



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
307th MEETING OF THE BOARD OF DIRECTORS
Thursday, April 4, 2024
9:30 am

DC Water will broadcast this meeting via livestream: <https://dcwater.com/watch-board-meetings>

- I. **Call to Order (Keith Anderson, Chairman)**
- II. **Roll Call (Michelle Rhodd, Board Secretary)**
- III. **[Approval of the March 7, 2024 Meeting Minutes](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 1. [Environmental Quality and Operations Committee \(Howard Gibbs\)](#)
 2. [DC Retail Water and Sewer Rates Committee \(Howard Gibbs\)](#)
 3. [Finance and Budget Committee \(Anthony Giancola\)](#)
- VI. **[CEO and General Manager's Report \(David L. Gadis\)](#)**
- VII. **Consent Items (Joint Use)**
 1. [Approval of Funding for FY24 and FY25 Fleet Vehicles and Equipment, Multiple Suppliers TBD, – Resolution No. 24-17](#) (Recommended by the Environmental Quality and Operations Committee 03-21-24)
 2. [Approval to Execute a Sole Source Partial Denitrification/Anammox \(PdNA\) Pilot Equipment Purchase, World Water Works, Inc. – Resolution No. 24-18](#) (Recommended by the Environmental Quality and Operations Committee 03-21-24)
 3. [Approval to Execute Change Order No. 0003 of Contract No. 180060, Miscellaneous Facilities Upgrade - Phase 7, American Contracting Environmental Services, Inc. - Resolution No. 24-19](#) (Recommendation by the Environmental Quality and Operations Committee 03-21-24)
- VIII. **Consent Items (Non-Joint Use)**
 1. [Approval of an Amendment to a District of Columbia Department of Transportation \(DDOT\) Participation Project, Florida Avenue NE from 2nd Street to H Street NE, District of Columbia Department of Transportation - Resolution No. 24-20](#) (Recommended by the Environmental Quality and Operations Committee 03-21-24)
 2. [Approval of District of Columbia Department of Transportation \(DDOT\) Participation Project, Intersection of Florida Avenue NE and New York Avenue NE Intersection, District of Columbia Department of Transportation – Resolution No. 24-21](#) (Recommended by the Environmental Quality and Operations Committee 03-21-24)

3. [Approval of Senior and Co-Managing Underwriting Services, Multiple Firms – Resolution No. 24-22](#) (Recommended by the Finance and Budget Committee 03-28-24)

IX. Executive Session¹ (Keith Anderson, Chairman)

X. Adjournment (Keith Anderson, Chairman)

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.

Upcoming Committee Meetings | via Microsoft Teams

- April 10th @ 9:30 am Governance Committee
- April 18th @ 9:30 am Environmental Quality & Operations Committee
- April 23rd @ 9:30 am DC Retail Water and Sewer Rates Committee
- April 25th @ 11:00 am Audit and Risk Committee

¹The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under DC Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under DC Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under DC Official Code § 2-575(b)(4)(A); collective bargaining negotiations under DC Official Code § 2-575(b)(5); facility security matters under DC Official Code § 2-575(b)(8); disciplinary matters under DC Official Code § 2-575(b)(9); personnel matters under DC Official Code § 2-575(b)(10); third-party proprietary matters under DC Official Code § 2-575(b)(11); train and develop Board members and staff under DC Official Codes § 2-575(b)(12); adjudication action under DC Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under DC Official Code § 2-575(b)(14); and other matters provided under the Act.



**306TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
MARCH 7, 2024**

DIRECTORS PRESENT

District of Columbia Members

1. Keith Anderson, Chairperson
2. Rachna Bhatt, Principal
2. Anthony Giancola, Principal
3. Howard Gibbs, Principal
4. Jed Ross, Alternate
5. Richard Jackson, Principal

Prince George's County Members

1. Floyd Holt, Principal
2. Jared M. McCarthy, Alternate
3. Andrea Crooms, Alternate

Montgomery County Members

1. Jon Monger, Principal
2. Fariba Kassiri, Principal
3. Steven Shofar, Alternate

Fairfax County Members

1. Christopher Herrington, Principal
2. Sarah Motsch, Alternate

DC WATER STAFF

1. David Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Officer, and Executive Vice President Government and Legal Affairs
3. Matthew T. Brown, Chief Financial Officer, and Executive Vice President Finance, Procurement and Compliance
4. Wayne Griffith, Chief Administration Officer and Executive Vice President
5. Jeffrey F. Thompson, Chief Operating Officer and Executive Vice President
6. Michelle Rhodd, Secretary to the Board

The 306th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Keith Anderson at 9:30 AM. The meeting was held via Microsoft Teams and streamed live at www.dewater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

I. APPROVE MINUTES

Chairperson Keith Anderson asked for a motion to approve the minutes of the February 1, 2024, Board meeting.

Upon a motion duly made and seconded, the Board of Directors approved the minutes of the February 1, 2024, Board meeting with a correction in the minutes of the Special Meeting of the Governance Committee.

II. CHAIRPERSON'S OVERVIEW

Mr. Anderson thanked board member Rachna Bhatt for serving as the Interim Chairperson over the past few months. He also thanked the Board and DC Water staff for their hard work and service.

Mr. Anderson acknowledged new board member Richard Jackson and asked him to share some of his background.

III. COMMITTEE REPORTS

*Environmental Quality and Operations Committee
Sarah Motsch*

Environmental Quality and Operations Committee Chairperson Sarah Motsch reported on the Committee's February 28 meeting. Nicholas Passarelli provided the Blue Plains Advanced Wastewater Treatment Plant Performance update. All parameters were within the National Pollution Discharge Elimination Standard permit limits. The tunnel systems and wet weather treatment captured 531 million gallons with 117 million gallons overflowed due to a large rain event. Onsite energy generation from the Combined Heat and Power facility and solar panels for the month was 23% of the average treatment plant consumption. 3,483 wet tons of biosolids were sold as Bloom in January, towards an FY24 goal of 65,000 tons.

The Committee received a fire hydrant update from Sylvia Okogi, Acting Senior Manager, Water Operations. DC Water is meeting the out-of-service level of 1% or less, established in the Memorandum of Understanding with the DC Fire and Emergency Medical Services Department.

The Committee also received a quarterly update from Maureen Schmelling, Director, Water Quality, DC Water, on the status of DC Water's water quality monitoring program. DC Water is in compliance with the Lead and Copper Rule and Total Coliform Rule.

David Parker, Vice President, Engineering & Technical Services presented an update on the status of Capital Improvement Program (CIP) projects and Key Performance Indicators (KPIs) through the 1st Quarter of FY24. Projected disbursements are on track to meet the baseline budget of \$448.6M and of the 36 schedule KPIs 3 have been achieved within the threshold. A summary of progress on projects in the service areas in the CIP was presented. Service areas discussed included the Non-Process Facilities, DC Clean Rivers, Wastewater Treatment, Stormwater, and Sanitary Sewer and Water areas. Specific details of projects in the planning, design and constructions phases were highlighted. Specific updates included the response to the Anacostia Main Interceptor sink hole, Lead Free DC, Potomac Interceptor Manhole 31 rehabilitation and the Partial denitrification – Anammox pilot.

Matthew Brown, Chief Financial Officer and EVP Finance, Compliance and Procurement presented the proposed Capital Improvement Program (CIP) Budget for FY24-FY33. Following which the Committee made a recommendation to move the \$7.74 billion CIP budget forward to the full Board for approval in March 2024. The process and schedule for budget approval was presented including the upcoming public outreach and subsequent board approval of the FY25 and 26 rates in July.

Finance and Budget Committee
Anthony Giancola

Finance and Budget Committee Chairperson Anthony Giancola reported on the Committee's February 22 meeting. Lola Oyeyemi, Vice President, Budget presented the January 2024 Financial Report. Total operating revenues were favorable to budget at \$319.4 million, or 36.4 percent of the annual budget; operating expenditures were \$213.7 million, or 29.0 percent of the budget; and capital disbursements were \$142.2 million or 23.5 percent of the budget. She reported that staff continues to work on various FY 2023 closeout activities.

Ms. Oyeyemi went on to provide an update on the new retail payment processing system which is anticipated to go live in February 2024. Residential customers will be assessed a convenience fee of \$1.95 fee per transaction and Non-Residential customers will be assessed a 2.65 percent fee per transaction. Customers can still pay with ACH for free. Staff also held meetings with the Office of the People's Counsel and Wholesale Customers regarding the Budget and Proposed Rates. She further noted the DC Council Public Oversight Hearing for FY 2023 – FY 2024 Performance is scheduled for February 29, 2024.

Mr. Brown updated the Committee on the commercial paper program and rising interest rates. Ivan Boykin, Vice President, Finance, explained that DC Water issued taxable commercial paper in 2008 for upgrades to the Washington Aqueduct and that the original amount remained outstanding.

Director of CIP Infrastructure Management Paul Guttridge presented the quarterly CIP update to the Committee, including budget status, key performance indicators, and progress highlights across the service areas.

Mr. Brown provided an overview of the Proposed FY 2025 budget and two-year rates. He outlined the budget components and sought the Committee's recommendation for approval to move the following items to the full Board: the Proposed Amended FY 2024 and Proposed FY 2025 Operating Budget, Proposed Amended FY 2024 Revenue Budget, the Proposed FY 2024 – FY 2033 Capital Improvement Program (CIP) including the Proposed FY 2025 Capital Budget, Proposed FY 2025 and FY 2026 Revenue Rates and Fees, Proposed FY 2024 – FY 2033 Financial Plan, the Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing, and a withdrawal from the Rate Stabilization Fund to fund a new Customer Assistance Program.

Mr. Brown reviewed the budget review process, which kicked off in September, meetings with the CEO and department leaders. After the budget was proposed DC Water held a Budget Workshop with the Board and briefed the Office of People's Counsel (OPC) and the Wholesale Customers. Mr. Brown emphasized the importance of the Board's role in approving the budget, as outlined DC Water's establishment act and reviewed the budget approval process.

Mr. Brown highlighted the various components and drivers of the Proposed FY 2025 Operating Budget of \$788.2 million and the Proposed 10-Year Capital Improvement Program Budget of \$7.74 billion. The multi-year rate proposal for FY 2025 and FY 2026 is a 4.8 percent increase for FY25 and 6.5 percent increase for FY26 for the average household customer. He explained that these rate increases are lower than previous forecasts due primarily to the timing of bond issuance and higher than anticipated consumption. Mr. Brown reminded the Committee that the rate-making material is on a dedicated web page, which illustrates DC Water's continued commitment to being transparent about the budget process to its ratepayers and stakeholders. He also discussed various outreach efforts, including town halls, public hearings, and publication channels.

Mr. Giancola commended the team for its efforts, followed by the Committee's recommendation to move all the proposed budgets to the full Board for approval.

*Special Meeting of the Governance Committee
Christopher Herrington*

Governance Committee Chairperson Christopher Herrington reported on the Special Meeting of the Governance Committee that was held on February 22. The Committee continued the discussion of the Delegation of Authority which was started at its January 10 meeting. The Committee met in executive session to discuss the Legal team's recommendations to the Authority's existing Delegation of Authority. The Committee provided feedback to those recommendations.

Mr. Herrington went on to report that at the Governance Committee's April meeting, the Committee will review the final edits and forward a resolution to the Board for consideration and approval.

*DC Retail Water and Sewer Rates Committee
Howard Gibbs*

DC Retail Water and Sewer Rates Committee Chairperson Howard Gibbs reported on the Committee's February 27 meeting. Chief Financial Officer and Executive Vice President Matt Brown presented the Monthly Report as of January 31, 2024. Overall, revenue was favorable to the budget by about 6.6%. All categories were favorable to budget except for the District Government and the Other Revenue Category. The Other category was 3.1% below the budget due to lower revenue from the Developers Fee, System Availability Fee, and the Washington Aqueduct Backwash. Total delinquent accounts increased in dollar amount but decreased in number; over half of the delinquent amounts are in the Multi-Family Category.

Robert Ryall from Arcadis briefed the Committee on the independent review of proposed FY2025 & FY2026 rate charges. Arcadis reviewed study objectives and procedures and DC Water's recent financial performance, the proposed budgets and rates for FY 2025 and FY 2026, a bill impact assessment, DC Water's customer affordability programs, the rate model, the proposed Water is Life Amendment Act, and finally recommendations. Rate increases were proposed due to capital investment needs, as reflected in the 10-year Capital Improvement Program (CIP) budget of \$7.7 billion, as well as growing operating costs that are projected to increase by 20% from 2023 to 2026. DC Water's proposed rates for FY 2025 and FY 2026, with 8% and 6% overall revenue increases, were deemed reasonable. DC Water's rates were slightly higher than but comparable to other utilities, and affordability compared to median household income was found to be similar to the national average.

Mr. Ryall discussed the impact of rate increases on customers and evaluated Affordability Programs. Overall, the study found that the bill reduction from DC Water's CAP program lowered the bill more than other utilities in the survey. DC Water's Customer Assistance Programs were compared with other utilities, highlighting effectiveness of the existing and the addition of new programs.

The proposed Water is Life Amendment Act was analyzed for potential impacts, including revenue loss due to expanded definitions and prohibition of water service disconnections. Mr. Ryall expressed concern about the Act's potential consequences on increased customer delinquencies, possible bond rating downgrades, and additional borrowing costs.

Overall, Mr. Ryall affirmed that DC Water's proposed rates for fiscal years 2025 and 2026 were reasonably developed, adhered to industry principles, and aligned with Board policies. Recommendations from the report included a suggestion for a new parcel analysis, review of Water System Replacement fee, and continued monitoring of declining water sales.

Meisha Thomas, Director of Customer Care, presented expansion plans for the DC Water Cares program which are the addition of CAP Plus, the leak assessment program, and the Payment Plan Incentive Program. CAP Plus applicants will receive benefits equivalent to CAP benefits plus an additional two CCFs of water and sewer service, an additional benefit of \$39 per month. Budget requests include \$500,000 for CAP Plus, \$500,000 for the Leak Assessment Program, and \$4 million over two years for the Payment Plan Incentive Program.

Ms. Thomas emphasized ongoing discussions with Risk Management and the Office of General Counsel to ensure proper documentation for customer consent of the work completed. There were discussions about logistics of the Leak Assessment Program. Ms. Thomas emphasized the ongoing discussions with Risk Management and the Office of General Counsel to ensure proper documentation for customer consent of the work done. Ms. Thomas acknowledged the concerns and stated that the considerations would be kept in mind moving forward. The presentation concluded with updates on the Residential Assistance Program, which is set to end in fiscal year 2024 and to be replaced with the Payment Plan Incentive Program. The Committee recommended moving forward with the proposed customer assistance program expansions.

Mr. Brown presented the rate proposal to the Committee for recommendation and adoption by the Board. The Presentation covered the Budget Approval Process, Cost of Service Principles, and Proposed Financial Plan. Mr. Brown discussed the multi-year rate proposal highlighting benefits of multi-year rates like revenue certainty and transparency. Mr. Brown outlined the rate approval process including town halls, a public hearing, and formal comments. He discussed the budget approval process including Board adoption and submission to US Congress through the District of Columbia's budget. Mr. Brown emphasized the transparency of the budget and ratemaking process and mentioned the website where information is available as well as a rate calculator that will allow for customers to understand the impact of the proposed rates on their household or business. He provided a discussion of the proposed rates, their alignment with the budget, and the rate consideration process.

Mr. Brown presented the work plan for rate adoption and public engagement leading to Board adoption on July 3rd. The Committee recommended the Water and Sewer Rates, Fees, and Financial Plan to the Board for adoption at the next meeting.

The Retail Water and Sewer Rates Committee discussed the work plan focusing on rate adoption schedule and upcoming activities. The Board is expected to approve all budget-related items on March 7th. The Notice of Proposed Rulemaking and DC Register Publication scheduled for March 22nd, initiating the outreach and public comment period. The Public Hearing will take place on May 9th with the Committee record hearing closing on May 16th. DC Water will prepare written responses to all comments received. The final recommendation will be presented to the Committee on June 25th for adoption by the Board on July 3rd.

IV. ISSUES OF GENERAL INTEREST

Mr. Herrington noted that the Potomac Interceptor break raised concerns about potential groundwater contamination for Fairfax County residents who rely on groundwater for drinking water supply. He commended DC Water staff for helping to coordinate meetings and outreach efforts with Fairfax County and impacted residents. Mr. Herrington remarked that as part of DC Water's continued process improvement, there were lessons learned to enhance response and coordination efforts. Overall, the DC Water staff gave an above-and-beyond response.

Mr. Giancola congratulated the DC Water staff on a well-done presentation at the DC Council Committee of Transportation and Environment meeting. He stated that the presentation clearly outlined the Lead-Free Program's financing limitations in the next six years.

V. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David Gadis thanked board member Rachna Batt for her interim service as Board Chairperson following the retirement of former Board Chair Tommy Wells. Mr. Gadis welcomed new Board Chairperson Keith Anderson and reviewed his background. Mr. Gadis also welcomed new board member Richard Jackson, Director of the DC Department of Energy and Environment, who would serve as a Principal member representing the District of Columbia. Mr. Gadis noted that Mr. Jackson's extensive experience and expertise in chemical and environmental engineering would be of great value to the Authority and the Board. Mr. Gadis also thanked Mr. Jackson for co-presenting with him during the recent DC Council Committee on Transportation and Environment Oversight Hearing.

Mr. Gadis provided an update on the Substantiable Equitable imperative. He provided an overview of the February 29th, the DC Council Committee on Transportation and

Environment held the annual Reforms' Oversight hearing for DC Water and several other agencies. Mr. Gadis provided a State of the Utility update and a review of DC Water's major 2023 accomplishments, emphasizing the Authority's award-winning equity programs. Mr. Gadis reported that he responded to questions from Committee Chair Charles Allen and Councilmember Zachary Parker on various topics, including the Authority's bill dispute process, Lead-Free DC, the Clean Rivers project, the Authority's improved performance, and the recent warm water advisories. Mr. Gadis encouraged the Board to view the hearing on the video recording in the Council's archive. The offices of Government and Legal Affairs, in partnership with the offices of Marketing and Communications, Finance, Administrative, Operations, and Engineering, collaborated to develop data-driven testimony that effectively anticipated and addressed the questions from the Council members.

Mr. Gadis went on to report that DC Water completed the well water sampling and testing it had conducted on behalf of the City of Great Falls, Virginia near the manhole rehabilitation project on the Potomac Interceptor. There was no evidence of failure of the section of pipe, and the resulting sinkhole had no adverse effect on groundwater in the area. The Fairfax County Health Department concurred with this conclusion and would take over the sampling and communications about the well water quality.

The DC Water contractor continued to optimize the bypass pumping system set up to convey flow around the collapsed section of the Potomac Interceptor. The team also evaluated options to install a temporary pipe in place of the collapsed pipe to convey overflows beyond the bypass pump's capacity. Mr. Gadis thanked Mr. Herrington for his engagement on the issue. He further stated Mr. Herrington's knowledge, experience, and local insights were invaluable and ensured DC Water's positive and successful collaboration with Fairfax County leadership and residents.

On February 12th, in-person, virtual, and pre-recorded staff training sessions were held on the advancement of the Blue Performance Management System. Important changes included converting to a five-point rating system and establishing specific, measurable, achievable, relevant, time-bound, and SMART criteria and first-hand training in the Oracle Cloud system. As of February 28th, over 86% of employees completed required training. All staff must complete the training by March 14 and finalize their goals for the 2024 evaluation cycle.

Mr. Gadis briefed the Board on the Land Use Master Plan program. DC Water has eight major campuses and over 3.5 million square feet of building space, dozens of satellite locations, and over 150 buildings in Washington, DC, accommodating over 1,300 employees. In alignment with and support of Blueprint 2.0, the Authority refocused the land use program to meet the challenges of highlighted wellness demands, still evolving

post-pandemic work environments, and regulatory requirements driven by climate change.

DC Waters contracted with McKissick to update and enhance the 10-year land use master plan. The master planning team would organize departmental and personnel resource data and comprehensive information on campuses and facilities to capture significant land-use changes. The 10-year master plan would present the existing structure of the organization, existing and potential campuses, facilities, and resources and provide recommendations for new facilities, renovations, and modifications to meet the ever-changing needs of the Authority's operations.

The facilities department and the McKissick team will meet with every member of the senior leadership team and key members of the leadership team in the organization to understand the specific personnel and space requirements. The space requirements would inform the master plan and meet the needs of Team Blue for the next 10 years and beyond. The completed master plan would guide and recommend capital improvement projects and other safety and wellness improvements throughout the campuses. The \$2.3 million overhaul of the 10-year land use master plan would be performed in campus-focused phases through the remainder of 2024 and 2025.

VI. CONSENT ITEMS (JOINT USE)

1. Approval of the FY 2023 – FY 2033 Proposed Capital Improvement Program – **Resolution No. 24-06** (Recommended by the Environmental Quality and Operations)
2. Approval to Amend Fiscal Year 2024 Operating Budget – **Resolution No. 24-07** (Recommended by the Finance and Budget Committee 02-22-24)
3. Approval to Amend the Fiscal Year 2024 Revenue Budget – **Resolution No. 24-08** (Recommendation by the Finance and Budget Committee 02-22-24)
4. Approval of Proposed Fiscal Year 2025 Operating Budget – **Resolution No. 24-09** (Recommended by the Finance and Budget Committee 02-22-24)
5. Approval of Fiscal Year 2024 – 2033 Financial Plan – **Resolution No. 24-10** (Recommended by the Finance and Budget Committee 02-22-24)
6. Approval of Official Intent to Reimburse Fiscal Years 2024 and 2025 Capital Expenditures with Proceeds of a Borrowing - **Resolution No. 24-11** (Recommended by the Finance and Budget Committee 02-22-24)

7. Approval of Transfers from the Rate Stabilization Fund to the Authority General Fund in FY2024 and FY2025 Operating Budgets – **Resolution No. 24-12** (Recommended by the Finance and Budget Committee 02-22-24)

Upon a motion duly made and seconded, the Board of Directors voted and unanimously approved the joint use resolutions as presented.

VII. CONSENT ITEMS (NON-JOINT USE)

1. Approval to Participate in the District Department of Transportation Metro Branch Trail Project Under the Terms of the 2002 Memorandum of Understanding Between District of Columbia Department of Transportation and DC Water – **Resolution No. 24-13** (Recommended by the Environmental Quality and Operations Committee 02-15-24)
2. Approval to Execute Change Order No. 003 of Contract No. 200030, Small Diameter Water Main Replacement-16A, Capitol Paving of D.C., Inc. – **Resolution No. 24-14** (Recommended by the Environmental Quality and Operations Committee 02-15-24)
3. Approval of Proposed Fiscal Years 2025 and 2026 Retail Metered Water and Sewer Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRAIC), Retail Groundwater Sanitary Sewer Service Rate, and High Flow Filter Backwash Sewer Rate – **Resolution No. 24-15** (Recommended by the DC Retail Water and Sewer Rates Committee 02-27-24)
4. Approval to Publish Notice of Proposed Rulemaking to Establish the New Customer Assistance Program, CAP Plus (CAP+) for Low-Income Residential Customers - **Resolution No. 24-16** (Recommended by the DC Retail Water and Sewer Rates Committee 02-27-24)

Upon a motion duly made and seconded, the Board of Directors voted and unanimously approved the non-joint use resolution as presented.

VIII. ADJOURN

There being no further business before the Board, the meeting at adjourned at 10:26 AM.

Michelle Rhodd
Secretary to the Board of Directors



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
MARCH 21, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
2. Steven Shofar, Alternate, Montgomery County
3. Jared McCarthy, Alternate, Prince George's County
4. Andrea Crooms, Alternate, Prince George's County

OTHER BOARD MEMBER PRESENT

1. Richard Jackson, Principal, District of Columbia

DC WATER STAFF PRESENT

1. David Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Wayne Griffith, Chief Administration Officer and EVP
4. Debra Mathis, Assistant Secretary to the Board

The Environmental Quality and Operations Committee meeting was called to order by Howard Gibbs, Vice-Chairperson at 9:31 AM. The meeting was held via Microsoft Teams. Debra Mathis, Assistant Secretary to the Board, DC Water called the roll.

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, Vice President, Wastewater Operations presented a summary of the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) performance for February 2024. The average flow through to complete treatment was 295 million gallons per day (MGD) for the month, this was a decrease from January (332 MGD). It was reported that all National Pollutant Discharge Elimination System (NPDES) permit requirements were met.

Mr. Passarelli discussed the performance of the Anacostia tunnel system and wet weather treatment at BPAWTP. It was noted that precipitation for the month was 1.4 inches and the combined wet weather flows captured by the tunnel system was 43.2 million gallons. There were no flows through Outfall 001 and no overflows from the Tunnel System during the month.

Mr. Passarelli discussed electrical energy use and onsite generation at BPAWTP. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 26% of the average consumption at BPAWTP. The CHP Facility generated an average of 8.3 megawatts (MW), of which 7 MW was transferred to the Blue Plains grid. The solar system generated an average of 0.5 MW, which was an increase from January. Electrical consumption for the month was 29.1 MW megawatts. The total purchased power from PEPCO averaged 21.6 MW.

Mr. Passarelli discussed biosolids production and Bloom marketing at BPAWTP. During February, 13,010 wet tons of biosolids were produced; 8,350 wet tons were sold as Bloom and the remaining 4,660 wet tons were land applied through existing land application contracts. Progress continues to be made to achieve Bloom marketing goals for FY24. To date, 26,980 tons have been marketed compared to the goal of 65,000 tons for FY24.

II. INTENSIFICATION RESEARCH UPDATE

Haydee De Clippeleir, Director, Clean Water Quality & Technology, DC Water, gave a presentation on research efforts related to intensification at BPAWTP. In this context, intensification refers to improving and optimizing treatment plant performance within existing physical, financial, and regulatory constraints. Dr. De Clippeleir discussed some of the constraints, including compliance with NPDES permit limits despite increasing flows and nutrient loads to BPAWTP, and limited availability of space onsite at BPAWTP which requires improvements to treatment processes to make use of existing infrastructure. The approach of DC Water's researchers is to do more with less and that means conducting more permit-driven proactive research, that further incorporates affordability and sustainability considerations.

Dr. De Clippeleir discussed two examples of intensification and resource recovery - one related to nutrient removal and one related to activated sludge in secondary treatment. Graphs were presented showing the relationship between space requirements (footprint) and cost of conventional and innovative treatment technologies for nutrient removal and activated sludge. It was noted that the goal in intensification is to focus on technologies which have a lower overall footprint and lower cost. For nutrient removal, technologies related to anammox fit this model, therefore DC Water focuses investment on research on anammox based processes. Similarly, for secondary treatment, densification of solids, high-rate processes and granulation fit the model.

Dr. De Clippeleir discussed intensification approaches for nutrient removal, noting that current processes in use at BPAWTP involved conventional nitrification and

denitrification. These processes require a lot of infrastructure and are quite expensive. DC Water have been doing research on anammox based processes. The Authority looked at Partial Nitritation – Anammox (PNA) and Partial denitrification – Anammox (PdNA) processes. The PNA process is cost effective, however it is very difficult to apply to full scale treatment, as it requires near-perfect conditions to be successfully applied. The PdNA process has been shown to be cost effective, by saving methanol and aeration costs. Further, the PdNA process does not require new infrastructure to be constructed for its' application, it can be applied by making modifications to existing infrastructure at BPAWTP. Adoption of this process would position operations at BPAWTP to achieve future goals for energy and carbon neutrality.

Dr. De Clippeleir described how DC Water has been assessing and testing the PdNA process for implementation since 2012. This was done in collaboration with the Hampton Roads Sanitation District (HRSD). A proof of principle pilot has been conducted since 2012 to understand the PdNA process; how to select for the reactions, how to control the reactions, what carbon sources can work and how to implement the process for BPAWTP. This led to a business case that showed the potential for this process to create value for DC Water. Implementation of the process would create capacity within existing infrastructure at BPAWTP, to treat greater nutrient loads and therefore postpone the potential need for future expansion of infrastructure at the plant. Further, the process would result in savings for costs for methanol costs, as the PdNA process uses 30-40% less methanol. With the reduction in methanol use and corresponding savings in energy use for aeration, the carbon footprint for BPAWTP will be reduced.

Dr. De Clippeleir discussed how DC Water is currently looking to implement a pilot scale demonstration of the PdNA process within the existing processes at BPAWTP. Following the initial business case evaluation for PdNA, a few issues emerged which highlighted the need to collect more information before deciding to implement PdNA at full scale. The issues are related to the design of the Integrated Fixed Film Activated Sludge (IFAS) zone and the control systems for aeration and carbon dosing. Completion of this pilot will provide additional information to help finalize the business case for full scale implementation of PdNA at BPAWTP and help with the decision on whether this is the correct approach to adopt.

Dr. De Clippeleir remarked that one of the nitrification reactors at BPAWTP will be converted to the PdNA process as part of the pilot scale demonstration. This reactor will be used to simulate what the PdNA process will look like for DC Water. Aeration systems will be tested to confirm that ammonium nitrate can be supplied to the PdNA zone. The PdNA zone is a zone within the designated nitrification reactor that will be converted into an IFAS zone. In this IFAS zone, plastic media will be added and retained with screens. The media will function as a surface on which the anammox will grow for the PdNA process. Dr. De Clippeleir discussed that though IFAS zones are commonly used in wastewater treatment, the hydraulics associated with the high flow conditions at BPAWTP are problematic for conventional IFAS designs. DC Water worked with World Water Works, Inc to develop custom plastic media to function in the PdNA process and not obstruct flows through the plant during wet weather events. The custom media is heavier,

which allows it to settle out and not block screens in the reactor during high flow conditions.

Dr. De Clippeleir discussed the timeline for implementing the pilot scale demonstration, noting that startup is planned for the summer of 2025. DC Water is currently looking to commence procurement of the equipment for the pilot and start construction planning in the summer of 2024. It was noted that the project is also supported by external funding from the District Department of Energy & Environment (DDOE), Water Research Foundation (WRF) and Oceankind. The funding from DDOE is part of a larger project which involves numerous utilities that are all doing PdNA demonstration scale testing. The value of the funding from DDOE is \$1.2 million and will be used for carbon purchasing and provision of staff. The funding from the WRF and Oceankind is \$600,000 and will be used for the purchase of equipment and for aeration control testing and development.

Dr. De Clippeleir discussed intensification approaches for the activated sludge secondary treatment system. Based on capacity analyses conducted for the secondary system, it is projected that the system will reach capacity and additional reactor volume will be needed at BPAWTP. DC Water's research group has been evaluating alternatives for creating additional capacity within existing infrastructure and without having to construct new reactors. The evaluated alternatives all relate to the physical properties of separating the activated sludge from the water in secondary treatment processes.

Dr. De Clippeleir described the high-rate contact stabilization process implemented in 2021 to address capacity issues in secondary treatment at BPAWTP. As part of the process, the quality of the microorganisms in the activated sludge were improved, resulting in more stable and higher quality effluent from secondary treatment. This process was an easy solution and came at no added cost to DC Water. A pilot that simulates the full-scale system for this process is underway.

In reference to the plastic media proposed to be introduced for the pilot scale demonstration for the PdNA process, Committee member Jared McCarthy queried whether there would be an increase in the concentrations of microplastics introduced into the water system with the use of this media. Dr. De Clippeleir confirmed there is ongoing research in the industry related to this topic and DC Water is monitoring for any outcomes from the research. Dr. De Clippeleir added that the type of plastic proposed for use in the media is of a higher grade and does not easily decompose. Further, the plastic media would be replaced or renewed at a frequency before it starts to degrade.

III. ACTION ITEMS

JOINT USE

1. Contract No. N/A – FY24 & FY25 Fleet Vehicles and Equipment – Multiple Suppliers TBD

2. Contract No. N/A – Sole Source - Partial Denitrification/Annamox (PdNA) Pilot Equipment Purchase – World Water Works, Inc
3. Contract No. 180060, Change Order No. 0003 – Miscellaneous Facilities Upgrade-Phase 7 – American Contracting Environmental Services, Inc

NON-JOINT USE

1. DDOT - Amendment to a DDOT Participation Project, Florida Avenue NE From 2nd Street to H Street NE – District of Columbia Department of Transportation
2. DDOT Participation Project – Florida Ave NE and NY Ave NE Intersection – District of Columbia Department of Transportation

John PappaJohn, Director of Procurement, Goods & Services, DC Water presented Joint Use Action Item 1.

David Parker, Vice President, Engineering & Technical Services, DC Water, presented the remaining Joint Use Action Items and Non-Joint Use Action Items.

The Committee recommended moving all Joint Use and Non-Joint Use Action Items to the full Board for approval.

IV. OTHER BUSINESS/EMERGING ISSUES

As a follow up to the February 2024 Committee Meeting, committee member Howard Gibbs confirmed that the fire hydrant that was observed in the system to be missing the color band was located on 6th St, SE just south of Pennsylvania Ave, SE. Jason Hughes, Vice President, Water Operations confirmed DC Water will follow up with the Committee to provide details on the status of the specific hydrant ahead of the April 2024 committee meeting.

V. ADJOURNMENT

The meeting was adjourned at 10:07 AM.



**MINUTES OF THE MEETING
DC RETAIL WATER AND SEWER RATES COMMITTEE
MARCH 26, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Howard Gibbs, Vice Chairperson
2. Jed Ross, Alternate
3. Richard Jackson, Principal

DC WATER STAFF

1. David L. Gadis, CEO and General Manager
2. Matthew T. Brown, Chief Financial Officer and EVP Finance, Procurement and Compliance
3. Wayne Griffith, Chief Administration Officer and EVP
4. Jeffrey Thompson, Chief Operating Officer and EVP
5. Debra L. Mathis, Assistant Board Secretary

The DC Retail Water and Sewer Rates Committee meeting was called to order by Howard Gibbs, Vice Chairperson, at 9:31 AM. Assistant Board Secretary Debra L. Mathis called the roll.

I. MONTHLY REPORT TO THE DC RETAIL WATER AND SEWER RATES COMMITTEE

Matthew Brown, Chief Financial Officer and EVP noted that the Fire Protection Fee Cost of Service Study will be presented at the next Retail Water and Sewer Rates Committee meeting. The cost to provide the service for the District of Columbia has increased since COVID-19 as material costs have escalated, and DC Water requested an additional review of the consultant's work before it is presented to the Committee.

Mr. Brown presented the monthly financial report through February, noting that the financial results were consistent with the trend of prior months. The report included a favorable variance of about \$10.7 million (2.8% overall) against the budget. Mr. Brown highlighted both favorable and unfavorable variances. The Residential, Commercial, and Multi-Family categories are slightly ahead of budget due to higher than anticipated

consumption, primarily in the commercial category. Federal and PILOT, and Right-of-Way fees have favorable receipts compared to the budget. District Government has slightly lower receipts at \$9.9 million or 39.4 percent of the budget mainly due to lower consumption. The DC Housing Authority is lower at \$5.5 million or 37.3 percent of the budget due to not receiving the February payment, which was received late in March, and this will be reflected in next month's report. Other revenue is lower than budget due to lower than anticipated developer fees, system availability fees, and the Washington Aqueduct Backwash.

Mr. Brown noted an increase in greater than 90-days delinquency accounts where the dollar amount increased by approximately \$900,000 to \$31.7 million and the number of accounts by 150 to a total of 10,472 accounts. He noted that the primary driver of these increases was the multi-family category.

Ogechi Okpechi Director, DCW Permit Operations explained that DC Water Permit Operations is now processing refunds internally and is no longer working with the consultant. She reported that 46 accounts were processed in the last month, with a total refunded amount of over \$600,000. She also noted that the total amount of refunds processed for FY 2024 to date, is higher than what was processed for the whole of FY 2023, with 158 accounts processed and \$2.7 million refunded to date for FY24, while 105 accounts were processed in FY 2023 for a refund of \$1.7 million.

Ms. Okpechi stated that some accounts were debits, not credits, as the customer owed money to DC Water. Approximately 59 accounts totaling \$150,000 were debits. Ms. Okpechi elaborated that while reviewing these accounts, it was discovered that many work orders were not closed due to lack of inspections or missing deliverables. She stated that the Permit Operations team is working with developers to improve the documentation process.

Acting Chairperson Howard Gibbs inquired where the funds retained for refunds are held. Mr. Brown explained that the funds are held in the cash balance. Mr. Gibbs asked if a forfeiture is processed, there is no transfer of funds between accounts, which Mr. Brown confirmed. Mr. Gibbs asked how long the funds must be legally held before they are forfeited. Ms. Okpechi answered that the funds are held for ten years. Mr. Brown noted that the law only requires the funds to be held for two years, but it was decided to extend that time frame due to the nature of construction timelines and the large number of deposits. He also noted that these timelines may be revisited.

II. WATER AND SEWER RATES COMMITTEE WORKPLAN

Mr. Brown reviewed the Committee Workplan and highlighted two items. He noted that the Committee had started the ratemaking process. Mr. Brown reviewed the ratemaking

process timelines, stating that the Notice of Proposed Rulemaking (NOPR) was published on March 22. The public outreach period is underway, town hall meetings are being scheduled, the public hearing will take place on May 9, the public record will close on May 16, responses to public comments will be submitted to the Board on May 31, and Board approval of the Notice of Final Rulemaking on July 3. He noted that the ratemaking section at DC Water website contains information where the public can learn about how DC Water spends money and learn more about the proposed rates.

Mr. Brown also reviewed the revised schedule for the Fire Protection Service Fee, noting that the proposal is anticipated to be brought to the Committee on April 23. Followed by Board approval of the Notice of Proposed Rulemaking on May 2 and publication in the D.C. Register on May 17. Board approval of the Notice of Final Rulemaking is anticipated on July 3.

III. ADJOURNMENT

Mr. Gibbs adjourned the meeting at 9:45 am.



**MINUTES OF THE MEETING
FINANCE AND BUDGET COMMITTEE
MARCH 28, 2024
(Via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Anthony Giancola, Chair

DC WATER STAFF

1. Matthew T. Brown, Chief Financial Officer & EVP
2. Marc K. Battle, Chief Legal Officer & EVP
3. Wayne Griffith, Chief Administration Officer & EVP
4. Michelle Rhodd, Secretary to the Board

The DC Water Finance and Budget Committee meeting was called to order by Anthony Giancola, Chairperson, at 9:30 AM. Board Secretary Michelle Rhodd called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Vice President Budget, presented the February 2024 Financial Report. Total operating revenues were \$394.9 million, or 45.0 percent of the approved budget; operating expenditures were \$266.7 million, or 36.2 percent of the budget, and capital disbursements were \$172.8 million, or 28.6 percent of the budget. She informed the Committee that the FY 2023 Annual Comprehensive Financial Report (ACFR) and the Green Bond Report are completed and available online. Staff continues to work on finalizing the IMA Operating & Maintenance Settlement and the Office of Management and Budget Uniform Guidance Audit for FY 2023. Ms. Oyeyemi further highlighted that the rate town hall meetings have been scheduled to take place in April before the public hearing which is scheduled for May 9, 2024.

Total operating revenues were at \$394.9 million, with a year-to-date favorable variance of \$10.7 million mainly from the Residential, Commercial, and Multi-Family customers due to higher water consumption than anticipated in the budget. She noted that the unfavorable variance in the DC Housing Authority category was due to a late payment which was received in March; this will be reflected in next month's financial report. The unfavorable variance in the Other Revenue category was due to lower Developer Fees, System Availability Fee, and the Washington Aqueduct Backwash compared to budget.

Total operating expenditure was \$266.7 million with lower spending in Personnel Services and Water Purchases categories. Ms. Oyeyemi explained that the unfavorable variance in Supplies & Chemicals is due to increasing costs for critical parts, and staff will continue to monitor the market for any significant budgetary impacts. The authorized vacancy rate at the end of February was 13.1 percent and the active vacancy rate was 6.9 percent. In response to Mr. Giancola's question about vacancies, Ms. Oyeyemi stated that there are over 150 vacant positions and management continues to intensify efforts to lower the vacancy rate to achieve the target by the end of the fiscal year.

Total capital disbursements through the end of February were \$172.8 million, or 28.6 percent of the approved budget. Ms. Oyeyemi reminded the Committee that the capital budget was revised downwards as part of the recent budget process and the budget will be reflected in the next financial report.

The total cash balance was \$695.1 million at the end of February. This included the Rate Stabilization Fund (RSF) of \$35.6 million, operating reserves, \$323 million in undrawn bond proceeds and grants to fund the capital program, and other funds. The year-to-date interest income was \$4.6 million compared to the annual budget of \$7.0 million. Delinquent accounts balance increased to \$31.7 million for 10,472 accounts with half of the balances mainly in the multi-family customer category.

Next, Ms. Oyeyemi explained that the high overtime costs at 55 percent of the annual budget is primarily due to unplanned emergencies and responses during the winter period and year-end cyclical activities for the financial close-out and audit. The higher overtime usage by the Permit Operations department is due to the posture of allowing in-house staff to perform permit refunds rather than leveraging the consultant. Ms. Oyeyemi noted that this strategy has led to an uptick in the number of permit refunds processed totaling 158 to date in 2024, compared to 105 during the entire fiscal year 2023.

II. ACTION ITEM: RECOMMENDATION FOR APPROVAL OF SENIOR & CO-MANAGING UNDERWRITING SERVICES

John T. PappaJohn, Director, Procurement, presented the Fact Sheet for senior and co-managing underwriting services for a period of five years. The pool of 19 qualified investment bankers comprises of some returnees from the last award and new firms for both the senior underwriters and co-managers.

Mr. Giancola recommended that the action item be presented to the full Board for review and approval.

III. OTHER BUSINESS

Matthew T. Brown, Chief Financial Officer & EVP, mentioned that the Townhall hearings for the proposed rates are being scheduled and the dates will be posted on the DC Water website. He explained that two in-person sessions will be held on Saturdays for members of the public. This is a new approach that offers more flexibility for people to participate. There will also be two virtual sessions that will be held in the evenings via Microsoft Teams.

IV. AGENDA FOR THE NEXT COMMITTEE MEETING

Mr. Giancola noted that there is no meeting scheduled for next month, but a full agenda is anticipated for the May 2024 meeting.

V. ADJOURNMENT

Mr. Giancola adjourned the meeting at 9:44 AM.



CEO's Report

APRIL
2024



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

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dc Highlights

Chair Anderson, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for April 2024. This report captures the highlights of the team's efforts over the past month, across the five cascading imperatives of the Blueprint 2.0 strategic plan: **Equitable, Sustainable, Resilient, Reliable, and Healthy, Safe and Well**. There are also individual reports from Finance and Procurement; Shared Services; Customer Experience; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



Authority Schedules Series of Virtual, In-Person Town Hall Meeting on Proposed Rates

The Office of Marketing and Communications is partnering with Finance and Procurement to deliver a series of virtual, and in-person community meetings on the Authority's proposed 4.8 percent rate increase.

During the meetings, we will review the forces and factors shaping the rate proposal, and detail how DC Water was able to reduce the proposed rate change to 4.8 percent from the initial forecast of a 7 percent increase. The meetings will also describe the Authority's expanded Customer Assistance Programs (CAP) in detail, describing eligibility and providing instructions to attendees.

Prior to the launch of the community town hall meetings, DC Water held a special rates briefing for employees called "Let's Talk Rates and How You Can Help," on the afternoon of March 27, to review the rate proposal and our expanded CAP offerings.

The community meetings will begin on April 4, and will continue through the end of the month. The full schedule of rates meetings for April is as follows:



Thursday, April 4, 2024, 6 p.m.

Open to Public
Virtual; MS Teams

Monday, April 15, 2024, 2 p.m.

DC Councilmembers, MOCs
Virtual; MS Teams

Thursday, April 18, 2024, 2 p.m.

Nonprofit Community Partners
Virtual; MS Teams

Thursday, April 18, 2024, 3 p.m.

Business Community Partners
Virtual; MS Teams

Saturday, April 20, 2024, 11 a.m.

Open to Public, In-person
Harriet Tubman Elementary School
3101 13th Street, NW, 11:00 a.m.

Saturday, April 27, 2024, 11 a.m.

Open to Public, In-person,
Department of Employment Services
Minnesota Ave Metro,
4058 Minnesota Ave, NE, 11:00 am

Tuesday, April 30, 2024, 6 p.m.

Open to Public
Virtual, MS Teams


Sustainable
Council Committee on Transportation and Environment Performance Oversight Hearing


On Thursday, February 29, the DC Council Committee on Transportation and the Environment (T&E) held the annual Performance Oversight Hearing for DC Water, and several other agencies and organizations.

At the hearing, I provided a 'State of the Utility' update and reviewed our major accomplishments during 2023, with an emphasis on the Authority's award-winning equity programs, and specific asks to support those initiatives moving forward.

Upon conclusion of my remarks, I answered questions from Committee Chair Charles Allen (D-Ward 6) and Councilmember Zachary Parker (D-Ward 5), on a wide range of topics including the Authority's bill dispute process, Lead Free DC, the Clean Rivers Project, and our improved performance in recent Boil Water Advisories in recent years.

A video recording has been posted to the Council's archive, and I encourage our Board members to view the Hearing. Our Government and Legal Affairs team, in partnership with the Office of Marketing and Communications, Finance, the Administrative team, and Operations and Engineering, helped prepare persuasive and data-driven testimony that effectively anticipated and addressed questions from the Committee.


Resilient
Ten-Year Land Use Master Planning Update

DC Water has eight major campuses, over 3,500,000 square feet of building space, dozens of satellite locations, and more than 150 buildings throughout Washington, D.C. accommodating over 1,300 employees. In alignment and support of Blueprint 2.0, the Authority has refocused the Land Use program to meet the challenges of heightened wellness demands, the still-evolving post-pandemic work environment and regulatory requirements driven by climate change.

DC Water has contracted with McKissack to update and enhance the Ten-Year Land Use Master Plan. The master planning team will gather and organize in-depth baseline department personnel resource data as well as comprehensive information on campuses and facilities to capture the significant changes to the Land Use portfolio. The Ten-Year Master Plan will clearly present the existing structure of the organization, existing and potential campus/facilities resources, as well as provide recommendations for new facilities, renovations, and modifications to better meet the ever-changing needs of Authority operations.

For this work to be most effective, we are updating the goals of the Land Use Master Plan to align with the new Strategic Plan Blueprint 2.0, other initiatives and compliance requirements that have been developed in the past decade. Facilities and the McKissack team are meeting with every member of the SET, plus key members of leadership throughout the organization, to understand their specific personnel and space requirements. These stakeholder requirements will be used to inform the Master Plan and meet the needs of Team Blue for the next ten years and beyond. Once completed, the Master Plan will provide guidance and recommendations for Capital Improvement Projects, as well as other safety and wellness improvements throughout our campuses.

This \$2.3 million overhaul of the Ten-Year Land Use Master Plan will be performed in campus-focused phases through the remainder of FY24 and into FY25.

dc Highlights



Water and Healthcare Coordination Workshop

On Wednesday, March 6, the Authority hosted a workshop, sponsored by the U.S. Environmental Protection Agency (EPA), on Water and Healthcare Coordination, at our Headquarters. The purpose of the workshop was to bring together partners from public health organizations, emergency management, DC Water, and others to discuss water preparedness.

During the session, **Dr. Matt Ries** (Vice President / Strategy and Performance) delivered welcoming remarks, and attendees heard presentations from **Maureen Schmelling** (Director / Water Quality and Technology) on drinking water and monitoring, and **Greg Vernon** (Manager / Emergency Management) presented on the Authority's Critical Customer Program.

Fifty attendees, representing 23 agencies and organizations participated in the all-day event, and heard about several case studies, including the Benton Harbor, Michigan response to lead contamination, the Shreveport, Louisiana hospital water outages during a severe winter storm, and the Howard University Hospital response to an internal water pipe failure in 2016.

Attendees also participated in a tabletop exercise on a hypothetical Boil Water Advisory and Do Not Consume scenarios. The knowledge shared, and relationships built, during the workshop will help ensure that DC Water and our healthcare partners are more resilient to future emergencies.



Healthy, Safe and Well

DC Water Wins 2024 WEX Global Award for Innovation in Building Watersheds



I am very pleased to share that the Authority was honored in March with an award for Innovation in Building Watersheds, at the WEX Global Awards. **Wayne Griffith** (Chief Administration Officer and EVP / Administration) accepted the award on behalf of the Authority.

The WEX Global Awards highlights the best

examples of Circular Economy Strategy within the water sector, and DC Water earned the award thanks to the pioneering Clean Rivers Project, and the Northeast Boundary Tunnel (NEBT) in particular. The NEBT has already captured more than fifteen billion gallons of sewage, and nearly 10,000 tons of trash and debris, that otherwise would have polluted the Anacostia River.

I would like to congratulate **Moussa Wone** (Vice President / Clean Rivers Project), and his team, for securing yet another prestigious award for our efforts.



Divisions

The CEO report includes service level based key performance indicators. These are indicators for which the teams have established or confirmed response and resolution times in which to perform the related work. This is assisting us in identifying productivity and resource needs as well as benchmarking ourselves against other utilities. It is important to note that where teams may not meet the Service Level Targets set for a specific metric, it does not mean the work is not getting accomplished. The teams are doing a tremendous job and continue to strive to meet high performance expectations.

The data in the CEOs Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	Nov-23	Dec-23	Jan-24	Feb-24
Operating Cash Balance (millions \$)	\$296.6	\$366.9	\$333.4	\$332.6	\$317.0
Delinquent Account Receivables (%)†	3.30%	3.99%	4.17%	4.22%	4.36%
On-time Vendor Payments (%)††	97%	97%	97%	97%	96%
Investment Earnings Data (Thousands \$)	\$7.0	\$1.7	\$2.6	\$3.5	\$4.6
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.8%	4.3%	4.3%	4.7%
Core Investment Yield Data (%) - Actual Monthly Yield †††	4.39%	4.4%	4.2%	4.3%	4.3%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		5.3%	5.1%	5.3%	5.4%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	5.03%	2.6%	3.0%	3.0%	3.0%
Days of Cash on Hand** and ***	267*	404	318	316	319***

Notes:

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor.

** 267 days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization Fund.

***319 days of cash is made up of 32 days in the Rate Stabilization Fund and 287 days in the operating cash balance.

Metrics Explanations:

† Delinquent account receivables as a percentage of 12-month rolling average revenue. The delinquent account receivables increased due to the impact of COVID-19.

†† The vendor payments goal may fluctuate slightly as we continue to research and resolve payments.

††† Investment earnings lag the benchmarks. We are in a rising interest rate environment. As lower yielding investments are sold and reinvested, performance is expected to improve.

Finance Highlights

FY 2024 Financial Performance

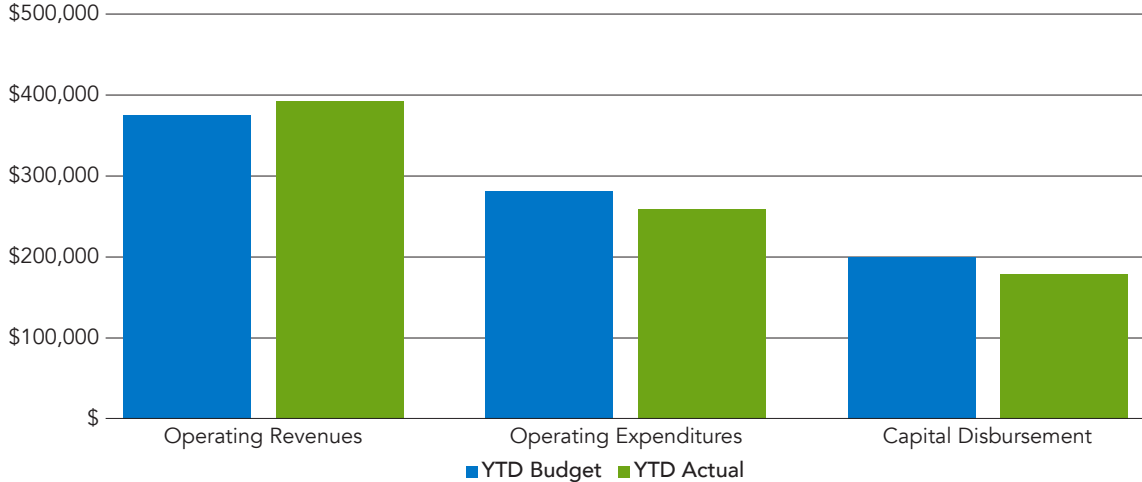
As of February 29, 2024, with approximately 42 percent of the fiscal year completed, DC Water is on track with the budget. Total operating revenues were \$394.9 million or 45.0 percent of the budget. The higher receipts were mainly due to higher consumption in Residential, Commercial, and Multi-family categories as compared to the budget. DC Housing Authority has not made the payment for January bill, which was due in February.

Total operating expenditures were \$266.7 million or 36.2 percent and capital disbursements were \$172.8 million or 28.6 percent of the respective budgets.



Finance, Procurement, and Compliance

FY 2024 Year to Date Performance Budget vs. Actuals (\$000's)



Ratemaking Process

On March 7, 2024, the Board adopted the Revised FY 2024 Operating Budget of \$737.6 million, Approved FY 2025 Operating Budget of \$788.2 million, FY 2024 – FY 2033 Capital Improvement Program Disbursement Budget of \$7.74 billion, Ten-Year Financial Plan and the proposed Two-Year rates, charges and fees. Detailed information about the budget proposals can be found at dcwater.com/ratemaking-process.

DC Water will hold multiple virtual Town Hall Meetings in April, in advance of the Public Hearing on May 9 to inform customers about the proposed FY 2025 and FY 2026 rates, discuss the Capital Improvement Program, and promote all of the existing and new customer assistance programs. The meetings will be widely publicized through numerous channels, including Council member Offices, Advisory Neighborhood Commissions (ANCs), DC Water website, social medias, and paid digital and print advertising. There will be 1 in-person Employee Town Hall in the HQO Board Room; 2 virtual town halls open to the public (1 east of the river, and 1 west of the river). Additionally, there will be 3 targeted virtual briefings (1 to non-profit community partners; 1 to business community partners; 1 to D.C. Councilmembers and the Mayor's Office of Community Relations and Services).

(The in-person meetings are scheduled for April 20th and April 27th and the virtual meetings are scheduled for April 4th and April 30th. The three targeted group virtual briefings will also occur in April).

FY 2023 Financial Audits

The Annual Comprehensive Financial Report (ACFR) and Green Bond Report for FY 2023 were completed and posted on DC Water's website. The Office of Management and Budget (OMB) Uniform Guidance Audit and IMA Operating & Maintenance Settlement for FY 2023 are in progress and expected to be completed in March 2024.

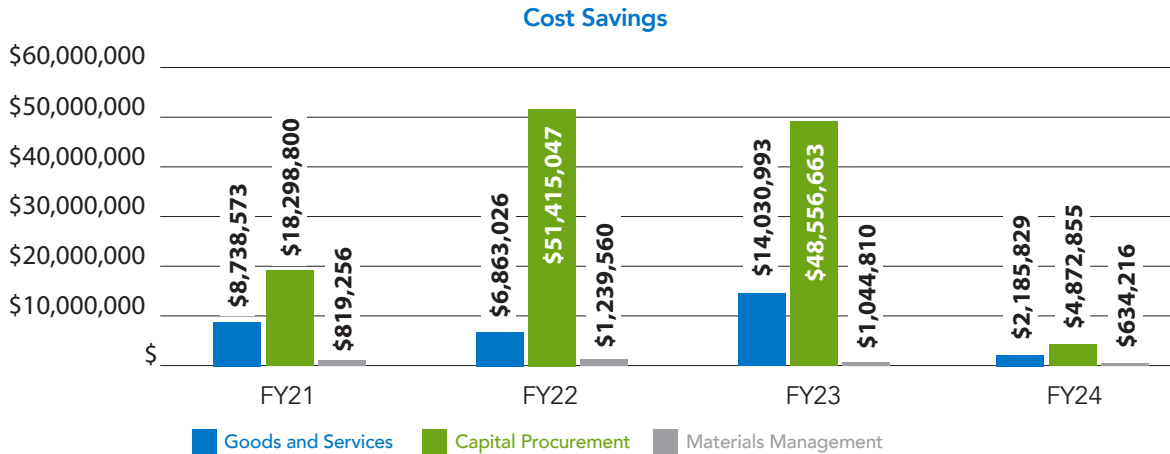


Finance, Procurement, and Compliance

Procurement

Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings from FY2021 to FY2024 year-to-date achieved by Procurement through the competitive solicitation process in the Capital Project and Goods/Service solicitations and the cost avoidance achieved in the Materials Management through the inventory optimization. Procurement achieved the total saving of \$63,632,466 in FY2023 exceeding FY2022 saving of \$59,517,633.



Upcoming Business Opportunities: All current and planned solicitations are available at dcwater.com/procurement. Those upcoming in the next three months are shown below:

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
Mar, 2024	SDWMR-18A	IFB	\$8M - \$10M	Bid Build	DBE/WBE
Mar, 2024	PI Program Delivery Consultant	RFP	\$30M	TBD	TBD
Mar, 2024	Soldiers' Home Transmission Main	IFB	\$4M - \$5M	Bid Build	DBE/WBE
Mar, 2024	Sewer Water Program Manager	RFP	\$30M	Program Management	DBE/WBE
Mar, 2024	Local Inspection Services	RFP	\$12M	Other	DBE/WBE
Mar, 2024	Pre-Dewatering Centrifuges Nos. 1 & 12	IFB	\$5M - \$6.5M	Bid Build	DBE/WBE
Mar, 2024	Emergency Bypass for Pumping Stations	RFP	TBD	TBD	TBD
Mar, 2024	LFDC Task Order 09, Work Packages 18	IFB	\$55M - \$60M	Bid Build	DBE/WBE
Mar, 2024	Wastewater Program Management	RFP	\$90 M	Program Management	DBE/WBE



Finance, Procurement, and Compliance

Procurement

Capital Procurement – continued

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
Apr, 2024	Construction of Flood Seawall Segment A, B, D	RFP	\$24M - \$26M	Design Build	DBE/WBE
Apr, 2024	Green Infrastructure: Rock Creek Project "C" Construction		\$10 M - \$15M	CMAR	CBE
Apr, 2024	Gravity Thickener HVAC Upgrade	IFB	\$2M-\$3M	Bid Build	DBE/WBE
Apr, 2024	Piney Branch Tunnel Construction	RFP	TBD	CMAR	TBD
Apr, 2024	SDWMR-18B	IFB	\$8M - \$10M	Bid Build	DBE/WBE
May, 2024	Service Life Restoration Program (SLRP)-4	RFP	\$15M - \$16M	Bid Build	DBE/WBE
May, 2024	Lead Free DC Lead Service Line Replacement Construction Packages 19	RFP	\$76M	Bid Build	DBE/WBE
May, 2024	On-Call Structural Repair	RFP	TBD	TBD	TBD
May, 2024	Water Condition Assessment Contract	RFP	\$3M - \$5M	Other	DBE/WBE
May, 2024	Bryant Street Pump Station	RFP	TBD	Program Management	DBE/WBE
May, 2024	Sanitary Sewer Rehabilitation Area #3 & Area #8	IFB	\$9M - \$10M	Bid Build	DBE/WBE
May, 2024	PDNA	IFB	\$8M - \$10M	Bid Build	DBE/WBE
May, 2024	SDWMR-18C	IFB	\$8M - \$10M	Bid Build	DBE/WBE
May, 2024	Glover Park (Phase 2 - CMAR)	RFP	TBD	CMAR	DBE/WBE
May, 2024	Construction Management for Rock Creek C & D	RFP	TBD	Construction Management	TBD
May, 2024	Construction Management for Piney Branch Tunnel	RFP	TBD	TBD	TBD
May, 2024	Primary Treatment - 20 YR Rehab Phase 2 CMAR	RFP	\$120 Million	CMAR	DBE/WBE

Procurement continued

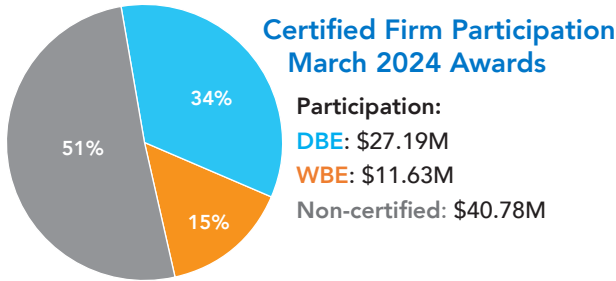
Goods and Service:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
Mar, 2024	Third Party Administrator	RFP	<\$1M	LSBE
Apr, 2024	Group Vision Insurance	RFP	<\$1M	LSBE
Apr, 2024	Sodium Hypochlorite	RFx	>\$12M	DBE/WBE
Apr, 2024	Sodium Bisulfite	RFx	>\$5M	DBE/WBE
May, 2025	Calcium Hydroxide	RFx	>\$3M	DBE/WBE
May, 2025	Incident Mgmt Simulator Program	RFP	<\$1M	LSBE

Contract Compliance

During this reporting period, three different procurement actions were approved, including one change order, and two task order issuances. The value of the eligible procurement actions for this period totaled \$79.61 million. Of this total, the planned certified firm participation is \$38.82 million (in prime and subcontracting opportunities).

The following pie chart summarizes the certified firm participation:



Highlights:

- Three Mentor Protégé relationships were established between prime contractors and certified DBE's this reporting period.
- Awards this period include two task orders issued under the Lead-Free DC Program. The combined certified firm participation is expected to be 34 Percent DBE and 15 percent WBE.
- Two certified firms obtained their first subcontracts on a DC Water project during this reporting period.



As of this report, DC Water Contractors have filled 12 new positions. The table below highlights the total new hires for FY 24:

DC	1
PGC	7
MC	1
FC	1
LC	
OUJ	2

DC Water Youth Internship Program

The DC Water Pilot Youth Internship Program began on March 11, 2024. In all five high school seniors (four from Anacostia High School, and one from the Capital City Public Charter School) will participate in this pre-apprenticeship style program and receive on-the-job learning in one of three areas: Meter Operations, Pumping Operations and Sewer Services.

As a complement to the on-the-job learning experience, the participants will also receive classroom style training on topics including Conflict resolution, Construction Math, Financial Literacy, OSHA-10, and Resume Writing.

The Program is being implemented in conjunction with the District Department of Employment Services (DOES), the Department of Public Schools, and the District of Columbia Public Charter Schools. The training program will operate from March 11, 2024, through June 9, 2024. The participants will be at DC Water, Monday through Friday from 1:00PM to 4:00PM. They will earn \$17.00 per hour, which will be paid by DOES.



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Nov-23	Dec-23	Jan-24	Feb-24
Security: Camera operational uptime	90%	96%	97%	96%	97%
Security: Smart card readers operational uptime	90%	97%	97%	97%	96%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	73%	58%	79%	90%
Facilities: Service Request Completion Rate	90%	66%	78%	71%	83%
Fleet: Preventive Maintenance (PM) on Schedule	96%	86%	83%	83%	92%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	80%	81%	84%	77%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	0	1	1	1
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	0	0	0.2	0.4
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	1.3	0.9	0.7	0.6
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0	0	0	0

Facilities:

The Preventive Maintenance (PM) metric target for the month of February was met with 90 percent completed. The service request (SR) completion rate for February increased to 83 percent completed. While under the 90 percent target, service requests completed for the month (202) is well above the average monthly completion (147) and is a good indication of improvement in shop performance and proper management of service request work order reporting.

Fleet

The Fleet Department's Preventative Maintenance (PM) completion rate was 92 percent in the month of February. All but one of the scheduled units brought in for preventative maintenance was returned to operations. Additionally, approximately 42 units were brought in for unscheduled service resulting in oil and filter changes, battery and safety checks and fluid top off(s). The communication with departments has improved leading to 93 percent of vehicles being brought in for service within five days of the scheduled time. Fleet's Priority One Vehicle Availability is 77 percent. 204 of 265 priority one vehicles remained operational and in service. The repair and maintenance service contract performance is trending up given that the performance penalties are the lowest they have been since the inception of the contract.

Customer Assistance Programs (CAP)

The team continues outreach efforts. The CAP, CAP 2, and RAP participation rates are higher year to date in FY24 than FY23 in the same period. We have not received customer participation in the CAP 3 program.

Program	FY2023 Enrolled	FY2023 Dollars	Feb. Enrolled	Feb. Dollars	# FY24 Enrolled	FY2024 Dollars	FY2024 Budget
CAP I	4,744	\$2,399,001	669	\$182,537	2,705	\$580,980	\$2,600,000
CAP II	351	\$139,714	51	\$12,335	234	\$40,527	\$300,000
CAP III	36	\$6,342	-	\$-	-	\$-	\$50,000
Non-Profit CRIAC Relief	182	\$875,585	5	\$47,073	79	\$166,254	\$913,312
DC Water Cares Residential (RAP)	2,816	\$2,930,302	347	\$207,077	1,443	\$829,724	\$1,105,135
Low-Income Housing Water Assistance Program	-	\$0	0	\$-	642	\$283,116	N/A
Homeowners Assistance Fund	293	\$256,835	-	\$-	23	\$11,043	N/A





Customer Experience

Customer Care

In February, DC Water implemented a new payment processing vendor (Paymentus) and a new bill print vendor (CSG). The changes will reduce credit card fees paid by DC Water and gain multiple organizational and customer benefits. The change has posed some unforeseen post-implementation issues. However, we are working through them, understanding that the benefits outweigh any temporary inconveniences.

The team worked to meet metrics, but due to uncontrollable events, we missed Estimated Bills as a Percentage of Meters Read, Percent of Calls Answered within 40 Seconds, and Abandoned Rate. The main contributors are post-implementation issues with Paymentus (payment processing vendor), and accounts that had to be manually processed due to SDWM and LFDC projects.

Key Performance Indicators

Metric	Target/ Service Level	Dec 23	Jan 24	Feb 24
% of bills issued on time (w/in 5 days)	97%	97.8%	98%	98%
% unbilled	< 2%	1.3%	1.2%	1.8%
Estimated bills as a percent of meters read*	< 4%	5.5%	6.4%	4.5%
# of bill investigations (Disputes)	trend only	311	316	253
% of OPC inquiries resolved within 14 days	98%	100%	100%	100%
% of calls answered in 40 Seconds (Call Center)**	85%	80%	73%	79%
Monthly call volume served (Call Center)	trend only	10,495	11,647	11,354
Average Wait Time (minutes)	<0:30	0:35	0:52	0:33
Abandon rate**	3%	6%	3%	6%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	94%	100%

* Over 700 accounts fell to manual reads due to SDWM and LFDC Project.

** New payment processing vendor post-implementation issues caused a higher call volume. Increased calls caused longer wait times and an increased number of abandoned calls.

Highlights

The IT department will begin monthly lunch and learn sessions. These sessions will be focused on current and new technology coming to DC Water to keep our users current and working as efficiently as possible.

Classes will include: Windows 11, New Teams, New Outlook, GIS, Machine Learning & AI, remote access tools and more. Sessions have already begun with very positive feedback and participation.

I would like to thank **Joe Edwards** (Acting Vice President / Information Technology) for thinking ahead to better serve and support our technology users, as they adapt to the latest and most powerful digital tools at the Authority.

IT Monthly Report

SR/WO Type	SL Target / SLA	Dec 23	Jan 24	Feb 24
Number of tickets submitted	Trend only	831	1278*	1017*
Number of open tickets	Trend only	25	28	30
Helpdesk SLA	96%	97.60%	99.36%	100%
Number of active projects	Trend only	11	12	10
Number of completed projects	Trend only	15	4	2
On schedule performance	90%	93.62	93.62	93.62
On budget performance	90%	97.92	97.92	97.92
% AMI transmission	95%	91.55%	91.58%**	91.50%**

* Increase in tickets was caused by our internal PC and iPhone upgrades. Tickets are not only generated by users that are experiencing issues, but also, any work being done by the technicians also gets a ticket generated to them.

** For the AMI transmission rate, we are testing a new technology that will allow us to reach units that we currently cannot read or has inconsistent reads. Testing began mid-February with the vendor. Once testing is successful, we will roll the devices out to other devices that fall in this category. In addition, we have quite a few MTU units offline due to construction. We will take the number of units down due to construction, provide that number and update the percentages. Lastly, a small number of DCU's have failed batteries. We have a project to replace them in the field which is due to start mid-April and is estimated to be completed in three weeks. Due to some of these units being on poles, we must coordinate the work with DDOT to get the permits to replace the units


Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators

Metric	Target/Service Level	Nov-23	Dec-23	Jan-24	Feb-24
Wastewater Operations					
NPDES Permit Compliance , percent number of days	100%	100%	100%	100%	100%
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	26%	23%	23%	26%
Reactive Maintenance , percent of total maintenance hours	<20%	29%	32%	29%	31%
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	97%	99%	99%	97%
Sewer Operations					
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%
* Municipal Separate Stormwater System (MS4) requirement to clean all catch basins in the MS4 Permit Area at least once annually (Jul 01- Jun 30)	14,700	170	188	951	2782
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	9721	11511	0	657
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	8027	10351	32	33
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	3.4	10	14.6	23.7
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	2	7	2	3
SSO's to Body of Water	Report	2	2	1	1
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	.30	.84	.99	1.22
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	.23	.38	.46	0.53
Combined Sewer System Overflows	0	0	0	0	0

Key Performance Indicators continued –


Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators continued

Metric	Target/Service Level	Nov-23	Dec-23	Jan-24	Feb-24
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	8%	7%	13%	23%
Critical Asset Availability	>95%	99%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	18	15	15	19
Hydrant Flow Tests (Non-Winter Months)	>180	125	61	156	164
Fire Hydrant Operational Rate	99%	99%	99%	99.85%	99.81%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	93.3%	92.68%	92%	100%
Water Main Breaks	<28/Month	68	52	146	42
Water Main Break Rate /100 Miles (National Average is 25)	25	29.25	27.33	36.49	38.41
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	85%	94%	93%	91%	92%

* Month-to-Month Cumulative Total for Catch Basin Inspection and Cleaning

Explanation of Missed Targets**Wastewater Operations Reactive Maintenance (<20 percent)**

DC Water has adopted a manufacturing industry best practice benchmark of less than 20% reactive maintenance hours as a percentage of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. Over the last four fiscal years, we have observed a descending trend in the percentage of total reactive maintenance hours, measured at an annual average, at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is appropriate for Blue Plains.

Total Fire Hydrants Replaced (>20 / month)

The department did not meet the target due to a shift in priorities as the team worked to address the uptick in emergency water main repairs, which generally occurs in the winter months. We will reprioritize the monthly target when the winter season ends.

Hydrant Flow Test (>180)

The Department is short two engineers and a field crew. We are in the final stages of the hiring process of conducting interviews to bring in the necessary personnel, thus increasing productivity.

– continued

dc operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

DC Water Capital Improvement Program – Projects in Construction



- LFDC replaced 129 LSLs in February.
- Continuing work on proposed mandate legislation for submission to DC Council.
- Continued canvassing for Block-by-block Package 18 (3,692 homes) and 19 (5,177 homes), collected 1.2% and 2.5% signed agreements, respectively, in February.



Projects – Current Status

- Northeast Boundary Tunnel (NEBT): Northeast Boundary Tunnel was placed in service on September 15, 2023. Continue to perform temporary utilities removal, site restoration and final pavement work.
- Potomac River Tunnel Contract B – Tunnel System Construction (Div. PRT-B): In Construction. Coordinating with Design-Builder to advance designs and submittals. Mobilized to West Potomac Park site and began site set-up work.
- Green Infrastructure (GI) Maintenance Contracts: GI facilities maintenance is ongoing. DC Water will exercise a two-year Option Period-Extension for contract 20070 to cover required GI maintenance, with NTP expected by the end of March 2024.
- Rock Creek Green Infrastructure Project C (RC-C): The next GI project required by the Consent Decree is under design.
- Piney Branch Tunnel: Finalizing Environmental Assessment (EA) with National Park Service.



Key Performance Indicators (KPI) Benchmark

KPI Owner	KPI	KPI Definition	Business Relevance	Quantifiable Target	Status
HRBP	Active Vacancy Rate	"Rolling 12 months' average of monthly active vacancy rate calculated as: (Positions under recruit on 1st of month) / (Positions under recruit on 1st of month + Active Employees on 1st of the month"	This KPI measures the organization's vacancy rate resulting from employee turnover and the addition of new positions.	6%	7.5%
Labor Relations	Temporary Alternative Duty Program (TAD)	Percentage of Workers' Compensation claims eligible for placement into TAD program	The more claims eligible for TAD program will reduce overall Workers' Compensation costs and claim exposure for the Authority, leading to realized financial savings	50% of WC claims eligible for TAD program	53%
Talent Acquisition	Time to Hire	Time to hire is a Recruitment KPI metric used to measure the amount of time it takes an organization to fill a job opening from the time it was posted to the time a candidate accepts an offer.	Measuring time to hire helps organizations to evaluate the efficiency of their recruitment process, identify bottlenecks, and make improvements to the process. A shorter time to hire can translate into a more effective recruitment process, as well as better candidate experience. A long time to hire can negatively impact an organization's ability to attract and retain top talent. Delayed hiring can result in lost productivity, decreased employee morale, and increased costs associated with job vacancies.	60 days	54.2
Talent Acquisition	Self Identified Veterans (Active)	US Armed Services	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of veterans in the workforce, with a focus on increasing the representation of veterans within the workforce.	TBD	26
Talent Acquisition	Female Workforce (Active)	Number of Female employees in the current workforce. Calculation - Number of female employees in the active workforce divided by the total number of employees in the active workforce at a specific point and time.	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of women in the workforce, with a focus on increasing the representation of women in non traditional roles.	TBD	256 or 22.4%

Internal audit plan FY2024 timeline

This timeline represents the FY 2024 audit plan and the status of each project. Annually the Internal Audit team, RSM, conducts a risk assessment and presents the results and the audit plan to the Audit & Risk Committee in October.



Open high risk prior audit findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
1	2023	7/27/2023	DWO Work Order Management Audit	Failure to capture work order labor and materials data	8/31/24	N/A	0
<p><i>DWO has defined work activities that require material data capturing and developed business processes for capturing both required labor hour and material data capture that have been socialized with DWO branches. Starting December 1st, DWO began monitoring data integrity biweekly to monitor effectiveness of new process adoption. Any changes necessary to business processes based on what they are seeing during this monitoring period will be implemented before April 2024.</i></p>							
2	2023	10/26/2023	Fleet Management Audit	Lack of current policies and procedures	9/1/24	N/A	0
<p><i>Fleet is leveraging a writer that has interviewed staff, created a glossary of terms, is looking through current industry best practices, and drafted a scope with phased timeline for policy development. Fifteen draft SOPs have been submitted for initial review to date. Fleet has submitted milestones to Internal Audit for tracking towards final target date in September that include drafting a RACI and determining Fleet policy needs, finalizing draft of 10 Authority-wide Fleet policies, and submitting policies to review (Legal, Labor Relations, People & Talent).</i></p>							

Open Prior Audit Findings

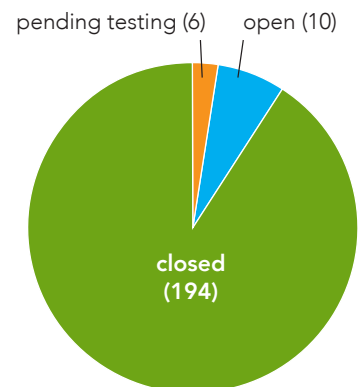
Audit Report / Subject	Issue Date	Open
Contract Compliance Audit	7/22/2021	1
Payroll & Timekeeping Audit	7/23/2023	2
Work Order Management Audit – DWO	7/23/2023	3
Fleet Management Audit	10/27/2023	4
		total 10

█ At least one original remediation target date has been extended

In total, 93% of all prior audit findings from FY17 – FY23 are closed. Management’s target closure rate is 95%.

*Note that the audit findings reported above represent open findings through the FY23 Audit Plan year

FY17 – FY23 prior audit findings status



“Pending Testing” indicates that Management represents that the Action Plan is completed, but Internal Audit has not yet performed testing to validate the status.





Presented and Approved: April 4, 2024

SUBJECT: Approval of Funding for FY24 and FY25 Fleet Vehicles and Equipment, Multiple Suppliers TBD

**#24-17
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve funding for FY24 and FY25 Fleet Vehicles and Equipment, Multiple Suppliers TBD.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute funding for FY24 and FY25 Fleet Vehicles and Equipment, Multiple Suppliers TBD. The purpose of this action is to acquire approximately ninety-six (96) replacement and new vehicles and equipment to replenish DC Water’s Fleet and meet new requirements. The amount of this request is not to exceed \$8,235,539.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

**GOODS AND SERVICES PURCHASE ORDER AWARD
FY24 & FY25 Fleet Vehicles and Equipment
(Joint Use)**

Requesting approval to spend up to \$8,235,539.00 for FY24 and FY25 Fleet vehicles and equipment.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Multiple Suppliers TBD	SUBS: N/A	PARTICIPATION: N/A WBE 10%
-----------------------------------------	---------------------	---------------------------------------------

DESCRIPTION AND PURPOSE

Base Period Contract Value: \$8,235,539.00
Base Contract Period: 04-01-2024 – 09-30-2025

Purpose of the Expenditures:

Acquire approximately 96 replacement and new vehicles and equipment to replenish DC Water’s Fleet and meet new requirements.

Scope of Purchases:

Vehicle and equipment requirements will be adjusted and ordered to meet the operations for Water, Sewer, Engineering, and other operational department needs.

List of replacement, new vehicle and equipment types and estimated quantities;

- 9 Transit Cargo Vans
- 3 Backhoes
- 6 Dump Trucks
- 3 Jet Vac Trucks
- 3 Knuckle Boom Trucks
- 40 Pickup Trucks (F150 and F250’s)
- 2 Stake Body Trucks
- 4 Stetco Catch Basin Cleaners
- 4 Trailers
- 6 SUV’s
- 1 Tow Boat
- 5 Utility Carts
- 6 Utility Light Trucks
- 2 Utility Heavy Trucks
- 1 Valve Truck
- 1 Welder Truck

Market conditions:

Supply chain shortages are recovering in 2024. High demand for vehicles and equipment still continues. Strikes, labor shortages and shipping constraints are contributing to long lead times for heavy duty chassis and body upfits. Lead times for some chassis and body upfits are currently greater than 10 – 12 months. Timing orders with the opening of manufacturers new model year order books requires close coordination with vehicle dealers and the ability to react quickly to changing market conditions.

Purchase Orders will be issued as funds are available.

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Vehicles and Equipment	Contract Number:	N/A
Contractor Market:	Limited Market & Sole Source		

BUDGET INFORMATION

Funding:	Capital	Department:	Fleet Management
Service Area:	DC Water Wide	Department Head:	Nija Ali

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	43.81%	\$2,176,112.36
Washington Suburban Sanitary Commission	41.76%	\$2,074,285.60
Fairfax County	9.18%	\$455,985.20
Loudoun Water	4.46%	\$221,535.29
Potomac Interceptor	0.79%	\$39,240.56
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$4,967,159.00


BUDGET INFORMATION

Funding:	Capital	Department:	Fleet Management
Service Area:	DC Water Wide	Department Head:	Nija Ali

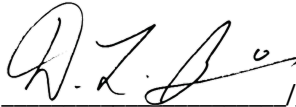
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$3,268,380.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,268,380.00

 3/15/24
 _____ / Date
 Maureen Holman
 VP of Shared Services

 Digitally signed by Dan Bae
 DN: C=US, E=dan.bae@dcwater.com,
 O=District of Columbia Water and Sewer
 Authority, OU=VP of Procurement &
 Compliance, CN=Dan Bae
 Date: 2024.03.15 09:55:43-04'00'
 _____ / Date
 Dan Bae
 VP and Chief Procurement Officer

Matthew T. Brown Digitally signed by Matthew
 T. Brown
 Date: 2024.03.15 17:36:58
 -04'00'
 _____ / Date
 Matthew T. Brown
 CFO and EVP of Finance, Procurement and Compliance

 3/28/2024
 _____ / Date
 David L. Gadis
 CEO and General Manager

Presented and Approved: April 4, 2024

SUBJECT: Approval to Execute a Sole Source Partial Denitrification/Anammox (PdNA) Pilot Equipment Purchase, World Water Works, Inc.

**#24-18
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve to execute a Sole Source Partial Denitrification/Anammox (PdNA) Pilot Equipment Purchase, World Water Works, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a Sole Source Partial Denitrification/Anammox (PdNA) Pilot Equipment Purchase, World Water Works, Inc. The purpose of this request is to purchase the Partial Denitrification/Anammox (PdNA) Integrated Fixed-Film Activated Sludge (IFAS) Screen and Media. Based on the importance of the pilot facilities and because the pilot demonstration is considered a research project, specific manufacturers must be utilized to provide the various equipment items. The amount of this request is \$2,175,000.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Sole Source- Partial Denitrification/ Anammox (PdNA) Pilot
Equipment Purchase
(Joint Use)**

Approval to execute a Sole Source construction contract for \$2,175,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
World Water Works Inc. Street Address 4000 SW 113 th Street Oklahoma City, OK 73173	Non-Applicable	

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$2,175,000.00
Contract Time:	610 Days (1 Year, 8 Months)
Anticipated Contract Start Date (NTP):	03-30-2024
Anticipated Contract Completion Date:	11-30-2025

Purpose of the Contract:

This request is required to approve purchase of the Partial Denitrification/ Anammox (PdNA) Integrated Fixed-Film Activated Sludge (IFAS) Screen and Media from DCW Business Partner, World Water Works (WWW). This equipment will be turned over to the general contractor for installation by one of the Miscellaneous Facilities Upgrade 8 (MFU8) Contractors based on bidding.

Based on the importance of the pilot facilities, specific manufacturers must be utilized to provide the various equipment items. Additionally, since this pilot demonstration is considered a research project by DCW and Department of Energy and Environment (DOEE), there is a basis for utilizing sole-source procurements under the DCW Procurement regulations in section 5332.4 (f). This section allows for sole sourcing for research projects.

Contract Scope:

- Provide equipment for PdNA Pilot including IFAS Screens and Media

Federal Grant Status:

- Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Sole Source
Commodity:	Equipment	Contract Number:	N/A
Contractor Market:	Sole Source		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	Ryu Suzuki
Project:	J6		

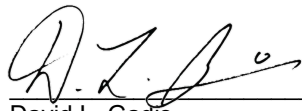
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 896,535.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	45.84%	\$ 997,020.00
Fairfax County	8.38%	\$ 182,265.00
Loudoun County & Potomac Interceptor	4.56%	\$ 99,180.00
Total Estimated Dollar Amount	100.00%	\$ 2,175,000.00

Jeffrey F. Thompson
 Digitally signed by Jeffrey F. Thompson
 Date: 2024.03.14 12:45:07 -04'00'
 _____ /
 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP


 Digitally signed by Dan Bae
 DN: CN=US, E=dan.bae@dcwater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae
 Date: 2024.03.14 12:52:36 -04'00'
 _____ /
 Dan Bae Date
 VP and Chief Procurement Officer

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2024.03.14 15:34:28 -04'00'
 _____ /
 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance


 _____ / 3/28/2024
 David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: April 4, 2024

SUBJECT: Approval to Execute Change Order No. 0003 of Contract No. 180060, Miscellaneous Facilities Upgrade – Phase 7, American Contracting Environmental Services, Inc.

**#24-19
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Change Order No. 0003 of Contract No. 180060, American Contracting Environmental Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 0003 of Contract No. 180060, American Contracting Environmental Services, Inc. The purpose of this contract is to facilitate an urgent need to have a contractor available to perform emergency and non-emergency rehabilitation on existing process equipment which is beyond routine, preventive, and corrective maintenance to avoid potential violations of the National Pollutant Discharge Elimination System (NPDES) permit. The amount of this change order is \$750,170.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**Miscellaneous Facilities Upgrade – Phase 7
(Joint Use)**

Approval to execute Change Order No. 0003 for \$750,170.50. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: American Contracting Environmental Services, Inc. 10330 Old Columbia Road, Suite 102 Columbia, MD 21046	SUBS: Tricon Chemical Corp. Forestville, Maryland DBE	PARTICIPATION: 4.8%
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*The project is still on pace to meet the overall utilization goals of 32.1% DBE and 6% WBE.

DESCRIPTION AND PURPOSE

Original Contract Value:	\$36,301,600.00
Total of Previous Change Orders:	\$ 500,135.00
Current Contract Value:	\$36,801,735.00
Value of this Change Order:	\$ 750,170.50
Total Contract Value, including this CO:	\$37,551,905.50
Original Contract Time:	1500 Days (4 Years, 1 Months)
Time extension, this CO:	0 Days
Total CO contract time extension:	0 Days
Contract Start Date (NTP):	12-13-2021
Contract Completion Date:	01-26-2026
Cumulative CO % of Original Contract:	3.4%
Contract completion %:	49.7%

Purpose of the Contract:

DC Water has an urgent need to have a contractor available to perform emergency and non-emergency rehabilitation on existing process equipment which is beyond routine, preventive, and corrective maintenance to avoid potential violations of its National Pollutant Discharge Elimination System (NPDES) permit.

Original Contract Scope:

- Concrete and Construction Joint Rehabilitation at the Nitrification Sedimentation Basins
- Rehabilitation of Stormwater Pumping Station at 1st & D St., SW
- Inflatable Dams Interim Upgrades at Structures 14, 15, 15A, 16, 34 and 52
- Upgrades and rehabilitation at the Multimedia and Filtration and Disinfection Facility
- Primary Sludge and Scum Line Replacements at Blue Plains
- Upgrades to the 12th & Maine Ave Stormwater Pumping Station
- Miscellaneous Upgrades at Main and O Street Pumping Station
- Critical Upgrades to the Potomac Pumping Station
- Specialized Services as per Task Scope.
- Time and Material work on emergency and non-emergency Task Work Orders.

Previous Change Order Scope:

- Contractor compensation for net increase in wage rates and benefits.
- Safety repairs at the Dewatering Sludge Loading Facility (DSLFL).

Current Change Order Scope:

- Rehabilitate existing Potomac Pumping Station Seal Water tank to ensure coating is adequate.

- Provide additional design changes at the Portland St. pumping station for supply and return HVAC lines.
- Mitigate flood impacts by providing flood proof watertight doors at 1st & D St. pumping station.
- Provide Inflatable Dams to divert water flow during wet weather events at multiple locations around the District of Columbia.

Federal Grant Status:

- This Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Fixed Price	Award Based On:	Request For Proposal, Best Value
Commodity:	Construction	Contract Number:	180060
Contractor Market:	Open Market		


BUDGET INFORMATION			
Funding:	Capital	Department:	Department of Wastewater
Service Area:	Stormwater, Sanitary Sewer	Department Head:	Ryu Suzuki
Project:	NG, RH, A4		

ESTIMATED USER SHARE INFORMATION		
NG - Allocation (CAPM – Potomac River Tunnel)		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 85,170.50
Total Estimated Dollar Amount	100.00%	\$ 85,170.50


A4 – Allocation (LT02 Inflatable Dams-Interim Upgrades)		
User	Share %	Dollar Amount
District of Columbia	97.23%	\$ 476,427.00
Washington Suburban Sanitary Commission	2.77%	\$ 13,573.00
Total Estimated Dollar Amount	100.00%	\$ 490,000.00

RH – Allocation (MJ14 Potomac Pumping Station)		
User	Share %	Dollar Amount
District of Columbia	49.80%	\$ 87,150.00
Washington Suburban Sanitary Commission	29.40%	\$ 51,450.00
Fairfax County	14.70%	\$ 25,725.00
Loudoun County	5.50%	\$ 9,625.00
Potomac Interceptor	0.60%	\$ 1,050.00
Total Estimated Dollar Amount	100.00%	\$ 175,000.00

Total Combined Allocation		
User	Share %	Dollar Amount
District of Columbia	86.48%	\$ 648,747.50
Washington Suburban Sanitary Commission	8.67%	\$ 65,023.00
Fairfax County	3.43%	\$ 25,725.00
Loudoun County	1.28%	\$ 9,625.00
Potomac Interceptor	0.14%	\$ 1,050.00
Total Estimated Dollar Amount	100.00%	\$ 750,170.50


 Digitally signed by Jeffrey F. Thompson
 Date: 2024.03.14 12:45:55 -04'00'


 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP


 Digitally signed by Matthew T. Brown
 Date: 2024.03.15 17:35:23 -04'00'

 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance


 Digitally signed by Dan Bae
 DN: C=US, E=dan.bae@dowater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae
 Date: 2024.03.14 12:52:45 -04'00'

 Dan Bae Date
 VP and Chief Procurement Officer



 David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: April 4, 2024

SUBJECT: Approval of an Amendment to a District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue NE from 2nd Street to H Street NE, District of Columbia Department of Transportation

**#24-20
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to execute the Approval of an Amendment to a District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue from 2nd Street to H Street NE.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Approval of an Amendment to a District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue from 2nd Street to H Street, NE. The purpose of this commitment is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia. The amount of this modification is \$1,400,759.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS FACT SHEET**

ACTION REQUESTED

**AMENDMENT TO A DDOT PARTICIPATION PROJECT:
DDOT – Florida Avenue NE From 2nd Street to H Street NE
(Non-Joint Use)**

Approval to amend the commitment between DC Water and District of Columbia Department of Transportation (DDOT) in the amount of \$1,400,759.00. The modification exceeds the General Manager's approval authority.

PARTY INFORMATION

PARTY:	SUBS:	PARTICIPATION:
District of Columbia Department of Transportation 55 M Street SE Washington, DC 20003	DBE and WBE fair share objectives will follow DDOT goals.	

DESCRIPTION AND PURPOSE

Original Commitment Value:	\$5,600,000.00
Amendment Value:	\$1,400,759.00
Total Commitment Value, Including this Amendment	\$7,000,759.00
Construction Duration:	1,098 Days (3 Years, 1 Months)
Construction Start Date:	05-15-2022
Construction Completion Date:	06-15-2025

Purpose of the Commitment:

Replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia.

Commitment Original Scope:

- Replace 2.2 miles of water mains ranging from four (4) inches to twelve (12) inches diameter and associated valves and appurtenances.
- Replace water services 2-inch diameter and smaller in public and private space as needed.
- Replace curb stop/curb stop box, meter box and penetration through building wall and connection to first fitting inside the building including installation of a shut-off valve and pressure reducing valve.

Amendment Scope:

DC Water submitted a design to DDOT in March 2021, and the project was subsequently solicited by DDOT in January 2022. The original commitment was established using an estimated construction cost but following receipt of the as bid construction cost an increase to the budget is now required. Following completion of the work DC Water will be reimbursed up to \$1.5 million for project enhancements required as part of the Union Market District development.

Federal Grant Status:

- Work under this commitment is not eligible for Federal grant funding assistance.

AGREEMENT INFORMATION

Contract Type:	DDOT Participation	Award Based On:	N/A
Commodity:	Design and Construction	Contract Number:	N/A

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	William Elledge
Project:	HX		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 1,400,759.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 1,400,759.00

Jeffrey F. Thompson
 Digitally signed by Jeffrey F. Thompson
 Date: 2024.03.14 12:46:38 -04'00' / _____
 Date
 Jeffrey F. Thompson
 Chief Operating Officer and EVP


 Digitally signed by Dan Bae
 DN: C=US, E=dan.bae@dcwater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae
 Date: 2024.03.14 12:52:54 -04'00' / _____
 Date
 Dan Bae
 VP and Chief Procurement Officer

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2024.03.14 14:05:57 -04'00' / _____
 Date
 Matthew T. Brown
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

David Gadis
 Digitally signed by David Gadis
 Date: 2024.03.28 16:00:53 -04'00' / _____
 Date
 David L. Gadis
 Chief Executive Officer and General Manager

Presented and Approved: April 4, 2024

SUBJECT: Approval of District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue NE and New York Avenue NE Intersection, District of Columbia Department of Transportation

**#24-21
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to execute the Approval of District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue and New York Avenue NE Intersection.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Approval of District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue and New York Avenue NE Intersection. The purpose of this commitment is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia. The amount of this commitment not-to-exceed \$1,099,365.47.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS FACT SHEET**

ACTION REQUESTED

DDOT PARTICIPATION PROJECT:

**DDOT - Florida Ave NE and NY Ave NE Intersection
(Non-Joint Use)**

Approval for a commitment between District of Columbia Department of Transportation (DDOT) and DC Water for an amount up to \$1,099,365.47 The commitment exceeds the General Manager’s approval authority.

PARTY INFORMATION

PARTY:	SUBS:	PARTICIPATION:
District Department of Transportation 55 M Street, SE, Suite 400, Washington, DC 20003	DBE and WBE fair share objectives will follow DDOT goals.	

DESCRIPTION AND PURPOSE

Commitment Value, Not-To-Exceed: \$1,099,365.47
 Construction Duration Time: 780 Days (2 Years, 1 Month)
 Anticipated Construction Start Date: 05-01-2024
 Anticipated Construction Completion Date: 06-20-2026

Purpose of the Commitment:

Replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia.

Commitment Scope:

- Replace 1,179 feet of water mains ranging from four (6) inches to twelve (12) inches diameter and associated valves and appurtenances.
- Replace copper water services 2-inch diameter and smaller in public and private space.
- Replace curb stop/curb stop box, meter box and penetration through building wall and connection to first fitting inside the building including installation of a shut-off valve and pressure reducing valve.
- Provide permanent pavement and surface restoration.

Federal Grant Status:

- Although the work scope is generally eligible for grant funding, grant funding was not applied to the project because it was procured through DDOT.

AGREEMENT INFORMATION

Contract Type:	DDOT Participation	Award Based On:	N/A
Commodity:	Design and Construction	Contract Number:	N/A


BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	William Elledge
Project:	HX		


ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 1,099,365.47
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 1,099,365.47

Jeffrey F. Thompson
 Digitally signed by Jeffrey F. Thompson
 Date: 2024.03.14 12:44:15 -04'00'
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 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP


 Digitally signed by Dan Bae
 DN: C=US, E=dan.bae@dwater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae
 Date: 2024.03.14 12:57:26-04'00'
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 Dan Bae Date
 VP and Chief Procurement Officer

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2024.03.14 14:03:49 -04'00'
 _____ / _____
 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance


 _____ / 3/28/2024
 David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: April 4, 2024

SUBJECT: Approval of Senior and Co-Managing Underwriting Services, Multiple Firms

**#24-22
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on April 4, 2024 upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to the Approval of Senior and Co-Managing Underwriting Services. Multiple Firms.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Approval of Senior and Co-Managing Underwriting Services, Multiple Firms. The purpose of this action is to assemble a pool of qualified investment bankers to provide underwriting services for the issuance of revenue bonds, financing services related to DC Water’s Capital Improvement Program (CIP) and any refunding transactions which may arise during the next five (5) years. The effective dates of services are April 15, 2024, through March 31, 2029.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT

**Senior & Co-Managing Underwriting Services
(Non-Joint Use)**

Approval to award 19 Investment Bankers to provide underwriter services for a period of five (5) years.

CONTRACTOR/SUB/VENDOR INFORMATION

<p>Senior Underwriters:</p> <ol style="list-style-type: none"> 1. JPMorgan Securities LLC 2. Goldman Sachs & Co LLC 3. Siebert Williams Shank & Co., LLC 4. Loop Capital Markets 5. B of A Securities, Inc 6. Morgan Stanley 	<p>Co-Managers:</p> <ol style="list-style-type: none"> 1. Academy Securities, Inc. 2. Wells Fargo Bank, NA 3. Raymond James 4. Stern Brothers & Co. 5. Barclay’s Capital 6. TD Securities (USA) LLC 7. RBC Capital Markets 8. FHN Financial Capital Markets 9. Ramirez & Co., Inc. 10. Jefferies LLC 11. Stifel, Nicolaus & Company, Inc. 12. Blaylock Van, LLC 13. Mesirow Financial, Inc. 	<p>PARTICIPATION: N/A</p>
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DESCRIPTION AND PURPOSE

Previous Spend for Service: \$4,420,654.00
 Previous Spend Period: 04-01-2019 – 03-31-2024
 Anticipated Start Date of service: 04-15-2024
 Anticipated Service Completion Date: 03-31-2029
 Request for Proposal (RFP) Closing Date: 11-27-2023
 Proposals Received: 27

Purpose of the Request:

The purpose of qualifying the investment banker’s pool is to provide underwriting services for the issuance of revenue bonds, financing services related to DC Water’s Capital Improvement Program (CIP) and any refunding transactions which may arise during the next five (5) years.

Scope of Service:

This action provides DC Water with the resources to obtain expert underwriter services for DC Water’s future financial transactions. Underwriter service contracts will be completed by our bond counsel and fees will be paid through bond proceeds or through bond issuance.

Supplier Selection:

Procurement issued a Request for Proposal for Senior & Co-Managing Underwriting Services to pre-qualify a pool of firms. 27 firms responded to the request for proposal. Nineteen (19) firms met the DC Water qualification requirements and are recommended for this award. Based on the evaluation criteria of experience, qualifications and technical approach, these firms were rated the best overall.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Highest Ratings
Commodity:	Goods and Services	Contract Number:	N/A
Contractor Market:	Open Market		

BUDGET INFORMATION


Funding:	Operation	Department:	Finance
Service Area:	DC Water Wide	Department Head:	Ivan Boykin

ESTIMATED USER SHARE INFORMATION

User – Non-Joint Use	Share %	Dollar Amount
District of Columbia	100%	\$0.00
Washington Suburban Sanitary Commission	0%	\$0.00
Fairfax County	0%	\$0.00
Loudoun Water	0%	\$0.00
Potomac Interceptor	0%	\$0.00
Total Estimated Dollar Amount	100%	\$0.00

 Digitally signed by Ivan A. Boykin, VP- Finance
 DN: cn=Ivan A. Boykin, VP-Finance, o=DC Water and Sewer Authority, ou=Finance, Procurement, and Compliance, email=ivan.boykin@dcwater.com, c=US
 Date: 2024.03.11 14:08:19 -04'00'

Ivan Boykin _____ Date
 VP, Finance

 Digitally signed by Dan Bae
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 Date: 2024.03.11 14:38:14 -04'00'

Dan Bae _____ Date
 VP and Chief Procurement Officer

Matthew T. Brown Digitally signed by Matthew T. Brown
 Date: 2024.03.15 17:10:51 -04'00'

Matthew T. Brown _____ Date
 CFO and EVP of Finance, Procurement and Compliance

 _____ **3/28/2024**
 Date
 David L. Gadis
 CEO and General Manager