

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, March 19, 2008

Laurel, Maryland

Chair Adrienne A. Mandel called the meeting to order at 8:50 a.m. in the Commissioners' Conference Room at the Richard G. Hocevar Building, 14501 Sweitzer Lane, Laurel, MD 20707, with due notice having been given to all members of the Commission and the public. Vice Chair Starks, Commissioners Prem Agarwal, Juanita Miller, Norman E. Pruitt and Gene W. Counihan were present at the meeting. Also, present were Interim General Manager Teresa Daniel, Interim Deputy General Manager Rudy Chow, and Corporate Secretary Charlett Bundy.

AGENDA APPROVAL

Commissioner Pruitt moved to approve the agenda as published. Commissioner Agarwal seconded the motion. The motion carried with four affirmative votes as Vice Chair Starks had not yet arrived and Commissioner Miller was temporarily out of the room.

Later in the meeting, Commissioner Miller moved to amend the agenda to table the agenda item on the amendment to the WSSC Retirement Plan Trust Document to a future meeting. Commissioner Pruitt seconded the motion. The motion carried with six affirmative votes.

Finance Office

Resolution 2008-1797. Commissioners were briefed on the need to create new authorization of signatures for the interim general manager and interim deputy general manager.

Retiree Trustees' Appointment Procedure. Commissioners were updated on the pending change in how WSSC retirees may be appointed to the WSSC Employees' Retirement Board of Trustees.

January 2008 Status Report. Commissioners were advised that the January 2008 Status Report had been transmitted to the counties.

Front Foot Benefit Appeal Hearing Dates/Officers. Commissioners were asked to approve a hearing date of May 21, 2008 for front foot benefit appeals and to assign a Commissioner to preside over the hearing which will be held at 5:30 p.m. in the WSSC Auditorium, 14501 Sweitzer Lane, Laurel, MD 20707.

Engineering & Construction

Large Diameter Water Main. Commissioners received an update on the issue of development near, and set back requirements for, large diameter transmission mains and how eruptions of these mains poses a danger to nearby, developed property. A set of proposed standards regarding these issues was presented to Commissioners in the briefing.

Production

Contract 4550. Commissioners were briefed on this contract which is a first and final option year for the Parkway wastewater treatment plant's Biosolids management and utilization.

Customer Care

Revised Standard Procedure for Adjustment/Correction of Water/Sewer Bills. Commissioners were presented with the revisions to WSSC Standard Procedure CUS 99-01 so they could approve the revisions for publication and distribution.

Intergovernmental Relations

Commissioners received updates on the bills pending in the Maryland legislature that impact WSSC.

Interim General Manager's Report

Ms. Daniell highlighted the process for capturing new contractors via the Centralized Bidder Registration database that will be up and running as of April 1, 2008. She next discussed the wind power initiative and the planned media event to commemorate the start up of WSSC's wind power purchase from Constellation Energy. She highlighted the annual action items that have been or are nearly completed.

As for the emergency contract that Commissioners approved on March 10th, Ms. Daniell noted that work is continuing and the FY 08

budget can handle the additional funding needed to complete this project.

Lastly, Ms. Daniell discussed recent articles in the media about trace elements of pharmaceuticals in the public water supply in certain areas. She noted that the WSSC water is safe and additional measures are being taken at this time to test for trace elements of pharmaceuticals in the WSSC water supply. Ms. Daniell noted that standardized testing of public water for such elements has not been yet created or required by governing authorities.

AUDITORIUM SESSION

Chair Mandel called the meeting to order at 1:03 p.m. She asked Vice Chair Starks to lead the pledge of allegiance.

APPROVAL OF MINUTES

February 20, 27, and 28, 2008 Minutes. Commissioner Counihan moved that the Commission approve the open session minutes from the February 20, 27, and 28, 2008 Commission Meetings. Commissioner Agarwal seconded the motion. The motion carried with six affirmative votes.

PRESENTATION OF WSSC RETIREES

Two employees retired this month and neither was present at the meeting: Eleanor G. Starvis, Legal Secretary II in the General Counsel's Office, retires with 22 years of service; and John V. Harley, Utility Technician II in the Customer Care South Group, retires with 29 years and 2 months of service.

COMMISSIONERS' ITEMS/COMMENTS

Vice Chair Starks thanked staff for assisting with the transition and the installation of an Interim General Manager and an Interim Deputy General Manager. She thanked the staff for their continuing support and extended Easter greetings to all.

INTERIM GENERAL MANAGER'S ITEMS/COMMENTS

Ms. Daniell thanked Rudy Chow, Interim Deputy General Manager and Marcia Tucker, Acting Team Chief for Customer Care as well as the entire staff for their support during the transition from leadership by a general manager to leadership by the interim team.

With a video in the backdrop showing the new windmill farm owned by Constellation Energy, Ms. Daniell noted that WSSC will purchase wind power for one-third of its electrical needs for the next 10 years at a considerable saving.

PUBLIC COMMENTS

Former WSSC employees Benjamin Porter and Andree Procter each addressed Commissioners about their interest in finalizing a settlement of their discrimination lawsuit.

AREA PRESS QUESTIONS

There were no press questions.

EMPLOYEE EXCELLENCE

Video of Acquisition Staff. A video from the employee spotlight program recognized the staff of the Acquisition Team.

Communications

Children's Water Festival 2008. The 2008 WSSC Children's Water Festival will take place May 7 and 8 at Brighton Dam. County schools were selected by a drawing to take part in the 2008 WSSC Children's Water Festival.

Chair Mandel pulled the names of the following Prince George's schools and alternates: Mt. Rainer, Thomas Stone, Samuel P. Massie, and Roger Heights.

Vice Chair Starks pulled the names of the following Montgomery County schools and alternates: Galway; Laytonsville; Monocacy; and Brown Station.

Finance Office

Resolution 2008-1797. Commissioner Counihan moved that the commission approve Resolution 2008-1797 that authorizes certain financial functions and certifying signatures of members of the General Manager's Office. Vice Chair Starks seconded the motion. The motion carried with six affirmative votes.

Engineering and Construction

Contracts CD4257A05 and CD4173A05. Commissioner Pruitt moved that the Commission award Architectural & Engineering Contract CD4257A05 and CD4173A05 to Metcalf & Eddy Inc. for design services for the Western Branch Wastewater Treatment Plant Facility and enhanced nutrient removal upgrade project. Commissioner Counihan seconded the motion. The motion carried with six affirmative votes.

Commissioners then resumed the meeting in the Commissioners' Conference Room at 1:45 p.m.

OPEN SESSION - COMMISSIONERS' CONFERENCE ROOM

Internal Audit Office

Monthly Report. Commissioners reviewed highlights of the audit report. Ms. Bardwell highlighted the influx of requests for reimbursement of System Development Charges from customers. She noted that the auditors have been pulled off the audits to address the SDC audits.

She noted the staff had been trained on the requirements for filing the required Financial Disclosure Form. She updated the Commissioners on the hiring of an Auditor IV.

WSSC Board of Ethics Annual Report. Ms. Bardwell presented the WSSC Ethics Board's Annual Report to Commissioners.

Corporate Secretary's Office

Monthly Report. Ms. Bundy provided Commissioners a recapitulation of her work for the month. She asked Commissioners to review the travel policy for Commissioners as a revised company travel policy had been instituted. Commissioner Counihan expressed his preference for merging the Commissioners' travel policy with the staff policy so that there is one, company travel policy.

AFTERNOON CLOSED SESSION

At 1:45 p.m. Commissioner Starks moved to close the meeting pursuant to Subtitle 5 of Title 10 of the State Government Article, Maryland Code Section 10-508(a)(13) to: discuss the Transition Plan and Salary Schedule for Direct Reports to Commissioners. Commissioner Pruitt seconded the motion. The motion carried with six affirmative votes. At 1:47 p.m. the closed meeting began. In attendance were Chair Mandel, Vice Chair Starks, Commissioners Agarwal, Miller, Pruitt and Counihan; Lonnie Taylor of Heidrick and Struggles, and Corporate Secretary Charlett Bundy. Mr. Taylor provided Commissioners with an update of this firms' search for candidates for the WSSC CEO/General Manager position. Commissioners set the date April 3, 2008 as the deadline for Heidrick and Struggles to receive resumes from candidates interested in being considered for the CEO/GM position.

Commissioners reviewed the WSSC executive salary schedule, market conditions for positions similar to the WSSC general manager's position, and advice from the search firm, to determine whether the general manager's salary needed to be increased. This review also revealed that when former General Manager Brunhart increased the salary for the deputy general manager's position to meet market conditions, it caused the minimum salary for the general manager to be lower than the minimum for the deputy general manager's salary. Commissioner Counihan moved that the salary for the position of WSSC CEO/GM be set at a minimum of \$195,000 to a maximum of \$250,000. Commissioner Pruitt seconded the motion. It was clarified that the salary increase for the general manager's position would be applied prospectively. The motion

carried with four affirmative votes. Vice Chair Starks and Commissioner Miller voted nay.

OPEN SESSION

COMMISSIONERS' CONFERENCE ROOM

At 4:04 p.m. Commissioner Agarwal moved to return to the Open Session. Commissioner Pruitt seconded the motion. The motion carried with six affirmative votes. The open meeting resumed.

SLMBE Office

Vice Chair Starks and Commissioner Pruitt gave a report of the work their committee was engaged in regarding developing an MBE program that could be adopted in the future. Ms. Livingston noted that the program is ready for review by general counsel. Chair Mandel asked that the draft be ready by the July Commission meeting to avoid requesting another extension.

EXTENSION OF INTERIM MBE PROGRAM

Commissioner Pruitt moved that the Commission extend its current Interim MBE Program from April 3, 2008 through September 17, 2008. He added, "Commission approval of this motion will make September 17, 2008 the new expiration date for the Interim MBE Program which is set forth in WSSC Standard Procedure MBE 96-01, effective June 1, 1996 as amended by WSSC Resolution 1997-1521, adopted November 20, 1996." Commissioner Agarwal seconded the motion. The motion carried with six affirmative votes.

AFTERNOON CLOSED SESSION RESUMED

COMMISSIONERS' CONFERENCE ROOM

Vice Chair Starks moved that the Commission Meeting be closed pursuant to Subtitle 5 of Title 10 of the State Government Article, Maryland Code: 1. Section 10-508(a)(13) to: a) approve Closed Session Minutes for Feb. 7, 13, 20, and 28 2008; b) discuss other administrative matters; and 2. Section 10-508(a)(7) to review General Counsel's opinion on a) matter related to the HR restructuring and b) a legal matter in litigation; and c) review of outside counsel's recommendation on former employee's request for additional employment d) review of settlement

parameters for EEO matters; 3. Section 10-508(a)(1) to discuss personnel matters involving: a) Performance reviews for Internal Audit Manager, SLMBE Director, and General Manager; and b) Annual Performance Evaluation for the corporate secretary; and 4. Section 10-509(a)(9) to discuss the collective bargaining negotiations for the 2008 contract(s).

Commissioner Counihan seconded the motion. The motion carried with five affirmative votes. Commissioner Miller was temporarily out of the room. At 5:41 p.m. the meeting was closed. In attendance were Chair Mandel, Vice Chair Starks, Commissioners Agarwal, Miller, Pruitt and Counihan; and Corporate Secretary Charlett Bundy. General Counsel Jerry Blask, Interim General Manager Teresa D. Daniell and Rudy S. Chow, Interim Deputy General Manager Rudy Chow and Sr. Counsel Michael Berman. Yvonne McKinney, HR Director, joined the discussion on the HR restructuring and the union negotiations update.

Closed Session Minutes

Commissioner Counihan moved to approve the Closed Session Minutes for Feb. 7, 13, 20, and 28 2008. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes. Commissioner Miller was temporarily out of the room.

General Counsel's Office

Mr. Blask provided an opinion regarding certain matters including the Restructuring in the Human Resources department that impacted three specific employees. Commissioners then voted to provide these employees, a severance package. The vote was unanimous.

Ms. McKinney informed Commissioners on the status of the union contract negotiations. At 6:10 p.m., Ms. McKinney left the meeting.

Mr. Blask then provided legal advice on a legal matter and Commissioners tabled any action on this matter until the April 2008 Commission meeting. Commissioners accepted Mr. Blask's advice to settle another matter with a unanimous vote.

Mr. Blask and Mr. Berman left the meeting at 7:40 p.m., as did Commissioner Agarwal who re-joined by telephone.

Commissioners then addressed several administrative matters. Two motions were made regarding a former employee's severance but neither motion passed as the vote was three to three for each motion.

Commissioner Agarwal left the telephone line at 8:04 p.m.

Commissioners discussed other administrative matters relating to supervision of their direct reports. Other administrative matters regarding the transition team were discussed also.

Vice Chair Starks moved to adjourn the closed meeting at 7:33 p.m. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

OPEN SESSION

ADJOURNMENT

At 8:35 p.m., Vice Chair Starks moved to adjourn the meeting. Commissioner Pruitt seconded the motion. Chair Mandel declared the meeting was adjourned.

 //Signed//

Charlett Bundy, Esq.
Corporate Secretary