

WASHINGTON SUBURBAN SANITARY COMMISSION

MINUTES OF THE COMMISSION MEETING

Wednesday, November 14, 2007
Laurel, Maryland

Chair Adrienne A. Mandel called the meeting to order at 8:43 a.m. in the Commissioners' Conference Room 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.

All Commissioners were present, i.e., Vice Chair Joyce Starks, Prem Agarwal, Juanita Miller, Norman Pruitt and Gene Counihan. Also present at the meeting were Andy Brunhart, General Manager; Jerry Blask, General Counsel; and Charlett Bundy, Corporate Secretary.

Agenda Approval

Commissioner Pruitt moved to approve the agenda. Commissioner Counihan seconded the motion. The motion carried with four affirmative votes as Commissioners Starks and Miller arrived after the vote.

WORK SESSION - COMMISSIONERS' CONFERENCE ROOM

Finance Office

Mr. Traber had three items. The first item was presented by Mr. Baker who discussed results of a research project regarding the restructuring of the membership of the WSSC Employees' Retirement Plan Board of Trustees. Next, Commissioners were advised that the September 2007 Monthly Report had been transmitted to the county governments. Last, Commissioners were briefed on the proposed 2008 Front Foot Benefit and House Connection Rates.

Engineering and Construction

Commissioners were introduced to the new chief engineer, Gary Gum. Mr. Ross Beschner briefed the Commissioners on eight contracts for water main replacement, i.e., contracts BR3082F01, BR/CR4058C05, BR/CR4058D05, BR4313A06, BR/CR4313B06, BR/CR4543A07, BR4543B07, R/CR4395E06; and one contract for sewer planning, PM0007A07.

Intergovernmental Relations Office

Ms. Mirmiran provided a briefing on three bills that impact WSSC that are being considered in the Maryland legislature. They are as follows: PG/MC 104-08 WSSC Budget Approval; PG/MC 106-08 WSSC's System Development Charge Exemptions; and PG/MC 102-08 Appointment/Interviews for WSSC Commissioners. After some discussion, Commissioners took a position relative to each bill.

PG/MC 102-08. Commissioner Starks moved that the Commission support bill PG/MC 102-08, WSSC Budget Approval. Commissioner Agarwal seconded the motion. The motion carried with six affirmative votes.

PG/MC 104-08. Commissioner Miller moved that the Commission take no position at this time on Bi-County Bill PG/MC 104-08, WSSC Budget Approval. Commissioner Starks seconded the motion. The motion carried with six affirmative votes.

PG/MC 106-08. Commissioner Counihan moved that the Commission take no position on Bi-County Bill PG/MC 106-08, WSSC Budget Approval. Commissioner Counihan amended the motion to state that the Commission take no position on bill PG/MC 106-08, WSSC Budget Approval but that the Commission not oppose the concept of helping community groups. Commissioner Pruitt seconded the motion. Before the vote was taken, Commissioner Counihan withdrew his motion. Commissioner Starks then moved that the Commission defer taking a position at this time on Bi-County Bill PG/MC 106-08. Commissioner Pruitt seconded the motion. The motion carried with six affirmative votes.

OPEN SESSION

At 1:07 p.m. Chair Mandel called the public meeting to order. All commissioners were present. She asked Commissioner Agarwal to lead the pledge of allegiance.

APPROVAL OF MINUTES

The next order of business was the approval of the minutes. Commissioner Starks moved to approve the minutes from the October 17, 2007 meeting. Commissioner Agarwal seconded the motion. The motion carried unanimously.

PRESENTATION OF WSSC RETIREES

One retiree was recognized but he was not present to receive recognition. He was Robert Hart Dudley, a Production Trainer who retired with 35 years and 6 months of service.

AREA PRESS QUESTIONS

There were no press questions.

COMMISSIONERS' ITEMS/COMMENTS

Commissioner Starks welcomed the three new Commissioners from Montgomery County and noted that everyone can look forward to Commissioners working as a productive team. She wished the staff a happy and safe Thanksgiving.

Commissioner Agarwal echoed her comments in welcoming the new Commissioners and wishing staff a happy and safe holiday.

Commissioner Counihan noted as a new Commissioner, he appreciated the understanding and patience of the veteran Commissioners as the new Commissioners get up to speed and he acknowledged the help and support

from the corporate secretary, general manager and other members of the senior management team at WSSC. He extended holiday wishes to all.

Commissioner Miller extended happy holidays and thanks to employees for their service. She said she looks forward to receiving the best from the employees.

Chair Mandel noted that in 2007 the Maryland Assembly passed a bill that provides for incentives to encourage development of wind power generation facilities. "We at WSSC are ahead of the curve," she said. Chair Mandel congratulated Mr. Brunhart, Tom Heikkinen, Rob Taylor and their outstanding staff on the Production Team for their efforts that led to the purchase of a wind power sustainable energy source. Chair Mandel remarked that she hopes this investment, with its far reaching environmental benefits and cost savings, will be emulated by WSSC's sister water/wastewater agencies. She noted WSSC's purchase of wind power is a stunning coup that will provide one third of our entire energy needs. She thanked and applauded the efforts of WSSC staff involved in this endeavor.

Chair Mandel then noted she had appointed Commissioner Miller as chair of the WSSC Ethics Steering Committee and Commissioner Counihan as vice chair. Chair Mandel noted that she had appointed Commissioners Pruitt and Starks to serve on the WSSC Employee Retirement Board. All Commissioners accepted their appointments prior to the meeting.

GENERAL MANAGER'S ITEMS/COMMENTS

Mr. Brunhart wished a happy holiday to everyone. He noted that WSSC is the cover story in the AWWA magazine. Mike McGill of the Communications Office wrote the story and Ron Williams' photography was used in the article. He congratulated them both. He introduced Mr. Gary Gumm, the new WSSC Chief Engineer.

FINANCE OFFICE

Re-appointment of Employee Representatives to WSSC Employees' Retirement Board of Trustees. Commissioner Counihan moved that the Commission approve Resolution 2008-1786 that authorizes reappointment of Sheila Cohen and David Russel to the WSSC Employees' Retirement Plan Board of Trustees. Commissioner Pruitt seconded the motion. The motion carried with six affirmative votes.

Customer Care Team

Contract 5232. Commissioner Pruitt moved to award Contract 5232 for locating and identifying underground facilities to Utiliquest, LLC in the amount of \$1,498,191. Commissioner Agarwal seconded the motion. The motion carried with six affirmative votes.

Engineering and Construction

Contract PM0005A07. Commissioner Counihan moved to award Contract PM0005A07 for an Architect/Engineer Basic Ordering Agreement for Sanitary Sewer Rehabilitation Support to Buchart Horn, Inc. in the amount of \$1,500,000. Commissioner Miller seconded the motion. The motion carried with six affirmative votes.

Contract PM0006A07. Commissioner Agarwal moved to award Contract PM0006A07 for an Architect/Engineer Basic Ordering Agreement for Sanitary Sewer Rehabilitation Support Program to EBA Engineering in the amount of \$1,500,000. Commissioner Miller seconded the motion. The motion carried with six affirmative votes.

Contract BE3452A0. Commissioner Pruitt moved to award Contract BE3452A0 for Southern Prince George's County Elevated Water Storage Tank, CBI Constructors, Inc. in the amount of \$3,560,630. Commissioner Counihan seconded the motion. The motion carried with six affirmative votes.

At 1:50 p.m., having awarded all of the contracts on the agenda, Commissioners then moved to the conference room to handle the remainder of the agenda items.

**OPEN WORK SESSION -
Commissioners Conference Room**

General Manager's Office

Monthly Report. Mr. Brunhart gave the Commissioners a synopsis of company operations for the past month. First, he discussed the progress in connecting the wastewater system of Marlboro Meadows to WSSC planned to occur in December 2007. He mentioned the historic valve turning that connected Marlboro Meadows water to WSSC's water system early in the month. Mr. Brunhart stated the WSSC central bidder's registration system would be completed by April 2008. He mentioned the on-going restructuring in Human Resources and the current vacancies.

Mr. Brunhart congratulated Customer Care for creating a three-year business plan and for being the first department to do so. He highlighted the acquisition of easements for the Patuxent water shed.

Commissioners were briefed on the progress with Mr. Brunhart's hiring of a deputy general manager; progress with the IT Department's annual action items and a request from Charles County to buy water and effluent from WSSC's Piscataway plant as coolant for their power plants. The request is for 1.5 million gallons a day.

Lastly, Mr. Brunhart reviewed the dashboard reports of monthly data on water, wastewater treatment, basement backups and SLMBE contracts.

SLMBE DIRECTOR

Chair Mandel asked each Commissioner to give considerable thought to the process for developing an SLMBE program during the next month. Mr. Traber explained the linked deposit element of the proposed SLMBE program. The need to pass an interim program at the December meeting to avoid having a lapse of the WSSC SLMBE policy was restated.

Internal Audit Office

Ms. Bardwell provided her monthly report of audit activities. She noted also the upcoming Ethics Steering Committee meeting that would continue to address the Annual Action Item 5 which addresses the creation of a company-wide ethics training program. Commissioner Starks suggested that Ms. Bardwell provide a quarterly update to benchmark where the department is in relation to the annual audit plan.

Ms. Bardwell then turned to the management letter containing results from the external audit. Representatives from the firm of Thompson, Cobb & Bazilio who conducted the external audit, reviewed the management letter with Commissioners.

Corporate Secretary's Office

Ms. Bundy provided an overview of her activities for the month and the ongoing developments in the planning of the retreat for the Commissioners. The Commissioners' expense reports were reviewed and it was noted that Commissioners had voted to raise the annual expense account from \$2500 to \$3000.

An error in the September 19, 2007 minutes was brought to the attention of Commissioners. It involved the seconding of a motion. Commissioners were presented with corrected minutes. Commissioner Agarwal moved to amend the September 19, 2007 minutes to show Commissioner Pruitt had seconded the motion for awarding Contract PM0001A07. Commissioner Miller seconded the motion. The motion carried unanimously.

CLOSED SESSION

At 3:19 p.m. Commissioner Agarwal moved to close the meeting pursuant to the Maryland Code Annotated, Subtitle 5 of Title 10 of the State Government Article, Maryland Code, Section 10-508(a)(7) to discuss settlement of a contract dispute and EEO lawsuit(s); and Section 10-

508(a) (13) to discuss: Closed Session Minutes for the October 17, 2007 Commission meeting; the performance review for the Internal Audit Manager; Revisions to the 2007 Audit Plan; a purchase order for outside services; and a personnel matter regarding a direct report to Commissioners. Commissioner Starks seconded the motion which carried with five affirmative votes (Commissioner Miller was temporarily out of the room).

The closed session attendees included Chair Mandel, Vice Chair Starks, Commissioners Agarwal, Miller, Pruitt and Counihan. For the discussion on the EEO lawsuits Mr. Brunhart and Mr. Blask were present. Ms. Bundy was present for all but the discussion on the internal audit manager's review and the discussion on a direct report. Mr. Rudy Chow joined the discussion on the revisions to the Audit Plan. Attorney David C. Muncini attended the discussion on the law suit involving Alpha Corporation.

Closed Session Minutes

Commissioner Pruitt moved to approved minutes for the closed session of the October 17, 2007 Commissioner meeting. Commissioner Agarwal seconded the motion. The motion carried with five affirmative votes as Commissioner Miller was temporarily out of the room.

Internal Audit

Commissioner Starks made a motion to amend the Fiscal Year 2008 Internal Audit Plan to accommodate certain changes requested by the Internal Audit Manager. Commissioner Pruitt seconded the motion. The motion carried unanimously.

General Counsel's Office

A motion was made to settle a contract lawsuit and an EEO lawsuit. The motion for the Contract lawsuit carried unanimously and the motion for the EEO lawsuit carried with three affirmative votes, two nay votes and one abstention.

Purchase Order for Outside Services

Commissioners made a motion to purchase legal services which passed with five affirmative votes. There was one nay vote.

MOTION TO END THE CLOSED SESSION

Commissioner Agarwal moved to end the closed session at 7:43 p.m. and resume the public meeting. Commissioner Miller seconded the motion. There were six affirmative votes so the motion carried. At 7:44 p.m. the open session resumed.

ADJOURNMENT

Commissioner Agarwal moved to adjourn the meeting. Commissioner Miller seconded the motion. The motion carried with six affirmative votes. At 7:45 p.m. Chair Mandel declared the meeting was adjourned.

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Charlett Bundy, Esq.
Corporate Secretary