

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, September 19, 2007

Amended November 14, 2007

Laurel, Maryland

Chairman Prem Agarwal called the meeting to order at 8:42 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. Commissioners Marc Lieber, Sandra A. Allen, Juanita Miller and Norman Pruitt were present. Commissioner Joyce Starks appeared by telephone. Also, present were General Manager Andy Brunhart, General Counsel Jerry Blask and Corporate Secretary Charlett Bundy.

Agenda Approval

Commissioner Lieber moved to amend the agenda by moving the audit manager's presentation to the morning closed session and to adopt the agenda with this amendment. Commissioner Allen seconded the motion. The motion carried with six affirmative votes.

Commissioner Lieber made a motion to further amend the agenda for the closed session to include an additional personnel item related to a contract award. Commissioner Allen seconded the motion. The motion carried with five affirmative votes.

In the afternoon session, Commissioner Lieber moved to amend the agenda to make Resolution 2008-1784 a voting item and to change "HB 691" to "HB 692." Commissioner Starks seconded the motion. The motion carried with five affirmative votes.

Later, Commissioner Miller moved to amend the agenda to reflect a vote on the extension of the MBE policy. Commissioner Starks seconded the motion. The motion carried with three affirmative votes. Commissioner Pruitt abstained because he was too new to make a decision on the issue.

Chair Agarwal officially welcomed new Montgomery County Commissioner, Norman E. Pruitt.

GENERAL COUNSEL'S OFFICE

Mr. Blask presented a briefing on Standard Procedure L-07-02, Procedure for Adjudicatory Hearings at WSSC. Commissioners received the additional information requested at the September Commission meeting and agreed it was ready to be voted at on next month's meeting.

PRODUCTION

Tom Heikkinen briefed Commissioners on the change order to Contract 4666-A which was necessitated by unforeseen field conditions.

MORNING CLOSED SESSION

Commissioner Lieber moved to close the meeting pursuant to Subtitle 5 of Title 10 of the State Government Article, Maryland Code: (1) Section 10-508(a)(13) to discuss (a) a personnel matter related to the communication policy and to discuss the Fiscal Year 2008 Audit Plan. Commissioner Allen seconded the motion. The motion carried with five affirmative votes. At 9:16 a.m. the meeting was closed. In attendance were Chair Agarwal, Commissioners Lieber, Allen, Miller and Pruitt and Starks by telephone. Also present were Corporate Secretary Charlett Bundy; General Manager Brunhart, General Counsel Blask, and Internal Audit Manager Maxene Bardwell. Juanita Waller and Kevin Woolbright attended for session on the communication policy. Commissioners reviewed the risk-based audit plan and the communication of a matter involving a Commissioner and a personnel matter involving an employee and a contract award.

Commissioner Lieber moved to end the closed session and resume the open meeting. Commissioner Allen seconded the motion. The motion carried with five affirmative votes. At 11:00 a.m. the meeting was opened. Commissioner Allen left the meeting after the discussion on the audit plan.

OPEN SESSION RESUMED**FINANCE OFFICE**

1. FY-09-14 CIP Update. Commissioners were briefed on the information presented at the hearings on the CIP.
2. FY-09 Budget Including Alternatives for Infrastructure Rehabilitation. This briefing addressed WSSC's rate structure based on a 30-year plan to update the infrastructure.
3. 2008 Front Foot Benefit & House Connection Rates. The plan for connection rates that has been approved by each county government was reviewed. Commissioner Allen moved to adopt the following schedule for adopting the 2008 Front Foot Benefit and House Connection Rates:
 - 10/31/07 Detailed advertisement of public hearing;
 - 11/14/07 Commission work session on rate recommendations;
 - 11/14/07 Public hearing to receive comments (2:30 p.m.);
 - 12/18/07 Record to receive public comments closes;
 - 12/19/07 Commission approves rates;
 - 01/01/08 Rates take effect.

Commissioner Lieber seconded the motion. The motion carried with five affirmative votes.

4. Resolution 2007-1783 Authorizing signatures for grant applications. Mr. Traber briefed Commissioners on Resolution 2008-1783 which provides authorization for either the production manager or general manger to sign federal and state grant applications.

5. WSSC Employee Retirement Plan - Board of Trustee Research. Mr. Traber advised Commissioners of the result of a study that recommended the constitution of the Retirement Plan board be adjusted to allow for two of the eleven members of the board to be WSSC retirees, replacing public members.

ENGINEERING AND CONSTRUCTION

Commissioners were briefed on the following contracts: Architect/Engineering Construction and Paving Inspection, Contract IC2007A07; T. Howard Duckett Dam Update, Contract BD4144A05 and the several Basic Ordering Agreements for design services to be awarded to several companies under the following contract numbers: PM0001A07; PM0002A07; PM0003A07; PM0004A07; PM0009A07; PM0010A07; PM0011A07; and PM00012A07.

GENERAL MANAGER'S OFFICE

Monthly Report. Mr. Brunhart first discussed the controversy over the plastic bottles used for bottled water. He noted that the decision to stop using bottled water with a WSSC label was made to be consistent with the company's strategy to promote environmental awareness. He also discussed the right-of-way issue regarding the nearness of development to WSSC pipes. He noted that WSSC would be working with the counties to determine the best approach to ensure future development maintains an adequate distance from WSSC pipes.

Construction on the wind farm is behind two weeks. Two companies in the U.S. make water treatment pellets and their orders are behind. There is a two-year backlog for filling orders for pellets but WSSC is at the top of the list. Lastly, Mr. Brunhart summarized information on the SLMBE dashboard report. He noted that architecture and engineering was behind in the number of SLMBE businesses receiving WSSC business but noted the contracts awarded at this meeting will improve the percentages of awards to SLMBE businesses in this area.

Mr. Brunhart summarized the succession planning that has been created for WSSC employees. He explained the competencies published for each position and the process for employees to work toward developing competencies for higher-level positions. He noted the beginning of management coaching that would work with the succession planning.

OPEN SESSION -- AUDITORIUM

At 1:09 p.m. Chair Agarwal called the public meeting to order. Commissioners Lieber, Allen, and Miller were present. Commissioner Starks appeared by telephone. Chair Agarwal asked Mr. Brunhart to lead the pledge of allegiance.

APPROVAL OF MINUTES

Commissioner Miller moved that the Commission approve the open session minutes from the August 15, 2007 Commission Meeting. Commissioner Lieber seconded the motion. The motion carried with four affirmative votes and one abstention from Mr. Pruitt who could not vote on the minutes as he was not at the August 15th meeting.

AREA PRESS QUESTIONS

There were no press questions.

PRESENTATION OF WSSC RETIREES

The retiree present to receive recognition was Benjamin F. Porter, a Lead Electronics and Communications Technician who retired with 28 years and 10 months of service.

Retirees who did not attend included: Robert N. Houchin, a Satellite Garage Unit Coordinator in Fleet Services at Temple Hills who retired with 28 years and 2 months of service and Gregory L. Washington, a Computer Inventory Coordinator who retired with 28 years and 10 months of service.

COMMISSIONERS' ITEMS

Chair Agarwal officially welcomed the new Commissioner from Montgomery County, Norman E. Pruitt.

Commissioner Pruitt thanked the Montgomery County Executive Ike Leggett for his appointment and thanked all who worked diligently to ensure his arrival at WSSC in time for the September meeting. He expressed his pleasure to serve and stated he looks forward to a collegial working relationship with fellow commissioners.

Commissioner Lieber welcomed Mr. Pruitt to the Commission. Mr. Lieber also noted that the September meeting is likely to be the last one for Commissioner Allen. He said he wanted to acknowledge her fabulous work as well as that of Commissioner Botts and recognize all that they did for the ratepayers of WSSC. Lastly, Mr. Lieber noted he was proud that WSSC included the Broad Creek project in its capital investment plan. He stated this action represents responsiveness to community requests.

Commissioner Starks welcomed Mr. Pruitt. She also commended the General Manager, Andy Brunhart, Tom Buckley, Chief Plumbing Inspector and Bob Youngquist, Sr. Plumbing Inspector for their assistance on Saturday and Sunday to ensure that a school in Prince George's County could complete the plumbing inspections and obtain the permits to open on Monday September 17, 2007. Lastly, she expressed her appreciation to Commissioner Allen for all of her contributions to the Commission.

Commissioner Miller stated the name of the school Commissioner Starks referenced was the Henson Valley Montessori School and that the chairman of the board of the school extends his gratitude to the WSSC team who worked with the Department of Environmental Resources in a collaborative way to ensure the timely opening of the school. Commissioner Miller expressed her thanks for the WSSC team's work in accomplishing the timely plumbing inspections.

GENERAL MANAGER'S ITEMS

Mr. Brunhart also commended Mr. Buckley and Mr. Youngquist and added that Ms. Zohreh Movahed also assisted with ensuring that the school in Prince George's County received timely plumbing inspections. He welcomed Commissioner Pruitt to WSSC by congratulating him for joining a solid company that is returning to its world class position.

CONTRACT AWARDS/RESOLUTIONS

Finance Office

1. Resolution 2008-1783 to Authorize Grant Applications.

Commissioner Lieber moved that the Commission approve Resolution 2008-1783, that authorizes the General Manager or Chief of Production to execute and file, grant and loan applications with the United States Environmental Protection Agency and the Maryland Department of the Environment. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

2. Transmit FY09-14 CIP to Counties. Commissioner Miller moved that the Commission authorize transmittal of the Proposed Fiscal Years 2009-2014 Capital Improvements Program to Prince Georges County and Montgomery County Governments. Commissioner Lieber seconded the motion. The motion carried with five affirmative votes.

Logistics

Security Guard Services Contract 3972. Commissioner Miller moved that the Commission approve Change Order No. 6 to Contract 3972 for Security Guard Services with Knight Protective Service, Inc. which increases the Contract by \$313,867.45 and covers the extension period. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes. Commissioner Starks voted nay.

Customer Care

Contract CI4687A07. Commissioner Lieber moved that the Commission award Contract CI4687A07 for area sewer renewal and lining in various locations in Montgomery County to Insituform Technologies in the amount of \$2,522,400.00. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

Engineering and Construction

1. **Contract CS4441A06.** Commissioner Miller moved that the Commission award Contract CS4441A06 for design services for the Anacostia Storage Facility, to Whitman Requardt and Associates, LLP in the amount of \$2,112,553. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

2. **Contract BR4065B05.** Commissioner Miller moved that the Commission award Contract No. BR4065B05 for water main replacement, on Maryhurst Drive in Hyattsville, to Sagres Construction Corporation in the amount of \$1,730,850.00. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

3. **Resolution 2008-1782.** Commissioner Lieber moved that the Commission adopt Resolution 2008-1782, which incorporates HB 709, The Propane Bill, as Amendment One to the WSSC Plumbing & Fuel Gas Code. Commissioner Miller seconded the motion. The motion carried with five affirmative votes.

4. **Contract PM0001A07.** Commissioner Lieber moved that the Commission award Contract PM0001A07 for a Water and Sewer Basic Ordering Agreement to A.B. Consultants, Inc. in the amount of \$2,000,000. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

5. **Contract PM0002A07.** Commissioner Miller moved that the Commission award Contract PM0002A07 for a Water and Sewer Basic Ordering Agreement to A. Morton Thomas & Associates, Inc. in the amount of \$2,000,000. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes. Commissioner Starks' telephone connection was lost during this vote.

6. **Contract PM0003A07.** Commissioner Miller moved that the Commission award Contract No. PM0003A07 for a Water and Sewer Basic Ordering Agreement to EBA Engineering, Inc. in the amount of \$2,000,000. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes.

7. **Contract PM0004A07.** Commissioner Pruitt moved that the Commission award Contract PM0004A07 for a Water and Sewer Basic Ordering Agreement to Johnson, Mirmiran & Thompson in the amount of \$2,000,000. Commissioner Lieber seconded the motion. The motion carried with four affirmative votes.

8. **Contract No. PM0009A07.** Commissioner Miller moved that the Commission award Contract No. PM0009A07 for a Water and Sewer Basic Ordering Agreement to KCI Technologies, Inc. in the amount of \$2,000,000. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes.

9. **Contract No. PM0010A07.** Commissioner Lieber moved that the Commission award Contract No. PM0010A07 for a Water Agreement to Michael Baker, Jr., Inc. in the amount of \$2,000,000. Commissioner Miller seconded the motion. Commissioner Starks had rejoined the meeting for this and subsequent votes. The motion carried with five affirmative votes.

10. **Contract No. PM0011A07.** Commissioner Miller moved that the Commission award Contract No. PM0011A07 for a Water and Sewer Basic Ordering Agreement to The Wilson T. Ballard Company in the amount of \$2,000,000. Commissioner Pruitt Seconded the motion. The motion carried with five affirmative votes.

11. **Contract No. PM0012A07.** Commissioner Lieber moved that the Commission award Contract No. PM0012A07 for a Water and Sewer Basic Ordering Agreement to Wallace, Montgomery & Associates, LLP in the amount of \$2,000,000. Commissioner Pruitt seconded the motion. The motion carried with five affirmative votes.

**AFTERNOON SESSION -
COMMISSIONERS' CONFERENCE ROOM**

The meeting resumed at 2:35 p.m. in the Commissioners' Conference Room.

Engineering and Construction

Ross Beschner, Acting Chief Engineer, provided Commissioners a briefing on the timeline to complete modifications to Duckett Dam which must accommodate the possibility of the 1 in 10,000 year storm that would cause an overflow of the dam.

COMMISSION OFFICE

SLMBE Office

Resolution to Adopt Size Standards from HB 692. Commissioners reviewed the necessity to adopt size standards describing small and local minority business enterprises so that the WSSC standards are in concert with the standards adopted by the State of Maryland. Commissioner Lieber then moved to adopt Resolution 2008-1784 to bring WSSC's SLBE definition in compliance with the State of Maryland as defined in HB 692. Commissioner Starks seconded the motion. The motion carried with five affirmative votes.

Annual Report for Legislature. Commissioners reviewed the draft of the FY 2007 Legislative Report from the SLMBE office. SLMBE Director, Ms. Livingston asked for comments from Commissioners by September 28, 2007 so that a revised document could be provided to Commissioners for final review and adoption. Commissioners agreed that the draft could be posted on the WSSC web site.

Commissioner Miller then moved to extend WSSC standard procedure MBE96-01 as amended up to an additional 90 days of its current expiration date of November 5, 2007. Commissioner Starks seconded the motion. Commissioner Pruitt abstained because he was too new as a commissioner to make a decision on the issue. The motion carried with three affirmative votes.

Commissioners' Staff Reports

Internal Audit Monthly Report. Ms. Bardwell advised Commissioners of the monthly activities of the Internal Audit Department.

Corporate Secretary

Monthly Report. Ms. Bundy provided Commissioners a report of her monthly activities.

AFTERNOON CLOSED SESSION

Commissioner Miller moved to close the meeting pursuant to Subtitle 5 of Title 10 of the State Government Article, Maryland Code: Section 10-508(a)(7) to discuss legal advice on (a) MBE Program Policy; and Section 10-508(a)(13) to: approve closed session minutes for August 15, 2007; to discuss the FY 2008 Audit Plan; (c) to state the review date for the Internal Audit Manager's performance review; and (d) to discuss resolution of confidential settlement regarding audit results of former contract. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes. At 3:19 p.m. the meeting was closed.

In attendance were Chair Agarwal, Commissioners Miller and Pruitt. Commissioner Starks was present by telephone. Also present were Corporate Secretary Charlett Bundy; General Manager Brunhart and General Counsel Blask. For the discussion on the audit matters, Maxene Bardwell, Internal Audit Manager was in attendance. For the matters on the MBE Program, Towanda Livingston was present.

Second Afternoon Closed Session

Commissioner Miller moved to close the meeting pursuant to Subtitle 5 of Title 10 of the State Government Article, Maryland Code: Policy; and Section 10-508(a)(13) to: approve closed session minutes for August 15, 2007; (c) to state the review date for the Internal Audit Manager's performance review; and (d) to discuss resolution of a confidential settlement regarding audit results of a former contract. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes. At 4:28 p.m. the meeting was closed.

At 4:30 p.m. the meeting was again closed. Commissioner Miller moved to approve the closed session minutes for August 15, 2007. Commissioner Starks seconded the motion. Commissioner Pruitt abstained because he was not present at the meeting. The motion carried with three affirmative votes. Commissioners discussed the date for the internal audit manager's review and the settlement of a matter regarding audit results of a former contract.

Commissioner Miller moved to go into open session. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes.

ADJOURNMENT

Commissioner Miller then moved to adjourn the meeting. Commissioner Pruitt seconded the motion. The motion carried with four affirmative votes. At 4:57 p.m. the meeting was adjourned.

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Charlett Bundy, Esq.
Corporate Secretary