscoe Moore, Mary Hopkins Navies and Chris Lawson. The motion carried with five affirmative votes. Chair Gene Counihan was absent from the vote.

At 3:02 p.m., the meeting was declared adjourned.

Respectfully submitted,

//signed//
Sheila R. Finlayson, Esq.
Corporate Secretary