

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, August 19, 2009
Laurel, Maryland

Chair Gene W. Counihan called the meeting to order at 8:38 a.m. in the Auditorium at 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 Joyce Starks, Commissioners Prem P. Agarwal, Adrienne A. Mandel, Juanita D. Miller, and Roscoe M. Moore, Jr. were present at the meeting. Also, present were Interim General Manager Teresa Daniell, Interim Deputy General Manager Rudy Chow, Corporate Secretary Charlett Bundy and General Counsel, Jerry Blask.

AGENDA APPROVAL

Commissioner Mandel moved to approve the agenda. Commissioner Moore seconded the motion. The motion carried with four affirmative votes as Commissioner Miller voted nay and Commissioner Agarwal did not arrive until after the vote was taken.

Chair Counihan asked Chief Thomas Green, a reservist and WSSC employee being honored later in the program to lead the pledge of allegiance.

MINUTES

Commissioner Mandel moved to approve the minutes for July 10, 15, 29, and August 5, 2009. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes. Commissioner Miller did not pick up her meeting packet from UPS in time to make a thorough review before the meeting and abstained from the vote.

GENERAL MATTERS

WSSC Retiree. Leon Perry Younger, a water plant operator in the Potomac Group retired with 18 years and 2 months of service.

Video on Employee Excellence. This month's video featured the employees of the Strategic Planning Group.

Commissioners' Comments

Chair Counihan remarked about the change in order of the business of the meeting and its beginning in the auditorium rather than the conference room. He stated the Commission anticipates that this meeting would be the last meeting for Commissioner Miller and recognized her 10 years of service to WSSC. He stated it is rare to have a commissioner with that length of tenure. He later told Commissioner Miller she has been a worthy and strong advocate for the things she believes in. He added his thanks and best wishes as she moves forward with other aspects of her public service.

Vice Chair Starks commented that on behalf of the Prince George's Commissioners and the Montgomery County Commissioners she thanked Commissioner Miller for an outstanding job in advocating for WSSC externally and internally. She commended Commissioner Miller for her years of service, hard work and dedication and presented her with a miniature of the bronze sculpture, "The Workmen" created by Steven Weitzman that is installed in the lobby of WSSC's Robert G. Hocevar Building.

Commissioner Miller thanked her colleagues for the experience which she described as beneficial to her. She stated she will continue to be active with WSSC in a different capacity and she thanked the employees for making her job easier. She told the employees they are the foundation of WSSC.

Engineering Scholarship. Ann Lederer of Brookville, MD was awarded the 2009 Commissioners' Engineering Scholarship. She is a full-time student at the University of Maryland College Park with a 4.1 grade point average. She is active in Engineers Without Borders and has worked on engineering projects in Burkina Faso, a famine-plagued West African nation and locally in the Anacostia Watershed.

Commissioner Mandel. Commissioner Mandel referenced an article in the American Waterworks Magazine, Spring/Summer 2009 issue that was written mostly by Laura Swisher of the Logistics Team. Ms. Mandel noted that the article contains much factual information regarding local and national concerns about our aging infrastructures.

Chair Counihan. The Chair recognized several employees who worked diligently to facilitate cosmetic changes to the Commissioners' Conference Room at minimal cost: Buck Sanders and the Trade Shop Group for constructing a new conference room table; Ronald Williams from Communications for photographs of WSSC employees at work; Paul Wooten of the Maintenance for hanging the photographs and maps; and Richard Wild and Pedro Flores for developing the enlarged maps of the WSSC Water District.

Vice Chair Starks. Ms. Starks reminded all that it is time for the children of the water district to return to school. She wished the children of the WSSC employees a safe and successful school year. Vice Chair Starks remarked about her attendance at the Maryland Association of Counties conference in Ocean City, Maryland and commented on some of the information she received during the conference.

Interim General Manager's Office

Commemoration of WSSC Employees in Active Reserves. Interim General Manager Teresa Daniell recognized seven WSSC employees who during 2007-2008 were called to military service as part of their commitment in the reserves of military service. Each was given a

plaque to commemorate WSSC's appreciation of their service to the United States. A standing ovation from the audience completed the honor service. Honorees included: Thomas Green; Kenneth M. Hawkins; Craig Nottingham (he was on duty but his wife Wanda Nottingham accepted on his behalf); Lamont Queen; Rhoshon Lockhart-Hayes; Joshua Roll and Roland Turner. Commissioner Miller praised WSSC for serving as a model in providing employment to veterans after they return from deployment. She thanked the reservists for their special service in the military and for bringing their talents and skills to WSSC.

Monthly Report. Ms. Daniel referred Commissioners to the dashboards in her report indicating water production for Fiscal Year 2009 was down. Although WSSC had budgeted 165.9 million gallons per day, for all but three months, this level was never reached creating reduced revenue for the forecast period. Expenses were increased during the period despite the fact Ms. Daniell noted the managers and employees did a great job with cost awareness.

In discussing other highlights of her report, Ms. Daniel called attention to a \$4 million grant for sewer work as part of the infrastructure asset management program at WSSC. A record 34.8 miles of water pipe reconstruction was completed even though the annual goal was only 27 miles. This elevated accomplishment has been the forecasted goal for Fiscal Year 2010, i.e., completion of 35 miles of water reconstruction.

In other areas, WSSC is reaping positive effects from the "Can the Fats, Grease and Oil" Program. Fiscal Year 2009 ended with an upward trend of water main breaks and the trend continues Ms. Daniell noted.

Chair Coughlin congratulated Ms. Daniel noting that under her leadership the accomplishment of the record 35 miles of pipe reconstruction. He thanked her for an assignment of what was supposed to last a few months but that has stretched to 18 months.

Plant Production Awards. Acting Director Jay Price recognized the WSSC plants for performance that captured notoriety from the National Association of Clean Water Agencies' (NACWA). The NACWA Platinum Peak Performance Award was bestowed upon the WSSC plant in Damascus. This was for the ninth consecutive year the Damascus plant received this award. NACWA presents the Platinum Performance Award to facilities that annually achieve 100 percent compliance with National Pollutant Discharge Elimination system permits over a period of five years or more. Damascus, which is run by Superintendent Sam Amad, is one of only 118 facilities in the nation to earn this honor in 2008.

NACWA Gold Peak Performance Awards are issued for plants that have 100 percent compliance with National Pollutant Discharge Elimination system permits. Seneca Wastewater Treatment Plant,

Hyattstown Wastewater Treatment Plant, Parkway Wastewater Treatment Plant and WSSC's newest wastewater treatment plant, Marlboro Meadows all received the Gold Award. Sam Amad is also the superintendent of the Seneca and Hyattstown facilities; Kevin Selock is plant superintendent of the Parkway and Marlboro Meadows plants.

Plants that achieved no more than five violations within a calendar year were recognized with a Silver Award. This included the Piscataway and Western Branch Wastewater Treatment plants. Dale Belschner is superintendent of Piscataway and Brian Mosby is superintendent of the Western Branch facility. Interim General Manager Teresa Daniell recognized these achievements noting that "Environmental stewardship is at the heart of everything we do here and a testament to the hard work and dedication of our plant staffs who work tirelessly to keep our water safe and clean."

Budget Group Award. Chief Finance Officer Tom Traber announced that Budget Group Leader Sheila Cohen and her team consisting of Carol Barnes, Rubina Barrett, Loree Benziger, Mark Brackett, Julie Pohutsky, Letitia Carolina-Powell, and Kathy Scullion, were recognized for their excellent work that led to the receipt of the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA). In order to receive this award the Commission had to satisfy nationally-recognized guidelines for effective budget presentation for Fiscal Year 2010.

PUBLIC COMMENTS

There were no comments from the press or public.

Internal Audit Office

A. Internal Audit Office Charter. Commissioner Mandel moved that the commission adopt SP 2010-01, Audit Charter. Commissioner Miller seconded the motion. The motion carried with six affirmative votes.

B. Fiscal Year 2010 Risk-Based Audit Plan. Commissioner Miller moved that the Commission adopt the Fiscal Year 2010 Risk-Based Audit Plan. Commissioner Mandel seconded the motion. The motion carried unanimously.

C. Monthly Activity Report. Ms. Bardwell, Internal Audit Manager provided Commissioners with the highlights of her department's monthly audit activities.

Commissioners' Items

Commissioner Miller had to leave the meeting temporarily so the Commissioners delayed discussion on the Bylaws until Commissioner Miller returned for the afternoon session.

CONSENT CALENDAR

Vice Chair Starks asked that three items be removed from the consent calendar because they had not been briefed at the July 15, 2009 meeting. Those items were: Adoption of an Amendment to Resolution 2010-1812; Award of contracts - BF5024A09; 5661; and 5669. Commissioners agreed and the following motion was offered: Commissioner Mandel moved that the Commission adopt the consent calendar limited to the following items:

Contract BF5024A09 for services associated with the planning and design of the Potomac Ferric Chloride System to Hazen and Sawyer, PC in the amount of \$638,985.00.

Contract BR/CR4764A08 for Water Main Replacement and Relocation on various streets in Prince Georges County to Schummer, Inc in the estimated amount of \$1,181,895.00.

Contract BR/CR4720B07 for Water Main and Sewer Replacement, Oxon Hill, Prince George's County, Maryland Southern Zone to Joseph Canova & Son, Inc in the estimated amount of \$1,140,384.00.

Contract 5295 for Mechanical Joint Gate Valve and Accessories (Resilient Seated Gate Valve) for the Materials & Services Group to Business Promotion consultant, Inc in the amount of \$762,779.

Contract 5423 for High Performance (Asphalt) Cold Mix to QPR a Division of Lafarge in the amount of \$832,276.

Contract 5323 for Dry Barrel Complete Fire Hydrants to Business Promotion Consultants, Inc in the amount of \$863,616.

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

Customer Care

A. Contract 68-4436 CE - Emergency Water Main Reconstruction and Rehabilitation of the 48-inch PCCP Water Main, Rockville. After reviewing the provisions in this contract, Commissioner Mandel moved to approve the amendment to Resolution 2009-1812 regarding Contract 68-4436 CE - Emergency Water Main Reconstruction and Rehabilitation of the 48-inch PCCP Water Main, Rockville. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

Engineering and Construction

A. BF5024A09 - Potomac Ferric Chloride System Construction

Contracts. Following a briefing, Commissioner Agarwal moved that the Commission award Contract BF5024A09 for services associated with the planning and design of the Potomac Ferric Chloride System to Hazen and Sawyer, PC in the amount of \$638,985.00. Commissioner Moore seconded the motion. The motion carried with five affirmative votes.

Production Team

A. 5661 - Piscataway Biosolids Management & Utilization. Upon the conclusion of the briefing, Commissioner Mandel moved to award Contract 5661 for Biosolids Management and Utilization at the Piscataway Wastewater Treatment Plant to Urban Service Systems Corporation in the amount of \$1,494,438.70. Commissioner Moore seconded the motion. The motion carried with four affirmative votes. Vice Chair Starks voted nay.

B. 5669 - Repairing and Repainting the Interior and Exterior of the Falls Road Standpipe. Commissioners were briefed and then Commissioner Mandel moved to award Contract 5669 for Repairing and Repainting the Interior and Exterior of the Falls Road Standpipe to Corfu Contractors, Inc. in the amount of \$1,272,483. Commissioner Moore seconded the motion. The motion carried with four affirmative votes. Commissioner Starks voted nay.

Finance Office**A. Public Hearing Dates for the FY 2011 Proposed Budget.**

Commissioner Mandel moved that the Commission approve the Public Hearing Dates for the FY 2011 Proposed Budget as follows: Prince George's County: Wednesday, February 3, 2010 at 7:30 p.m. RMS Building-Room 308, 1400 McCormick Drive, Largo, Maryland and Montgomery County: Thursday, February 4, 2010, at 7:30 p.m. Stella B. Werner Office Building, 7th Floor Council Hearing Room, 100 Maryland Ave. Rockville, MD. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

B. Resolution 2010-1830). Commissioner Mandel moved that the Commission approve Resolution 2010-1830 authorizing the Issuance of Water Supply Bonds of 2009 (Second Series). Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

C. Resolution 2010-1831. Commissioner Mandel moved that the Commission approve Resolution 2010-1831 authorizing the Issuance of Sewage Disposal Bonds of 2009 (Second Series). Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

D. Resolution 2010-1832. Commissioner Mandel moved that the Commission approve Resolution 2010-1832 Authorizing the Issuance of General Construction Bonds of 2009 (Second Series). Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

E. Resolution 2010-1833. Commissioner Mandel moved that the Commission approve Resolution 2010-1833 Providing for the Public Sale, and Publication of the Notice of Sale of the Water Supply Bonds of 2009 (Second Series), the Sewage Disposal Bonds of 2009 (Second Series), and the General Construction Bonds of 2009 (Second Series) and Providing for the Consolidation of such bonds for issuance, sale and delivery as a Single Series of Bonds. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

Executive Session

Commissioner Mandel 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 approve executive session minutes for July 10, 15, and 29, 2009; Section 10-508(a)(1) to discuss the following personnel matter: contract of direct reports. Vice Chair Starks seconded the motion. The motion carried with five affirmative votes. At 11:30 the meeting was declared closed.

Commissioners moved from the auditorium to the conference room.

ATTENDEES: Chair Gene Counihan, Vice Chair Joyce Starks, Commissioners Prem Agarwal, Adrienne Mandel, and Roscoe Moore, Jr.; Interim Deputy General Manager Teresa Daniell and Corporate Secretary Charlett Bundy were present. Ms. Daniel left for the discussion on the contract of a direct report.

Commissioner Mandel moved to approve the executive session minutes for July 10, 15, and 29, 2009. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes.

A brief discussion on a direct report's contract matter was held. Commissioner Agarwal then moved to end the executive session and resume the open session. Vice Chair Starks seconded the motion. The carried with five affirmative votes. At 12:15 p.m. the meeting was declared open.

Commissioner Miller returned during the lunch break.

OPEN SESSION RESUMED

Commissioners' Reports

A. Committee Reports. Chair Counihan announced the creation of three committees. The Governance/Personnel Committee which will manage the personnel matters of direct reports to Commissioners and matters relating to the governing documents such as updates, etc.; the Bi-County Committee which will address infrastructure needs and finding sources to fund infrastructure projects; and Pension Committee which will address the representation on the WSSC Employees' Retirement Board of Trustees. He noted that he would serve on the Bi-County Committee; Commissioner Mandel will serve on the Retirement Board of Trustees and Commissioner Moore will serve on the Governance/Personnel Committee. Vice Chair Starks said the Prince George's County Commissioners would announce their committee preferences at the next meeting.

Scholarship Committee. Chair Counihan asked for a motion to rename the scholarship in honor of Vice Chair Starks given her dedication to this important activity whereupon he moved that the Commissioners' Engineering Scholarship Fund be renamed the Joyce Starks Engineering Scholarship Fund. Commissioner Agarwal seconded the motion. The motion carried with four affirmative votes as Vice Chair Starks abstained to avoid any appearance of self-dealing. Commissioners asked Ms. Bundy to include \$2,000.00 in the Fiscal Year 2011 budget for two scholarships as there would not be funding in the Fiscal Year 2010 budget for the scholarship.

B. Corporate Secretary's Report. Ms. Bundy reviewed the items in her report. Commissioners reached a consensus on the job description for the corporate secretary that had been revised by the Human Resources Department with the following change: The Job Level will simply state "Corporate Secretary."

AFTERNOON BRIEFINGS

Engineering & Construction

Mr. Gary Gumm briefed Commissioners on three contracts that will be scheduled for a vote at the September Commission meeting. They were: BR/CR4059A05 - Water/Sewer Reconstruction, Aspen Hill Park; BR/CR4764B08 - Water/Sewer Reconstruction, University Park II; and AC5034A09 - Area Water and Sewer House Connection. Commissioner Mandel asked about the level of disruption at Aspen Hill Park noting that the park is heavily used by the community for pleasure and organized events. Mr. Gum advised the community will receive a briefing when the time to begin the project nears.

Commissioner Miller asked that WSSC RFPs be edited to read "WSSC encourages MBE participation" rather than simply state that MBE participation is voluntary.

BYLAWS

Commissioners reviewed the revisions to the Bylaws voted on at the last meeting and made new revisions. In Section 1.03, paragraph

A(2) was edited to remove reference to Article 2; Section 2.04 was deleted; Section 3.03 title: edited to read "Official Action Without a Vote"; Section 3.03 first sentence to read, "Matters of routine or minor significance at a meeting as determined by the Chair, ..." Section 7.05 Paragraph E becomes Paragraph B and Paragraph E(i.e. B) (5) was edited to add as item (a) Article 29 and the following list renumbered; Paragraph 7.06 was edited to read "Provide oversight of the personnel matters of direct reports and others as may be stated in the WSSC Delegation of Authority."; Paragraph 7.06(I) was discussed and Commissioners decided to leave in the language referencing the corporate sponsorship account even though in 2008 they voted not to make use of the fund due to economic constraints; the creation of Section 9.02 with the heading Method of Notice of Amendment was accepted; Commissioners did not address Paragraph A in Section 9.02.

Commissioner Mandel requested Commissioners review the following sections in the Bylaws wherein the concept of majority vote is described because in each of these citations there is no conforming definition of majority vote. Sections: 204 (deleted); 205(B); 205(C); 2.07(B); 3.01; 3.02(A); 5.06; 6.02(B); 6.05(A) (3); 6.07(D); 7.07; and 9.01(B). She asked that Commissioners consider applying one definition throughout the Bylaws before the next review is completed.

Unfinished Business

A. Procedure for Paying for Legal Fees of Commissioners. General Counsel Blask reviewed his draft standard procedure for allowing the payment of legal fees for Commissioners. Chair Counihan said he would work with Mr. Blask to create a modified draft for Commissioners to review.

B. Document Control Procedure; Procedure for Commissioners' Response Under the WSSC Communications Policy; and Procedure for Commissioners' Management of EEO Complaints Against General Mgr. Chair Counihan referred these drafts to the Governance Committee for further editing.

AFTERNOON EXECUTIVE SESSION

At 4:00 p.m. Vice Chair 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 results of an investigative audit conducted by the Internal Audit Manager. Commissioner Agarwal seconded the motion. The motion carried unanimously.

ATTENDEES: Chair Gene Counihan, Vice Chair Joyce Starks, Commissioners Prem Agarwal, Adrienne Mandel, and Roscoe Moore, Jr.; Interim General Manager Teresa Daniell; Corporate Secretary Charlett Bundy, General Counsel Jerry Blask and Internal Audit Manager Maxene Bardwell were present.

As the discussion ensued, Ms. Bundy as the Parliamentarian determined the report was not appropriately discussed in executive session. Commissioner Miller moved to end the executive session. Commissioner Mandel seconded the motion. The motion carried with five affirmative votes as Commissioner Agarwal was out of the room when the vote was taken. At 4:12 p.m. the meeting was opened.

OPEN SESSION RESUMED

Commissioner Mandel moved to amend the agenda to include the special audit investigation on the allegation of inappropriate pricing from a contractor. Commissioner Moore seconded the motion. The motion carried with five affirmative votes as Commissioner Agarwal was out of the room.

Upon further discussion, it was determined the agenda item was a complaint by a contractor that resulted in a special audit but there was no commercially sensitive pricing information as part of the report. Ms. Daniel explained the response that was sent to the contractor explained that the contractor's higher concentration of sulfuric acid was cheaper but that the concentration WSSC bought was preferred because of physical properties of the lesser concentration and the benefits that inured to WSSC operations.

Ms. Bardwell discussed the scope of the audit which was to ascertain the facts that explained WSSC's decision to purchase a lesser concentration of sulfuric acid. The audit revealed that WSSC's conduct in purchasing the lesser concentration of sulfuric acid adhered to all procedures and policies.

Ms. Bardwell then presented Commissioners with the prospect of hiring a part time Ethics Officer for 20 hours a week at \$65,000 and the need to place this item in new and expanded programs under the budget for the Commission Office budget for Fiscal Year 2011.

Adjournment

With no other business to be addressed at this meeting, Commissioner Miller moved to adjourn the meeting, her last meeting. Commissioner Agarwal seconded the motion. The motion carried with six affirmative votes: At 4:35 p.m. Chair Counihan declared the meeting was adjourned.

Respectfully submitted,

