



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
308th MEETING OF THE BOARD OF DIRECTORS
Thursday, May 2, 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 April 4, 2024 Meeting Minutes](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 - 1. [Governance Committee \(Christopher Herrington\)](#)
 - 2. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
 - 3. [DC Retail Water and Sewer Rates Committee \(Howard Gibbs\)](#)
 - 4. [Audit and Risk Committee \(Floyd Holt\)](#)
- VI. **[CEO and General Manager's Report \(David L. Gadis\)](#)**
- VII. **Consent Items (Joint Use)**
 - 1. [Approval to Execute Supplemental Agreement No. 04 of Contract No. DCFA-504, Non-Process Facilities Program Management, McKissack & McKissack of Washington, Inc. – Resolution No. 24-23](#) (Recommended by the Environmental Quality and Operations Committee 04-18-24)
 - 2. [Approval to Award Contract No. 10436, Cleaning Service Contract, Phoenix Services, LLC. – Resolution No. 24-24](#) (Recommended by the Environmental Quality and Operations Committee 04-18-24)
- VIII. **Consent Items (Non-Joint Use)**
 - 1. [Approval to Execute Change Order No. 08 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp. - Resolution No. 24-25](#) (Recommended by the Environmental Quality and Operations Committee 04-18-24)
 - 2. [Approval of Commitment between DC Water and District of Columbia Department of Transportation \(DDOT\) Participation Project, Kennedy Street NW Phase II, 16th Street NW to Georgia Avenue NW, District of Columbia Department of Transportation – Resolution No. 24-26](#) (Recommended by the Environmental Quality and Operations Committee 04-18-24)

3. [Approval of Revised District of Columbia Fire Protection Service Fee for Fiscal Years 2025 through 2027 – Resolution No. 24-27](#) (Recommended by the DC Retail Water and Sewer Rates Committee 04-23-24)

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

- May 8th @ 9:30 am Human Resources & Labor Relations Committee with Union Presidents
- May 9th @ 6:30 pm Public Hearing on Proposed Retail Water and Sewer Rates Increase
- May 16th @ 9:30 am Environmental Quality & Operations Committee
- May 23rd @ 9:30 am Finance and Budget Committee
- May 28th @ 9:30 am DC Retail Water and Sewer Rates 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.



**307TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
APRIL 4, 2024
(Via Microsoft Teams)**

DIRECTORS PRESENT

District of Columbia Members

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

Prince George's County Members

1. Floyd Holt, Principal
2. Jared McCarthy, Alternate

Montgomery County Members

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

Fairfax County Member

1. Sarah Motsch, Alternate

DC WATER STAFF

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

The 307th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Keith Anderson at 9:31 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

I. APPROVE MINUTES

Chairperson Anderson asked for a motion to approve the minutes of the March 7, 2024, meeting.

Upon a motion duly made and seconded the Board of Directors approved the minutes of the March 7, 2024, meeting as presented.

II. CHAIRPERSON'S OVERVIEW

Chairperson Keith Anderson noted the recent communication to the Board about the upcoming town halls on DC Water's proposed rate adjustments and encouraged Board members to attend at least one of the meetings. He also congratulated Chris Peot, President of Blue Drop, and his team on receiving the 2024 Sustainability Award.

III. COMMITTEE REPORTS

*Environmental Quality and Operations Committee Report
Reported by Howard Gibbs*

Environmental Quality and Operations Committee Vice-Chairperson Howard Gibbs reported on the Committee meeting that was held on March 21, 2024.

Nicholas Passarelli, Vice President of Wastewater Operations, briefed the Committee on the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) which was operating within expected parameters. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 26% of the average treatment plant consumption while 8,350 wet tons of biosolids were sold as Bloom.

Dr. Haydee De Clippeleir, Director of Clean Water Quality and Technology at DC Water, presented on research efforts related to optimizing the performance of BPAWTP, with a goal to focus on technologies that have a lower overall footprint and cost. These technologies include partial denoxification (PdNA) using anammox for nutrient removal and densification of activated sludge in secondary treatment. PdNA, which has been piloted at Blue Plains since 2012, is cost-effective as it saves methanol and aeration costs and only requires modifications to existing infrastructure. The next step of PdNA is to implement a pilot-scale demonstration utilizing grant funding for a summer 2025 startup to inform a decision on full-scale implementation. Activated sludge densification would create additional capacity within the existing infrastructure.

Mr. Gibbs noted that a process change implemented in 2021 at no cost has already improved effluent quality from secondary treatment and a pilot that simulates the full-scale system for this process is underway.

Three joint-use, and two non-joint-use action items were presented for Board approval.

*Retail Water and Sewer Rates Committee
Reported by Howard Gibbs*

Retail Water and Sewer Rates Committee Chairperson Howard Gibbs reported on the Committee meeting that was held on March 26, 2024.

Matthew Brown, Chief Financial Officer Finance and EVP, Procurement and Compliance presented the monthly report as of February 29, 2024, noting that year-to-date revenue was favorable to the budget by about 2.8 percent, receipts for Residential/Commercial/Multi-Family were favorable at 43.8 percent of the budget, and the DC housing authority was lower than budgeted at 37.3 percent due to a late February payment. Other revenue was lower than budgeted due to lower than anticipated developer fees, system availability fees, and the Washington Aqueduct Backwash. Total Delinquent Accounts increased in dollar amount and in number of accounts, primarily in the multi-family category.

In relation to developer fees, Ogechi Okpechi, Director of Permit Operations noted that her team is now handling refunds internally and processed 46 accounts totaling over \$600,000 in refunds in February. For FY24 to date, 158 accounts were processed compared to 105 in FY23. Ms. Okpechi noted that some accounts were debits, not credits, as the customer owed money to DC Water.

Mr. Brown discussed the Committee work plan, focusing on the rate adoption schedule, and updated the Board on the relevant dates for consultation and approval of the schedule. Finally, Mr. Brown reviewed the revised schedule for the Fire Protection Service Fee.

*Finance and Budget Committee Report
Reported by Anthony Giancola*

Finance and Budget Committee Chairperson Anthony Giancola reported on the Committee meeting that was held on March 28, 2024.

Lola Oyeyemi, Vice President of Budget, presented the February 2024 Financial Report highlighting the total operating revenues of \$394.9 million, operating expenditures of \$266.7 million, and capital disbursements of \$172.8 million. The authorized staff vacancy rate at the end of February was 13.1 percent, and the active vacancy rate was 6.9 percent. Management continues to intensify efforts to lower the vacancy rate to achieve the target by the end of the fiscal year.

The Committee had one action item, a recommendation for approval of senior and co-managing underwriting services selected from a pool of 19 qualified investment bankers.

Mr. Brown noted that the Townhall hearings for the proposed rates are being scheduled with the dates to be posted on the DC Water website. Mr. Giancola noted that there would be no meeting of the Finance and Budget Committee next month.

IV. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David Gadis announced that on April 8, DC Water will host two special events that Board members are encouraged to attend. The first is a round table discussion of regional business leaders on the workforce of the future and how businesses can best position themselves to attract and retain a high-performing workforce in an extremely competitive marketplace. He noted that the meeting is important and timely as the district is urging employers and employees to return to work sites in a bid to boost the local economy. After the round table, employees from across the authority are invited to a legacy event in which a bronze statue by artist Stephen Weitzman will be unveiled in tribute to past, present, and future DC Water staff.

Next, Mr. Gadis reported on the quarterly staff meeting on advancing DC Water's strategy noting that the Environment, Social and Governance (ESG) report is in progress and will be provided to the Board later in April. Mr. Gadis recognized the leadership of Matt Ries, Vice President of Strategy and Performance, and all leaders involved in advancing Blueprint 2.0 and ESG efforts over the last two years.

Finally, Mr. Gadis discussed community outreach on the Authority's rate proposal for FY25 and FY26. On March 27, DC Water held an employee briefing on the proposed rates and expanded customer assistance programs. Chief Financial Officer Matthew Brown led a high-level review of the focuses and factors shaping the rate proposal. Employees were provided with information to share in responding to customer inquiries and a list of upcoming community outreach meetings on the rate proposal.

Mr. Giancola commented that while he had been critical of the ability of staff to handle the facilities preventative maintenance programs, the service request program, the fleet preventative maintenance program and the priority vehicle program, he was pleased to acknowledge and commend the staff for achieving a new high in all four areas.

V. 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).

Upon a motion duly made and seconded, the Board of Directors voted to approve Joint Use resolutions as presented.

VI. 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 2ndStreet 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)

Upon a motion duly made and seconded the Board of Directors voted to approve the Non-Joint Use resolutions as presented.

VII. ADJOURN

Board member Steven Shofar stated that this was his last Board meeting. Mr. Shofar thanked his fellow board members and staff. Mr. Anderson and Board member Jon Monger thanked Mr. Shofar for his years of service.

There being no further business to come before the Board, Mr. Anderson adjourned the meeting at 9:59 a.m.

Michelle Rhodd
Secretary to the Board of Directors



**GOVERNANCE COMMITTEE
MINUTES OF THE MEETING**

APRIL 10, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Christopher Herrington, Chairperson
2. Fariba Kassiri, Principal, Montgomery County
3. Rachna Bhatt, Principal, District of Columbia
4. Jon Monger, Principal, Montgomery County

DC WATER STAFF

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

The Governance Committee meeting was called to order by Christopher Herrington, Chairperson, at 9:31 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. GOVERNMENT AFFAIRS UPDATE

Marc Battle, Chief Legal Officer Government and Legal Affairs introduced a video presentation previously recorded by Barbara Mitchell, Associate General Counsel and Interim Director of Government Affairs.

In the presentation, Ms. Mitchell reviewed the applicable section of the DC Water Bylaws which outlined the roles and responsibilities of the Governance Committee. Next, Ms. Mitchell provided an update on the Government Affairs team's activities since the beginning of the year.

- On February 5, Marc Battle issued an opposition letter to B25-0675, The Water is Life Amendment Act of 2024, noting that the bill would impair DC Water's ability to

collect the necessary revenue to provide drinking water and wastewater treatment to customers.

- On February 29, David Gadis updated the DC council on DC water operations during the performance oversight hearing.
- On March 4, Marc Battle testified before the Committee on Transportation and the Environment in support of Bill B25-0424, the DC Water Critical Infrastructure Freedom of Information Clarification Amendment Act of 2023.
- On March 20, the Senate Committee for Environment and Public Works conducted a hearing on bill S.1430, the Water Systems PFAS Liability Protection Act. DC Water joined several clean and drinking water systems in issuing letters and lobbying senators supporting the legislation to exempt them from CERCLA liability for PFAS.
- From April 3 to April 29, the government affairs office worked with finance to understand the implications of the mayor's budget. CFO Matt Brown testified on the importance of finding and protecting monies for Leak Repair Assistance, LPRAP, and CRIAC/CAP.
- On April 9, DC Water participated in Water Week. David Gadis provided welcoming remarks and hosted a reception after the events.
- On April 10, Barbara Mitchell was meeting with congressional representatives to discuss issues that matter to the water sector.

Ms. Mitchell also provided an update on the Lead-Free DC mandate. She informed the Committee that useful links to various hearings and legislations were provided in the presentation. Mr. Herrington asked Michelle Rhodd, Secretary to the Board, to share the presentation with the Committee after the meeting.

After the presentation Committee Chair Christopher Herrington asked staff how the Board could support their work. Mr. Battle noted that assistance is always welcome and highlighted a recent PFAS issue raised in Montgomery County.

Mr. Battle went on to discuss the Environmental Protection Agency's (EPA) latest guidance on PFAS levels in water, noting that the Authority is crafting a response. He noted that there was a consensus that customers should not bear the cost of remediation for new requirements to filter water. If the EPA creates new rules that increase the costs of providing water, Mr. Battle shared the Authority's perspective that the polluters should pay the costs of these requirements.

In response to Committee member's Fariba Kassiri request for clarification about what it would mean for polluters to bear the costs. Mr. Battle stated that the manufacturers of the chemicals should be responsible for the cost of new processes needed to remove their chemicals from water and should bear the costs of the clean up so that the costs are not passed on to consumers.

Ms. Kassiri went on to ask if DC Water would still have to invest money to make the needed corrections. Mr. Battle noted that the Washington Aqueduct (Aqueduct) provides water treatment for the area, and those costs are passed on to DC Water. He stated that the chemical manufacturers needed to be put on notice that water providers would seek compensation. Ms. Kassiri asked if a lawsuit would cover additional costs to DC Water. Mr Battle stated that it would, but it was also important to shield water agencies from CERCLA liability.

Committee member Jon Monger asked if DC Water anticipated any necessary operational standards to come in compliance with the new EPA standard. Jeffrey Thomson, Chief Operating Officer noted that from an operations perspective, the Aqueduct is seeing PFAS levels somewhere in the mid-2s parts-per-million, which is below the threshold, but troubling. To ensure water remains below the PFAS limit, the Aqueduct is investigating new technologies such as using granular activated carbon or sidestream reverse osmosis, which are processes that the aqueduct does not currently have.

Mr. Monger noted that there was debate around the new standards and whether they are truly protective of human health. He asked what level of contamination would be targeted when the new strategies were deployed. Mr. Thompson explained that the Aqueduct is currently investing in research to answer that question, but the aim would be to have the output at the Aqueduct comfortably below the detectable limit, which is about two parts per trillion. He noted a concern that the EPA level is about 25 times lower than the level set by the World Health Organization. He also highlighted that PFAS can be filtered out, but the filtration process does not destroy them, so there is a disposal strategy to be considered as well.

David Gadis, CEO and General Manager stated that he was with 50 CEOs of large utilities from across the country earlier in the morning, and PFAS were a topic of discussion. The consensus of the group was that addressing PFAS should not be done on the backs of ratepayers. There was strong support for the federal government taking action against the polluters.

Mr. Herrington asked to confirm that the EPA's rule includes a three-year monitoring period and a two-year period for utilities to come into compliance. Mr. Gadis confirmed the timeline and Mr. Thompson noted that meeting that timeline would be challenging. He added that once the new filtration strategies are in place, there will be substantial ongoing operational costs that recur every year and are more significant than capital projects.

II. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:02 AM.



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
APRIL 18, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Sarah Motsch, Chairperson
2. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
3. Jared McCarthy, Alternate, Prince George's County
4. Christopher Herrington, Principal, Fairfax County

DC WATER STAFF PRESENT

1. David Gadis, CEO and General Manager
2. Matthew Brown, Chief Financial Officer and EVP
3. Wayne Griffith, Chief Administration Officer and EVP
4. Jeffrey Thompson, Chief Operating Officer and EVP

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 9:30 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 March 2024. Specific details of the presentation can be found on pages 3 to 8 of the EQ & Ops Meeting package 04.18.2024 (subsequently will be referred to as "meeting package"). The average flow through to complete treatment was 322 million gallons per day (MGD) for the month, the peak daily flow was 524 MGD which occurred on March 24th. It was reported that all 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 over 4 inches and the combined wet weather flows captured by the tunnel system was 132

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 6.9 MW was transferred to the Blue Plains grid. The solar system generated an average of 0.65 MW for the month. The average electrical consumption for the month was 29.1 MW and the total purchased power from PEPCO averaged 21.5 MW.

Mr. Passarelli discussed biosolids production and Bloom marketing at BPAWTP. During February, 14,392 wet tons of biosolids were produced; 7,607 wet tons were sold as Bloom and the remaining 6,785 wet tons were land applied through existing land application contracts. With the increased amount of precipitation experienced during the month, not as much biosolids was land applied as planned. Progress continues to be made to achieve Bloom marketing goals for FY24. To date, over 34,500 tons have been marketed compared to the goal of 65,000 tons for the fiscal year.

In reference to the electrical energy use and onsite generation at BPAWTP, Committee Member Howard Gibbs requested that DC Water report the cumulative amount of savings due to power generated onsite instead of purchasing from PEPCO. It was requested that savings since January 1, 2024 be reported. Mr. Passarelli noted that this will be reported starting the May 2024 Committee Meeting.

II. DC CLEAN RIVERS PROJECT STATUS UPDATE

Moussa Wone, Vice President, DC Clean Rivers Project presented the quarterly update for the DC Clean Rivers Program. The presentation provided was aligned with the information on pages 10 to 23 of the meeting package. Key points from the presentation are summarized below.

Anacostia Area:

- a) The Anacostia Tunnel System continues to perform well. A graph was presented showing system performance since it was placed into service in March 2018. Through February 2024, over 16.8 billion gallons of overflow and over 10,300 tons of trash, debris, and other solids have been captured by the tunnel system.
- b) The Northeast Boundary Tunnel (NEBT) is the last leg of the Anacostia River Tunnel System. The tunnel was placed in operation in September 2023, ahead of the consent decree deadline of March 2025. Currently, site restoration, pavement, and landscaping are taking place at all sites.
 - i. Median restoration has been completed along the Rhode Island Avenue corridor and on Mount Olivet Road. Median restoration at R Street remains to be completed.

- ii. Pavement restoration has been completed at the Rhode Island Avenue Metro and the 4th Street sites, and all traffic lanes have been fully. Paving has also been completed at Mount Olivet Road.
- iii. The remaining restoration activities for the Mount Olivet Road corridor include the construction of an ADA-accessible ramp at the DC Department of Public Works (DPW) and upgrade of the traffic signalization at the intersections of Capitol Avenue NE and West Virginia Avenue NE. The work at the Baptist Church site, which have been occupied for construction for the last five years, is complete.
- iv. The remaining restoration activities for the Rhode Island Avenue corridor include repair of gutters at the intersection of First Street NW and RIA. Pavement work will cover the areas between Lincoln Road NE and 2nd Street NW and work is planned to take place at night to minimize disturbance of the traffic along RIA.
- v. The Contractor has begun testing of equipment at the W Street Ventilation Control Facility.
- vi. Mr. Wone expressed thanks to staff from the District Department of Transportation (DDOT) and District Department of Energy and the Environment (DOEE) who have been providing expedited permit reviews for permits to complete decommissioning efforts. Permits that typically take up to 10 days to review have been returned to DC Water's Contractor in 2-3 days.

Potomac Area:

- a) The Design-Build Contractor for the Potomac River Tunnel (Potomac River Tunnel Contract B) is the CBNA-Halmar Clean Rivers Joint Venture. The Notice to Proceed (NTP) for the tunnel construction was issued in November 2023.
 - i. The Contractor is preparing design packages and the design is progressing at a rate greater than anticipated at this stage of the project.
 - ii. The Tunnel is planned to be placed in operation by February 2030.
 - iii. The Contractor is also actively mobilizing to the main tunnel mining site at West Potomac Park (WPP).
 - Site fencing and erosion and sediment control fencing were installed.
 - Trees designated for removal as part of site clearing activities were removed except for 6 trees near Independence Avenue SW. The National Park Service requested these trees be removed after the Cherry Blossom Festival.
 - Utility monitoring points and a temporary bridge were installed over the twin Potomac force mains located within the construction staging area for the project.
 - Upcoming work planned to be completed includes closure of Ohio Drive SW and installation of the bridge drilled shafts for protection of the force main. This is planned to commence in mid-June. Once completed, construction of the relocated Ohio Drive SW by-pass

road will commence, which will connect Independence Avenue SW to the current alignment of Ohio Drive SW.

Rock Creek Area:

- a) Rock Creek Combined Sewer Overflow (CSO) projects completed to date include sewer separation projects for five outfalls, diversion structure improvements for five outfalls and two Green Infrastructure (GI) Projects – Project A and Project B.
- b) Remaining Projects to be completed include the Piney Branch Tunnel Project and two GI Projects – Projects C and D.
- c) Piney Branch Tunnel
 - i. The minimum storage for this project is 4.2 million gallons. The required storage for the Rock Creek sewershed from the consent decree is 9.5 million gallons. The remaining storage balance will be achieved by a combination of storage from GI Projects C and D and credits from building other GI Projects in the Rock Creek sewershed as per District’s Stormwater regulation.
 - ii. The deadline in the consent decree is to complete the design for the project by May 2024; this milestone was met. Additional deadlines include award of the construction contract for the project by May 2026 and to place the tunnel in operation by November 2029.
 - iii. The goal for the project is to capture 96% of the CSOs at CSO 049.
 - iv. To date, the 60% design for the project has been completed and procurement for the project is underway. Industry outreach for the procurement is scheduled for April 25th and the Request for Proposal (RFP) is planned to be issued on May 9th.
 - v. The purpose of the tunnel is to intercept the CSOs at the outfall and provide storage prior to discharge into the exiting sewer system. Discharge to the sewer system will be by gravity, no pumping station will be constructed.
- d) Green Infrastructure (GI) Project C
 - i. The project is to manage 25 impervious acres with GI to the 1.2 inches retention standard. The project is currently in the planning, design, and procurement phases – all three phases are being advanced simultaneously.
 - ii. The requirement from the consent decree is to submit the project description to the EPA six months prior to the award of construction. The award for construction is planned to be March 2025 and the project is planned to be placed in operation in December 2027.
 - iii. The project is planned to include only alley permeable pavement and will be constructed across eight project areas in Ward 4 in the District. A public meeting event on the project description was held on April 8. The industry outreach will be held on April 23rd. The RFP for the project is planned to be issued on May 6th 2024.

General:

- a) The Clean Rivers Program continues to engage the public through outreach efforts on all projects. Mr. Wone discussed details about activities that have taken place

for the different projects across the District, including community coordination, key meetings, and outreach programs.

- i. Rock Creek Project C
 - The Project Description was posted to DC Water’s website on April 5th and a public meeting was held on April 8th to discuss details of the project.
 - A meeting was held with Ward 4 Council staff on April 15th to present details of the project and facilities proposed to be constructed.
 - ii. Piney Branch Tunnel – DC Water presented to the ANC-3C Environmental Justice Committee on February 13th.
 - iii. Potomac River Tunnel – Clean Rivers and OMAC are working to organize the groundbreaking media event for the project. The event is scheduled to take place on May 21, 2024.
- b) Overall, the Clean Rivers Program is projected to be completed \$42.6 million below budget. A graph was presented showing contract amounts and final costs for projects forming part of the program.

III. LEAD FREE DC QUARTERLY UPDATE

William Elledge, Director, Engineering & Technical Services presented the quarterly update for the Lead-Free (LFDC) Program. The presentation was aligned with the information on pages 24 to 30 of the meeting package. Mr. Elledge discussed key activities completed in the program in the last quarter, summarized some of the upcoming activities for the program, and shared some information from the program’s data dashboard.

In the second quarter (Q2) of FY24, 504 lead service line (LSL) replacements were completed. 89 of the completed replacements were private-side replacements, completed through the Lead Pipe Replacement Assistance Program (LPRAP). LPRAP is funded by the District government and administered through DOEE. A community workshop was co-hosted by DC Water, the Interfaith Power & Light DMV (IP&L DMV) and Young, Gifted & Green (YG&G; formerly Black Millennials 4 Flint) to educate residents and community leaders about the program and encourage attendees to sign an agreement.

Through Q2, it was noted that construction commenced on two bid packages (Packages 9 & 10) and NTP was issued for two additional packages (Packages 15 & 16). The program continued use of the Master Service Agreement (MSA) to facilitate continued acceleration of procurement processes. In addition, customer facing materials were updated to simplify workflow processes associated with LSL replacement work. Specifically, the right of entry authorization form was updated to allow electronic signature by homeowners. The form is signed by homeowners to allow DC Water Contractors access to complete LSL replacements.

Mr. Elledge noted that canvassing efforts for homeowner participation continued for Construction Packages 15, 16, 18 and 19, and noted the percentage of signed agreements achieved for these packages through Q2. In addition, the first phase of message testing for customer facing materials was completed in Q2.

Mr. Elledge elaborated on the community workshop co-hosted by DC Water, IP&L DMV, and YG&G. He noted some positive feedback received from the founder of YG&G, who commended the grace and professionalism by staff on the LFDC Program for their efforts in community engagement for LFDC projects. In their work as community organizers across the country, YG&G staff often cite DC Water efforts as the model to follow for community outreach and engagement work.

Mr. Elledge discussed some details regarding the MSA. It was noted that a fact sheet related to the MSA will be presented to the Committee as an Action Item at the May Committee Meeting. Mr. Elledge described that the MSA is a procurement mechanism first executed by the Board over a year ago. As part of the mechanism, a parent agreement is authorized by the Board with a not-to-exceed budget. Under this agreement, several work packages are competitively bid as task orders and these task orders are executed by DC Water's Director of Capital Procurement. Mr. Elledge discussed the benefits of this approach to date, noting that procurement times have been reduced from nine months to three months, the approach has facilitated input from contractor's during the design phase and has worked well for the type of service line replacement work constructed on the LFDC Program. As a result of this mechanism, six new contractors were added to the pool of vendors, including five that are new to DC Water. In total, there will be 14 contractors proposed to be authorized within the MSA, to be presented on the fact sheet to the Committee next month. In addition, a request for an additional \$250 million of funding will be included for future competitive task orders. This is planned to carry the LFDC program for bid packages needed for all the block-by-block programs through the end of FY2027.

Rudy Gonzalez, Director of Procurement, Capital Programs added to the discussion about procurement efforts associated with the MSA. It was noted that this mechanism was implemented for procurement for both the LFDC Program and the Small Diameter Water Main Replacement Program. Average procurement times have improved to 60 days compared to the target of 90 days - these times are from receipt of bids to issuance of the NTP. Mr. Gonzalez added that this procurement approach with the MSA, along with the pipe supply contracts has allowed DC Water to mitigate delays on these projects and receive lower prices for the purchase and delivery of piping, copper tubing and other related construction materials. The procurement approach has been successful in assisting with the achievement of LSL replacement goals and has increased collaboration and innovation between DC Water's staff in procurement, engineering, consultants on the LFDC Program and the Contractors executing the work.

Mr. Elledge discussed key upcoming activities for the LFDC Program. The program will continue to engage the Advisory Neighborhood Commissions (ANCs) and conduct meetings and events with community and faith-based organizations to inform the public of areas where work is scheduled to be completed. Work is planned to commence on construction packages 15 & 16 and DC Water will be working with the Army Corps of Engineers to get approval for the next group of construction packages (Packages 18 & 19). DC Water will also be conducting interviews for the next activator cohort, which is a program for employment through the District Department of Employment Services. Lastly, work will continue with DDOT on the Memorandum of Understanding (MOU) as well as recommended legislation for a homeowner mandate for council.

Mr. Elledge discussed progress on program construction activities, a chart was presented summarizing the progress of LSL replacements for FY24 for all LFDC Programs. Through Q2 of FY24, 996 replacements have been completed, compared to the cumulative Q2 goal of 720 replacements. As of the date of this Environmental Quality and Operations Committee meeting, DCW had installed its 1000th replacement in FY24. For FY24, the goal is to replace 2,180 LSL's.

IV. ACTION ITEMS

JOINT USE

1. Agreement No. DCFA-504 – Non-Process Facilities Program Management - McKissack & McKissack of Washington, Inc
2. Contract No. 10436 – Cleaning Service Contract Award - Phoenix Services, LLC.

NON-JOINT USE

1. Contract No. 150140 – Constitution Ave Area Water Main Replacement - Sagres Construction Corp.
2. DDOT Participation Project: DDOT - Kennedy Street NW Phase II, 16th Street NW to Georgia Ave NW – District of Columbia Department of Transportation

Brent Christ, Director, Facilities Management presented Joint Use Action Item 1.

John Pappajohn, Director of Procurement, Goods & Services presented Joint Use Action Item 2.

David Parker, Vice President, Engineering & Technical Services presented both Non-Joint Use Action Items.

For Non-Joint Use Action Item 2, Mr. Gibbs enquired why DC Water are paying for pavement restoration for the DDOT participation project. Mr. Elledge clarified that when water mains are installed within the project limits of the DDOT project, DDOT will typically cover the costs of the pavement restoration. When DC Water's water mains extend outside of the project limits of the DDOT project, DC Water typically covers the cost of pavement restoration for those water main segments.

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

V. ADJOURNMENT

The meeting was adjourned at 10:06 am.



**MINUTES OF THE MEETING
RETAIL WATER AND SEWER RATES COMMITTEE
APRIL 23, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Chairperson
2. Howard Gibbs, Vice Chairperson
3. Anthony Giancola, Principal
4. Jed Ross, Alternate

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. Marc K. Battle, Chief Legal Officer and EVP Government and Legal Affairs
4. Wayne Griffith, Chief Administration Officer and EVP
5. Jeff Thompson, Chief Operating Officer and EVP
6. Michelle Rhodd, Secretary to the Board

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

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

Matthew Brown, Chief Financial Officer and EVP Finance, Procurement and Compliance presented the Monthly Revenue Report, noting that the report was based on the revised budget adopted by the Board in March 2024. Revenues are favorable against the revised budget by about \$7.0 million (1.6% overall). The category with the largest favorable variance is the Residential, Commercial, and Multi-Family category. He stated that the Commercial revenue has been the most difficult to predict as a result of the impact of COVID. The Federal, DC Housing Authority, PILOT, and Right-of-Way fee categories are favorable as compared to the budget. The category with the largest unfavorable variance was in the District Government category, as consumption has lagged the budgeted projections. Other revenue is below budget by approximately \$3.3 million due to lower

than anticipated developer fees, the System Availability Fees, and the Washington Aqueduct Backwash.

Mr. Brown noted an increase in delinquent account balances on average by approximately \$0.97 million in the last four months, of which Multi-Family category made up and average approximately \$0.78 million each month.

Developer deposits continue to show progress since Permit Operations team is now processing refunds requests internally. Though additional staff hours have increased overtime costs, Mr. Brown stated that the team is making significant progress on processing the permit refund requests.

II. FY 2024 FIRE PROTECTION FEE COST OF SERVICE REVIEW

Ed Markus of Amawalk Consulting Group presented the Fire Protection Cost of Service Fees study. He provided an overview of how the Fire Protection fee is assessed based on a cost-of-service study prepared every three years to recommend appropriate fees for recovering fire protection costs from the District Government.

Mr. Markus emphasized that DC Water is providing a higher level of service than in past years, as evidenced by the fact that 99.5% of hydrants in the District are in service. Service levels are guided by Fire Protection MOUs, the first of which was signed in 2007. A 2013 MOU provided guidance to inspect all public hydrants annually, identify and install new hydrants where needed, and improve protocols for inspection of hydrants. The 2023 update required a third standard fire hydrant to be added to the current hydrant selection.

Mr. Markus provided an overview of the methodology for projecting fire protection costs based on FY 2019 – FY 2023 costs and projections for the FY 2025 – FY 2027, which are then compared with revenue received from the District Government to determine whether there is a cumulative amount due from the District Government or a credit. Based on this methodology, the cumulative obligation due to DC Water is approximately \$5.7 million at the end of 2024. Cost recovery options include a one-time catch-up payment and equal annual payments for the next three years, or equal payments over the next three years that include the catch-up amount.

Mr. Markus reviewed changes since the prior report that have impacted costs, including higher cost of service, inflation, higher parts, materials and labor costs, and additional hires to fill pandemic-period vacancies. Additionally, the number of hydrant repairs has increased, creating an increase in overtime as hydrant flow testing is more complex. It is anticipated that this level of service will continue for future years.

Board member Anthony Giancola inquired if the District Government was aware of the amount owed for Fire Protection costs. Mr. Brown answered yes, noting that both a draft as well as the current presentation were shared with the Department of Fire and Emergency Medical Services.

III. ACTION ITEM

Mr. Brown presented an action item seeking approval to submit the proposed rulemaking for the District of Columbia Fire Protection Service Fee for the fiscal years 2025 through 2027 to the DC Water Board for consideration.

The Committee recommended moving the proposed rulemaking for the District of Columbia Fire Protection Service Fee for the fiscal years 2025 through 2027 for Board approval.

IV. WATER AND SEWER RATES COMMITTEE WORKPLAN

Mr. Brown reviewed the committee work plan, highlighting the public hearing that will take place on May 9, noting that customers may also submit comments on proposed water and sewer rates. Five public outreach events have been held, including a virtual town hall. Two additional opportunities are scheduled, including an in-person meeting on April 27 at the Department of Employment Services and a virtual meeting on April 30.

V. ADJOURNMENT

The meeting adjourned at 9:53 AM.



**MINUTES OF THE MEETING
AUDIT AND RISK COMMITTEE
APRIL 25, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Floyd Holt, Chairperson
2. Jed Ross, Vice Chairperson
3. Howard Gibbs, Principal, District of Columbia
4. Anthony Giancola, Principal, District of Columbia

DC WATER STAFF

1. David L. Gadis, Chief Executive Officer and General Manager
2. Marc K. Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew T. Brown, Chief Financial Officer and EVP, Finance, Procurement and Compliance
4. Wayne Griffith, Chief Administrative Officer and EVP
5. Jeffrey Thompson, Chief Operating Officer and EVP
6. Joy Dorsey, Chief People Officer and EVP, People and Talent
7. Michelle Rhodd, Secretary to the Board

The Audit and Risk Committee meeting was called to order by Floyd Holt, Chairperson, at 11:02 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. ENTERPRISE RISK MANAGEMENT BRIEFING

Francis Cooper, Director Enterprise Program Management Office, presented the Enterprise Risk Management (ERM) Briefing. Mr. Cooper provided an overview of the ERM program to date. Specifically, he discussed the formation of a governance structure, top down- risk assessment approach, deep dives that were performed into two enterprise risks, and highlighted the implementation of a new risk module to provide timely risk identification and visibility into risk response activities, and a policy module to manage policy revisions and serve as a repository for board resolutions.

Helen Hagos, Manager, Enterprise Risk, Policy & Internal Audit, discussed the bottom-up process flow, which focuses on beginning risk management activities at the functional,

operational, or department level to engage stakeholders across the organization and provide them with the tools and processes to manage risk in their areas. Ms. Hagos explained that it was critical to have full context of the department prior to initiating the risk management process to enable a successful risk assessment. She provided additional context to the four-step risk process: 1. identify and assess 2. prioritize 3. treat and 4. monitor/report.

Mr. Cooper reviewed DC Water's Enterprise Risk Register and updates for the current year. The Washington Aqueduct Contract risk has been removed as a tracked risk item, while Artificial Intelligence (AI) has been added as an emerging risk. Two risk areas, Water Quality—Contaminants, and New and Changing Regulations, are impacted by the Environmental Protection Agency's (EPA) April 10, 2024 ruling on drinking water standards, limiting the levels of PFAS chemicals.

Ms. Hagos reviewed the emerging risk of artificial intelligence, highlighting the associated risks of biased data, privacy violations, security vulnerabilities, and the loss of human oversight. Of particular concern is that AI may lead to a loss of the ability to think critically and problem-solve. Ms. Hagos discussed the risk mitigation strategy underway to lessen the risks related to AI. The risk mitigation strategy focused on equipping employees with the knowledge, awareness, and guidance on how to responsibly leverage AI systems.

Mr. Cooper stated that the next steps for risk management include continuing to refine the bottom-up risk assessment approach using input from stakeholders, developing a survey and open-ended questions, crafting a communication strategy to socialize the approach, promoting education and dialogue, and completing the AI policy and user guide.

II. INTERNAL AUDIT UPDATE

A. FY 2024 INTERNAL AUDIT PLAN STATUS UPDATE

Dan Whelan, RSM, presented an audit update reviewing completed reports and pending work. He noted that the audit plan was on track and that any changes to the audit plan would be communicated to the Committee. For this quarter, there were four audits completed, which is the normal course.

B. STATUS UPDATE ON PRIOR AUDIT FINDINGS

Stephanie McKee, RSM, reviewed the two open high risk audit findings, neither of which's target date had come due. Both items are tracking toward their milestones as the target date approaches. For the Department of Water Operations (DWO) Work Order Management item, Failure to Capture Work Order Labor and Materials Data, DWO has begun monitoring data integrity biweekly to monitor the effectiveness of new processes. As of March 2024, the percentages that were missing were approximately 30 to 40 percent which is a significant improvement

since the audit. The team is working towards reaching their KPI of keeping missing percentages for labor hours and material costs under 10 percent. For the Fleet Management item, Lack of Current Policies and Procedures, fifteen standard operating procedures have been drafted and submitted to the collaborating departments. The department is on track to have draft policies submitted and through Legal, Labor Relations, and People & Talent review by the target date.

Emily Lowien, RSM, provided a status update on prior audit findings, noting that there are no audit findings prior to FY23 that are still open. Four remain in the pending testing status, as the finding has been deemed closed by Authority management, but Internal Audit is allowing the process to function for a quarter prior to testing to confirm closure. For the Entity Level Review, policies have been completed and are undergoing final review. For Occupational Safety and Health, the comprehensive safety plan is ready for the legal department for review. The Contract Compliance Audit and Strategic Plan Monitoring Audit items are expected to be tested and closed in the next quarter. In relation to the FY23 Audits performed, there are seven open findings: two from the Payroll and Timekeeping Audit, two from the DWO Work Order Management Audit, and three from the Fleet Management Audit. Three items are in pending testing status. In total, 93 percent of all prior audit findings from FY17 to FY23 have been closed, Management's target closure rate is 95 percent.

C. CONTRACT COMPLIANCE AUDIT

Sophie Tomeo, RSM, reviewed the Contract Compliance Audit and the process for choosing the two contracts selected for comprehensive review. Ms. Tomeo stated that one high-risk finding was identified related to insufficient contract oversight. There were two issues identified under this finding, the first of the two related to a lack of evidence that daily field reports were reviewed and approved by a DC Water employee in a timely manner. Management will be revising the related SOP and training staff on the new requirement to conduct spot checks of daily field reports. It was noted that monthly reports were being reviewed and that a full-time staff member had assumed responsibility for reviewing the daily reports going forward. The second item related to a failure for reviewing contract required submittals within the required time frame. Management will be providing a refresher training for project managers to emphasize the importance of utilizing the Unifier system to track submissions.

Committee member Anthony Giancola asked if the Contracting Officer's Technical Representative (COTR) training is sufficient to ensure contract oversight. Ms. Tomeo confirmed that COTR training is provided, but due to its general nature of COTR responsibilities for the entirety of the Authority, it does not provide sufficient

details regarding the inspector role specifically and that the Engineering-specific training would be enhanced to address this.

One additional moderate risk and one low risk findings were identified and are included in the full report.

D. WORK ORDER MANAGEMENT AUDIT – PUMPING BRANCHES

Ms. Lowien presented the Department of Pumping and Sewer Operations (DPSO) pumping branches Work Order Management Audit, which was performed to validate effective operations in accordance with DC Water requirements for the calendar year 2023. The audit included interviews with key personnel and analysis of interview data to review key performance indicators in work order initiation and screening, work execution and data entry, work order closeout, and reporting and monitoring. The four pumping branches were reviewed: pumping operations, SCADA PCS, Maintenance, and Potomac Interceptor. The two sewer branches were reviewed in the DSO audit conducted in FY22. A work order mining process reviewed 6,064 work orders in the closed status. Two moderate-risk and one low-risk finding were identified. Overall, data entry and work hour tracking were found to be markedly improved since the last audit of work order management, and many gaps were addressed. Overall, excellent improvement was shown by the pumping branches throughout the audit.

E. PERMIT OPERATIONS MANAGEMENT ASSESSMENT

Ms. McKee reviewed the permit operations management assessment, noting that the assessment is not an audit and a full report is not included in the audit materials but was provided to relevant managers. The review was aimed to understand Permit Operations processes and provide recommendations for process improvements and internal control enhancements as the department moves toward implementation of the new permit information management system (PIMS). The assessment included walkthroughs with key personnel, documentation of process risks and control activities, flow charting of high-level processes, identification of process challenges and limitations, and a proposal for additional process and risk considerations as PIMS is implemented. The assessment concluded that appropriate control objectives have been defined to mitigate the significant risks within the future-state process. Ms. McKee commended the Permit Operations team which was great to work with and made great strides in improving their environment.

F. HOTLINE UPDATE

Samantha Bement, RSM, presented the Fraud, Waste, and Abuse Hotline Update. The update for this committee meeting included a presentation of fraud analytics on the 58 hotline calls that have been received from FY21 to April 18, 2024. Calls were analyzed and broken down according to the case type and department and case

type and outcome. Calls deemed non-fraud, waste, or abuse related are closed by internal audit and forwarded to the appropriate DC Water department heads for further review. Of the 58 hotline calls reviewed, five resulted in corrective action: one for misuse of DC Water vehicles, two for policy issues, one for a safety issue and sanitation, and one for theft of time. For FY24, 18 calls have been received, but most (15) were not fraud, waste, and abuse related. A large majority of these calls were related to policy issues. Ms. Bement noted that it is not possible to know how many are repeat calls as they are anonymous, but a majority of these policy issue calls are related to the company's telework policy. Ms. Tomeo noted that DC Water recently updated its telework policy and now requires all employees who telework to live within the DMV.

In response to a question by Mr. Giancola, Joy Dorsey, Chief People Officer, and Executive Vice-President, People and Talent stated that between 12 and 15 employees approved for telework do not live within the DMV.

III. EXECUTIVE SESSION

The Committee moved into executive session to discuss a facility security matter under DC Official Code § 2-575(b)(8).

IV. ADJOURNMENT

There being no other matters to come before the Committee, the meeting was adjourned at 12:04 PM.



CEO's Report

MAY
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 May 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.



'A Toast to Team Blue' Draws 382 Employees, Alumni

On Monday, April 8, it was my pleasure to join more than 400 attendees, including 382 employees, alumni, **Board Chair Keith Anderson**, and Board members **Rachna Butani Bhatt**, **Howard Gibbs**, **Richard Jackson**, and **Fariba Kassiri**, for 'A Toast to Team Blue,' and a celebration to remember.

Following remarks from Chair Anderson and former Authority general manager Jerry N. Johnson, I spoke a bit about why, as a third-generation water utility professional, it is so important to me that we recognize and honor our front-line heroes, past, present, and future. Just like my grandfather, and my father, these field employees are too often overlooked when, in fact, they deserve the lion's share of the credit for the Authority's day-to-day performance.

Following a toast of apple cider, employees were invited take a closer look at the dynamic bronze sculpture, created by artist Steven Weitzmann to honor Team Blue. With the formal celebration concluded, most attendees opted to join us on the rooftop terrace for cocktails, a DJ, and dancing that I'm told lasted late into the evening.

I would like to thank **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer and EVP / Marketing and Communications) both for serving as emcee for the unveiling and leading her team to deliver a very tasteful, polished, and smooth event.



dc Highlights

Sustainable

'Let's Talk Rates' Public Town Hall Meetings

On Thursday evening, April 4, it was my pleasure to lead our first 'Let's Talk Rates' Town Hall Meeting for the public. This meeting was conducted via Microsoft Teams, with more than 200 in attendance, including Board members **Howard Gibbs** and **Christopher Herrington**.

I am very pleased to report that, following the extensive outreach campaign to publicize the proposed rate adjustment, and the town hall meetings, the attendees at the initial meeting had relatively few questions for **Matt Brown** (Chief Financial Officer and EVP / Finance and Procurement), myself, or **Meisha Thomas** (Director, Customer Care / Administration), who presented on the DC Water Cares suite of Customer Assistance Programs, and flexible payment options.

Throughout the month, our teams repeated the presentation at virtual and in-person meetings for the public, and also hosted virtual sessions for several constituencies, including DC Council legislative staff, the Mayor's Office of Community Relations and Services (MOCRS), as well as our business and community partners.

I would like to thank Mr. Brown and his team for preparing a very thoughtful overview of the factors influencing our budget and rate proposal, and how ratepayer funding is spent. I would also like to recognize Ms. Williams and her team for organizing and managing logistics for what was a very effective series of community meetings.

Onsite Water Reuse Summit

As Water Week was in full swing, **Dr. Robert Bornhofen** (Director, Innovation / Strategy and Performance) visited the offices of the U.S. Environmental Protection Agency (EPA) for a summit on onsite water reuse.

Roughly 300 attendees from EPA, the water sector, industry associations, and several utilities heard Dr. Bornhofen describe our LEED Platinum headquarters building, and the reuse of non-potable water to flush toilets. Leveraging photos and metrics, Dr. Bornhofen also covered the wastewater thermal energy system, and the newly installed, dynamic bronze sculpture honoring the legacy of Authority employees, past, present, and future.

I would like to thank Dr. Bornhofen for representing DC Water at the summit and promoting the Authority's industry leadership. I would also like to recognize **Brent Christ** (Director, Facilities / Shared Services) and **Richard Quaofio** (Program Manager, Energy Systems / Facilities) for assisting with the presentation content.



dc Highlights

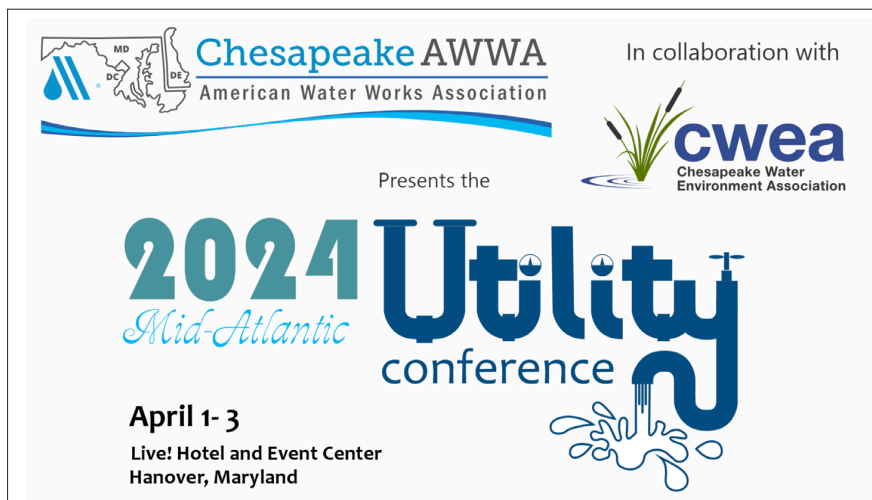
Resilient

Authority Leads the Way at 2024 Mid-Atlantic Utility Conference

One of my executive initiatives is to engage the water industry and develop the Authority's thought leaders through exposure to training and experiences, and DC Water did all of that and more at the 2024 Mid-Atlantic Utility Conference. The Conference was held, April 2-3, by the Chesapeake American Water Works Association (CSAWWA) and Chesapeake Water Environment Association (CWEA).

Gian Cossa (Senior Management Analyst / Engineering and Technical Services) and **Yvette Judge** (Director, Business Analysis / Pumping and Sewer Operations) have led a two-year planning effort to deliver a remarkable Conference that showcased the Authority's expertise and thought leadership within the sector.

Nine DC Water employees organized panel discussions, presented, and/or moderated during the eight program sessions shown below. I would like to thank Mr. Cossa, Ms. Judge, and the Authority employees who contributed to our impressive showing.



1. Innovations in Managing Aging Infrastructure – **Jeff Thompson** (Chief Operating Officer and EVP / OCOO)
2. Balancing Regulatory Mandates with Cost Management – **David Parker** (Vice President / Engineering and Technical Services)
3. A.I.: Harnessing the Power – Mr. Cossa, **Robert Bornhofen** (Director, Innovation / Strategy and Performance), and **Dolly Gada** (Contractor / Strategy and Performance)
4. Enhancing Regional Collaboration – Ms. Judge
5. Post-Pandemic Supply Chain Challenges – **Chike Monwuba** (Program Manager, Infrastructure Standards)
6. Moving the Needle on DEI – **Korey Gray** (Vice President, Contract Compliance and Business Development / Finance, Procurement, and Compliance)
7. The Race to Replace – Lead Service Lines (Mr. Cossa, **Will Elledge** (Director / Engineering and Technical Services))
8. Maintaining the Talent Pipeline – Ms. Judge, Mr. Gray



'Workforce of the Future' Panel



On Monday, April 8, it was my honor to host and participate in a panel discussion on the 'Workforce of the Future.' The conversation was moderated by **Dr. Unique Morris-Hughes** (Director / District Department of Employment Services), who has been a key partner and proponent of DC Water Works, and our apprenticeship program. Joining me on the panel were **Jack McDougle** (President and CEO / Greater Washington Board of Trade), **Angela Franco**

(President and CEO / DC Chamber of Commerce), and **Yesim Sayin Taylor** (Executive Director / DC Policy Center).

There was so much to include in the conversation that there wasn't time to explore all the nuances of the shift towards telework and the ways that remote work has impacted the District. This is a timely and important conversation as District businesses continue to seek the optimal balance between offering employees the flexibility they want and still being present to support District restaurants and services, and the city's ongoing economic recovery from the pandemic.

2024 NACWA Water Policy Fly-In and Water Week

On Tuesday, April 9, it was my honor to deliver welcoming remarks at the 2024 National Association of Clean Water Agencies' (NACWA) Water Policy Fly-In in conjunction with Water Week 2024. The annual lobbying effort brings hundreds of water professionals to the Nation's Capital each year to meet with their Congressional delegations and key lawmakers on water policy.

I devoted my remarks to the converging fiscal challenges facing water utilities nationwide. Whether relating to aging infrastructure, the impact of climate change, lead line removals, and new regulations on emerging contaminants, water utilities face an unprecedented need for greater federal investment in our national water systems and infrastructure.

The day-long Policy Fly-In offers direct access to elected officials, with many opting to speak at the Fly-In. This year, Congressional representation came from Senator Shelley Moore Capito (R-WV), and Representatives Chris Pappas (D-NH) and Buddy Carter (R-GA) delivering afternoon remarks.

Following a day of advocacy and collaboration, attendees were invited to the 2024 Water Week Reception, which was held at HQO. The reception offered an excellent opportunity to engage our industry counterparts and continue building those advocacy relationships.

Additionally, as part of the Authority's broader efforts around Water Week 2024, **Barbara K. Mitchell** (Director and Associate General Counsel / Government and Legal Affairs) participated in legislative advocacy visits with Virginia lawmakers, including Senator Tim Kaine (D-VA), Senator Mark Warner (D-VA), and Congressman Don Beyer (D-VA), and their respective legislative staffers.

The Office of Marketing and Communications effectively amplified our Water Week activities of the 'Workforce of the Future' panel, the statue unveiling, and advocacy efforts across our social media channels during the week.

 **Healthy, Safe and Well**

EPA Sets Regulatory Limits on Per- and Polyfluoroalkyl Substances (PFAS)

On April 10, the U.S Environmental Protection Agency (EPA) issued the final rules and regulations on per- and polyfluoroalkyl substances (PFAS) in water systems nationwide. The following day, DC Water, and WSSC, Fairfax Water, the Prince William County (VA) Service Authority, contributed to a joint press release, issued through the Metropolitan Washington Council of Governments (MWWCOG), on the costs of PFAS remediation and the need for corporate polluters to clean up their own mess, at their own expense.



A recent study conducted for the American Water Works Association estimated the national cost burden of installing PFAS drinking water treatment to be more than \$3.8 billion annually. As utilities nationwide are already fiscally strained from the cost of replacing aging infrastructure and removing lead lines, it is critically important that the PFAS cleanup costs not be passed to the Authority and to our customers.

I will continue to keep the Board informed of regulatory developments relating to PFAS, and our teams continue to advocate for holding polluters responsible to the greatest extent possible.

Smithsonian
MAGAZINE

SMART NEWS

EPA Sets First Federal Limits on Dangerous ‘Forever Chemicals’ in Drinking Water

Public water systems will have to test water and reduce levels of six types of PFAS if they aren't in compliance with the new rule



Will Sullivan
Daily Correspondent
April 12, 2024



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 CEO's Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

| Metric | Target | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|---|---------|---------|---------|---------|---------|
| Operating Cash Balance (millions \$) | \$296.6 | \$333.4 | \$332.6 | \$317.0 | \$313.1 |
| Delinquent Account Receivables (%)† | 3.30% | 4.17% | 4.22% | 4.36% | 4.44% |
| On-time Vendor Payments (%)†† | 97% | 97% | 97% | 96% | 96% |
| Investment Earnings Data (Thousands \$) | \$7.0 | \$2.6 | \$3.5 | \$4.6 | \$5.4 |
| Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index * | | 4.3% | 4.3% | 4.7% | 4.7% |
| Core Investment Yield Data (%) - Actual Monthly Yield ††† | 4.39% | 4.2% | 4.3% | 4.3% | 4.3% |
| Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index * | | 5.1% | 5.3% | 5.4% | 5.1% |
| Short Term Investment Yield Data (%) - Actual Monthly Yield ††† | 5.03% | 3.0% | 3.0% | 3.0% | 3.0% |
| Days of Cash on Hand** and *** | 267* | 318 | 316 | 319 | 313*** |

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.

***313 days of cash is made up of 32 days in the Rate Stabilization Fund and 281 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

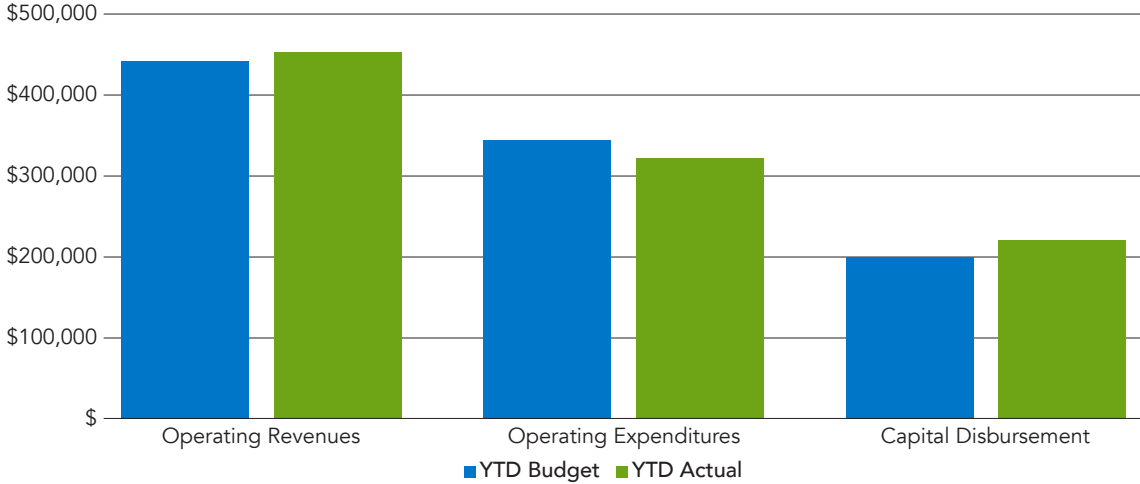
As of March 31, 2024, with 50 percent of the fiscal year completed, DC Water is on track with the budget. Total operating revenues were \$451.3 million or 50.7 percent of the budget. The higher receipts were mainly due to higher consumption in Residential, Commercial, and Multi-family categories as compared to the budget.

Total operating expenditures were \$326.5 million or 44.9 percent and capital disbursements were \$217.4 million or 42.3 percent of the respective budgets. We are experiencing an uptick in Operations and Maintenance costs due to increases for parts and supply chain issues.



Finance, Procurement, and Compliance

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



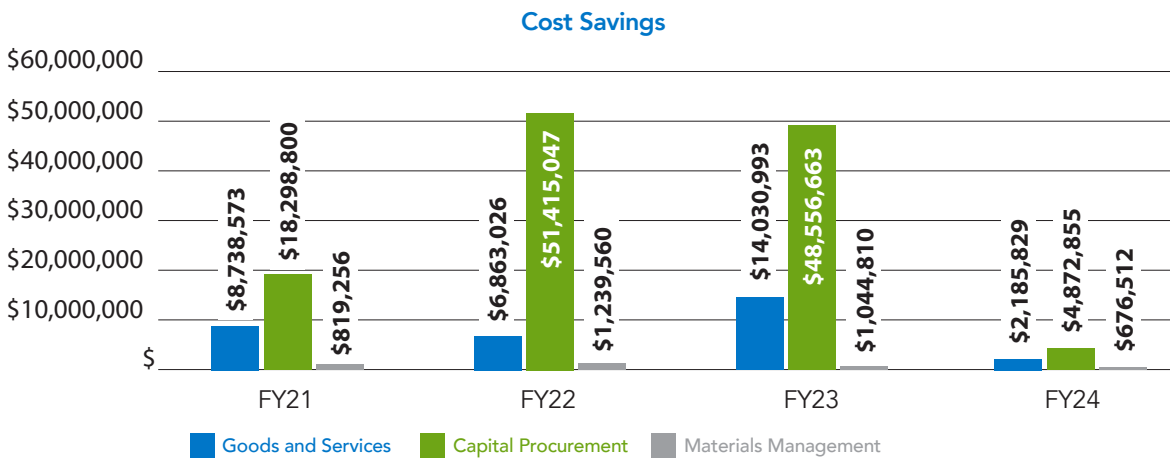
FY 2023 Financial Audits

The FY 2023 IMA Operating & Maintenance Settlement was completed on March 19, 2024. The Office of Management and Budget Uniform Guidance Audit was completed with KPMG issuing the unmodified audit opinion in March 2024.

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.





Finance, Procurement, and Compliance

Procurement – continued

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 |
|----------------------|---|-------------------|--------------------------------|-------------------------|----------------------------|
| Apr, 2024 | Green Infrastructure: Rock Creek Project "C" Construction | RFP | \$10 M - \$15M | CMAR | CBE |
| Apr, 2024 | Piney Branch Tunnel Construction | RFP | \$150-200 M | Progressive Design | TBD |
| Apr, 2024 | Local Inspection Services | RFP | \$12M | Other | DBE/WBE |
| Apr, 2024 | COF/IT Electrical System Upgrade | IFB | \$9M - \$11M | Bid Build | DBE/WBE |
| Apr, 2024 | SDWMR-18A | IFB | \$8M - \$10M | Bid Build | DBE/WBE |
| Apr, 2024 | LFDC Task Order 09, Work Packages 18 | IFB | \$55M - \$60M | Bid Build | DBE/WBE |
| May, 2024 | Construction of Flood Seawall Segment A, B, D | RFP | \$24M - \$26M | Design Build | DBE/WBE |
| May, 2024 | Bryant Street Pump Station | RFP | TBD | Program Management | 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 | Pre-Dewatering Centrifuges Nos. 1 & 12 | IFB | \$5M - \$6.5M | Bid Build | DBE/WBE |
| May, 2024 | SDWMR-18B | IFB | \$8M - \$10M | Bid Build | DBE/WBE |
| Jun, 2024 | Primary Treatment - 20 YR Rehab Phase 2 CMAR | RFP | \$120 Million | CMAR | DBE/WBE |
| Jun, 2024 | Blue Plains SB-1 Warehouse - CMF Building | IFB | \$6M - \$8M | Bid Build | DBE/WBE |
| Jun, 2024 | COF Building | RFP | \$2M - \$4M | Bid Build | DBE/WBE |
| Jun, 2024 | Demolition and Construction of Floatable Debris Dock | RFP | \$2 M | Design Build | TBD |
| Jun, 2024 | Plant Wide Storm Drainage Improvements | IFB | \$3M - \$4M | Bid Build | DBE/WBE |
| Jun, 2024 | RWWPS 1 - 20 yr rebuild | RFP | \$25M - \$30M | Design | DBE/WBE |
| Jun, 2024 | Heavy Cleaning Services | RFP | \$8M | Other | DBE/WBE |
| Jun, 2024 | Spring Place Water Main and Sewer Rehab | IFB | \$6M - \$8M | Bid Build | DBE/WBE |
| Jun, 2024 | LFDC Task Order 09, Work Packages 19 | IFB | \$76M | Bid Build | DBE/WBE |
| Jun, 2024 | SDWMR-18C | IFB | \$8M - \$10M | Bid Build | DBE/WBE |

Procurement continued

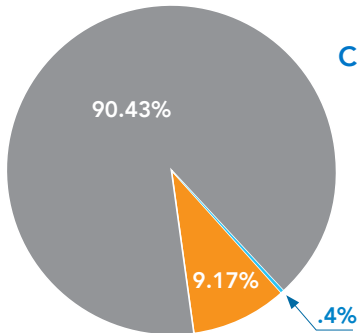
Goods and Service:

| Planned Solicitation | Project Title | Solicitation Type | Estimated Total Contract Value | Eligible Inclusion Program |
|----------------------|-------------------------|-------------------|--------------------------------|----------------------------|
| Apr, 2024 | Sodium Hypochlorite | RFx | >\$12M | DBE/WBE |
| Apr, 2024 | Sodium Bisulfite | RFx | >\$5M | DBE/WBE |
| Apr, 2024 | Gas Monitoring Services | RFI | >1M | LSBE |
| May, 2025 | Uniforms | RFP | >\$1M | DBE/WBE |
| May, 2025 | Calcium Hydroxide | RFx | >\$3M | DBE/WBE |
| Jun, 2026 | Methanol | RFx | >\$50M | DBE/WBE |

Contract Compliance

During this reporting period, three different procurement actions were approved, including two new awards, and one change order. The value of the eligible procurement actions for this period totaled \$8.98 million. Of this total, the planned certified firm participation is \$.85 million (in prime and subcontracting opportunities).

The following pie chart summarizes the certified firm participation:



**Certified Firm Participation
April 2024 Awards**

Participation:

DBE: \$.036M

WBE: \$1.82M

Non-certified: \$8.12M

Highlights:

- One Certified WBE, Pacifico Ford was selected as a prime contractor for the FY 24 and FY 25 Fleet Vehicles and Equipment project.



As of this report, DC Water Contractors have filled 23 new positions. The table highlights the total new hires for FY 24:

| Location | # of New Hires |
|-------------------------------|----------------|
| District of Columbia | 4 |
| Prince George's County | 12 |
| Montgomery County | 1 |
| Fairfax County | 2 |
| Loudoun County | 0 |
| Outside the User Jurisdiction | 4 |



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

| Metric | Target | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|---|--------|--------|--------|--------|--------|
| Security: Camera operational uptime | 90% | 97% | 96% | 97% | 97% |
| Security: Smart card readers operational uptime | 90% | 97% | 97% | 96% | 97% |
| Security: Percent of security investigations completed within 21 days | 95% | 100% | 100% | 100% | 100% |
| Facilities: Preventive Maintenance Completion Rate | 90% | 58% | 79% | 90% | 65% |
| Facilities: Service Request Completion Rate | 90% | 78% | 71% | 83% | 77% |
| Fleet: Preventive Maintenance (PM) on Schedule | 96% | 83% | 83% | 92% | 80% |
| Fleet: Priority Vehicles/Equipment (In-Service) | 96% | 81% | 84% | 77% | 80% |
| Safety: DC Water Employee Recordable Incident Rate (RIR) (FY) | < 4.9 | 1 | 1 | 1 | 1 |
| Safety: DC Water Employee Lost Time Incident (LTI) (FY) | < 1.7 | 0 | 0.2 | 0.4 | 0.5 |
| Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY) | < 2.5 | 0.9 | 0.7 | 0.6 | 0.5 |
| Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY) | < 1.1 | 0 | 0 | 0 | 0 |

Facilities:

The preventive maintenance (PM) metric for the month of March is 65% completion. On percent complete basis this is a drop from last month, however with respect to the quantity of PM's completed, the number of PM's completed rose from 236 in February to 333 in March. This is 41 percent increase in PM completion over the performance of February. March was high in PM total for the month, 513, which is well above the average for monthly PM in this fiscal year and 251 more PM than February. The service request (SR) completion rate for March was 77 percent. While under the 90 percent goal, service requests completed for the month of March, 204, is the highest completion total achieved on a monthly basis this fiscal year. Facilities will continue to work on balancing the monthly PM load and to expand subcontracted support and continues to work with People & Talent to recruit qualified HVAC technicians. In addition, through FY24 performance management there is a focus on the basics for each shop foremen with performance goals to draft a comprehensive workplan for each shop and to review and update standard operating procedures.

Fleet:

The Fleet Department's Preventative Maintenance completion rate was 80 percent in the month of March. All but six of the scheduled units brought in for preventative maintenance were returned to the operation. Additionally, 34 units were brought in for unscheduled service resulting in oil and filter changes, battery and safety checks and fluid top offs. The communication with departments continues to improve leading to 91 percent of vehicles brought in for service within five days of the scheduled time. Fleet's Priority One Vehicle Availability was 80 percent. 212 of 265 priority one vehicles remained operational and in service. 26 vehicles have been removed from the Fleet and sent to auction. The repair and maintenance service contract performance continues to trend up while work performance penalties decline.

Customer Assistance Programs (CAP)

In March the team participated in a multi-agency and utility discussion at the John A. Wilson Building in Chairman Mendelson's office. The event was hosted by the Chairman's staff and included various council member representatives, Office of Aging, DOEE, OPC, Public Service Commission, Pepco, Washington Gas and DC Water. The meeting was to discuss what each utility is doing to identify and assist customers at risk for disconnection. DC Water shared that disconnection is the last option, and that we attempt to engage customers in advance of disconnection. We also shared our assistance suite of options and insight into the upcoming assistance enhancements. The engagement was the start of many conversations relative to customer affordability and assistance. The discussion branched off into creating a smaller separate working group to identify specific ways to increase enrollment.

As DC Water works to increase participation, Customer Care collaborated with the Lead-Free DC Activator team to distribute assistance flyers as they go door-to-door to engage customers about Lead Free DC programs. We are looking for additional opportunities to collaborate internally to find ways to share DC Water Cares suite of assistance. The team is exploring the use of digital media as a form of outreach. We want to increase marketing and communication on social media and other entertainment platforms like YouTube.

| Program | FY2023 Enrolled | FY2023 Dollars | Mar. Enrolled | Mar. Dollars | # FY24 Enrolled | FY2024 Dollars | FY2024 Budget |
|---|-----------------|----------------|---------------|--------------|-----------------|----------------|---------------|
| CAP I | 4,744 | \$2,399,001 | 490 | \$218,510 | 3,195 | \$799,490 | \$2,600,000 |
| CAP II | 351 | \$139,714 | 36 | \$13,984 | 270 | \$54,511 | \$300,000 |
| CAP III | 36 | \$6,342 | 20 | \$1,685 | 20 | \$1,685 | \$50,000 |
| Non-Profit CRIAC Relief | 182 | \$875,585 | 13 | \$92,449 | 92 | \$258,703 | \$913,312 |
| DC Water Cares Residential (RAP) | 2,816 | \$2,930,302 | 16 | \$18,800 | 1,459 | \$848,524 | \$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

The team worked to meet metrics; however, we missed Estimated Bills as a Percentage of Meters Read, Percent of Calls Answered within 40 Seconds, Average Wait Time and Abandoned Rate targets. The main contributors are post-implementation issues with Paymentus (payment processing vendor), Genesys ACD system issue with short-abandoned calls counted against call center metrics and accounts that had to be manually processed due to SDWM and LFDC projects.

Additionally, the call volume has naturally increased due to normal disconnections. We are supplementing with temporary staff. The temporary staff will be trained and working in April 2024. We should see some service level relief in May/June.

Key Performance Indicators

| Metric | Target/ Service Level | Jan 24 | Feb 24 | Mar 24 |
|---|-----------------------------|--------|--------|--------|
| % of bills issued on time (w/in 5 days) | 97% | 98% | 98% | 97% |
| % unbilled | < 2% | 1.2% | 1.8% | 1.6% |
| Estimated bills as a percent of meters read* | < 4% | 6.4% | 4.5% | 4.2% |
| # of bill investigations (Disputes) | trend only | 316 | 253 | 283 |
| % of OPC inquiries resolved within 14 days | 98% | 100% | 100% | 100% |
| % of calls answered in 40 Seconds (Call Center)** | 85% | 73% | 79% | 67% |
| Monthly call volume served (Call Center) | trend only | 11,647 | 11,354 | 11,243 |
| Average Wait Time (minutes)** | <0:30 | 0:52 | 0:33 | 1:03 |
| Abandon rate** | 3% | 3% | 6% | 7% |
| Emergency dispatch <= 10 Min (ECC) | > 92% | 94% | 100% | 100% |

* Approximately 500 accounts fell to manual reads due to SDWM and LFDC Project

** Paymentus post-implementation issues. Genesys ACD global issue (still being resolved) and short-abandoned calls that disconnected before linking to the agent (resolved). Increased call volumes due to disconnect notifications.

Highlights

The IT Department has had five lunch and learn technology sessions where over 300 DC Water employees have benefitted from learning new and existing technology in our environment. More sessions will continue each month of the year with our commitment of educating and connecting with our end-users.

IT Monthly Report

| SR/WO Type | SL Target / SLA | Jan 24 | Feb 24 | Mar 24 |
|------------------------------|-----------------|--------|--------|--------|
| Number of tickets submitted | Trend only | 1278* | 1017* | 1014 |
| Number of open tickets | Trend only | 28 | 30 | 34 |
| Helpdesk SLA | 96% | 99.36% | 100% | 98.21% |
| Number of active projects | Trend only | 12 | 10 | 10 |
| Number of completed projects | Trend only | 4 | 2 | 8 |
| On schedule performance | 90% | 93.62% | 93.62% | 90.48% |
| On budget performance | 90% | 97.92% | 97.92% | 100% |
| % AMI transmission | 95% | 91.58% | 91.50% | 91.62% |

* 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 | Dec-23 | Jan-24 | Feb-24 | Mar-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% | 23% | 23% | 26% | 26% |
| Reactive Maintenance , percent of total maintenance hours | <20% | 32% | 29% | 31% | 30% |
| Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP | >95% | 99% | 99% | 97% | 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 | 188 | 951 | 2782 | 5168 |
| * Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31) | 11,400 | 11511 | 0 | 657 | 1436 |
| * NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31) | 9,095 | 10351 | 32 | 33 | 33 |
| Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle | >12 | 10 | 14.6 | 23.7 | 20.2 |
| Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks | >95% | 100% | 100% | 100% | 100% |
| Number of SSO's | Report | 7 | 2 | 3 | 1 |
| SSO's to Body of Water | Report | 2 | 1 | 1 | 0 |
| SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report) | 2 | .84 | .99 | 1.22 | 1.29 |
| SSO's per 100 miles of pipe (Water Body) (YTD) | Information Only | .38 | .46 | 0.53 | 0.53 |
| Combined Sewer System Overflows | 0 | 0 | 0 | 0 | 0 |

Key Performance Indicators continued –

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

Key Performance Indicators continued

| Metric | Target/Service Level | Dec-23 | Jan-23 | Feb-24 | Mar-24 |
|--|----------------------|--------|--------|--------|--------|
| Pumping Operations | | | | | |
| Firm Pumping Capacity Maintained | 100% | 100% | 100% | 100% | 100% |
| Reactive Maintenance | <20% | 7% | 13% | 23% | 11% |
| Critical Asset Availability | >95% | 98% | 98% | 98% | 98% |
| Water Operations | | | | | |
| Safe Drinking Water Compliance | 100% | 100% | 100% | 100% | 100% |
| Total Fire Hydrants Replaced | >21/Month | 15 | 15 | 19 | 23 |
| Hydrant Flow Tests (Non-Winter Months) | >180 | 61 | 156 | 164 | 476 |
| Fire Hydrant Operational Rate | 99% | 99% | 99.85% | 99.81% | 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% | 92.68% | 92% | 100% | 100% |
| Water Main Breaks | <28/Month | 52 | 146 | 42 | 26 |
| Water Main Break Rate /100 Miles (National Average is 25) | 25 | 27.33 | 36.49 | 38.41 | 38.49 |
| % of Hydrant Leaks in inventory that are not leaking | >90% | 99% | 99% | 99% | 99% |
| Permit Operations | | | | | |
| Overall On-time completion of Permit Reviews | 85% | 93% | 91% | 92% | 95% |

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

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

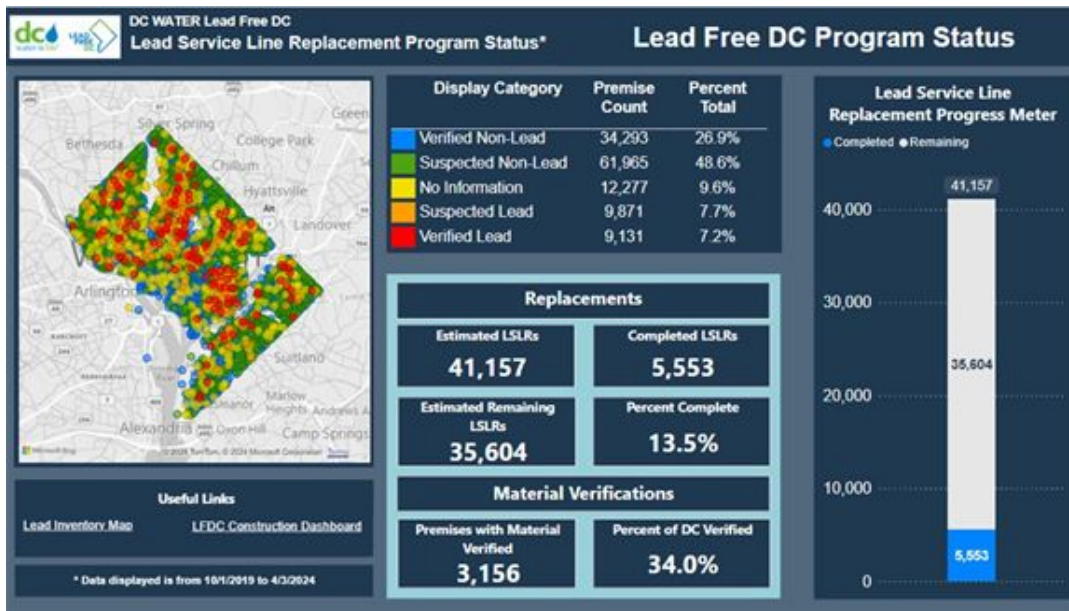
DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as a percentage of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within 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.

– continued

DC Water Capital Improvement Program – Projects in Construction



- LFDC replaced 186 LSLs in March.
- Construction on CIPPER Block-by-Block Packages 5-10 continued.
- Packages 15 and 16 received Notice to Proceed on March 4 and March 11, respectively.
- DDOT permitting documents for packages 18 and 19 continued and are 70 percent complete. Submission to DDOT is ongoing and will be complete by the end of April.
- DDOT has requested a waiver of the permitting and public inconvenience fees from the Mayor’s office and are awaiting approval. Once received, the MOU can be signed by DDOT and DCW.
- Continued canvassing in Construction Package 15 (4,138 homes) and 16 (2,590 homes), collected 16.6 percent and 21.2 percent signed agreements, respectively.
- Delivered two neighborhood presentations to residents located at: Fitch PI Neighborhood (3/5), NE and Perry/Spring PI NW Neighborhood (3/18) as well as five community events including: the National Cherry Blossom Festival-Blossom Kite Festival (3/30), Greater Washington Urban League (GWUL) Thursday Network Presentation (3/20), Northeast Boundary Civic Association (3/11), Penn Branch Civic Association (3/12), Fort Stanton Civic Association, and the Hillcrest Civic Association (3/2).
- Released a new canvassing flyer which serves as a toolkit for tenants to speak to their landlords about participating in the program.
- Released a revised version of the Right of Entry Authorization for Lead Service Line Replacement to simplify legal language and encourage more participation. Rolled out DocuSign capability of the agreement to create efficiencies.
- Released a revised version of the flushing instructions flyer in Spanish and English.



Featured Projects of the Month

Reclaimed Final Effluent Pump Systems Upgrades (RFEPS)

Process Service Water (PSW) is essential to provide many uses throughout the Blue Plains plant and its failure would significantly impact plant reliability. This project will improve system reliability with new, larger capacity pumps to provide for increased demands and redundancy.

RFEPS is in construction – 79.2 percent complete.

- Pumps are to be replaced one at a time with full startup and testing to maintain system operation during construction.
- All pumps, variable frequency drives, and electrical gear have been delivered to the site.
- The first pump, designated LPRFEP-1, has been installed and commissioned.
- The second pump, LPRFEP-2, has been set on a new pad, with discharge piping, electrical conduit and wiring underway.
- Due to the required sequencing, overall completion is anticipated for mid-2025.

Partial Denitrification – Annamox (PdNA)

The Blue Plains AWWTP achieves nitrogen removal through conventional nitrification-denitrification, a process that requires energy for blowers to supply air (oxygen), and methanol feed as a carbon source to feed the reactions. The PdNA process has the potential to achieve significant savings in energy and methanol use compared to the present processes. To fully understand the operational costs and potential savings, a full-scale pilot project is proposed to install the PdNA process in one reactor of the secondary treatment process.

Project Status:

- A full-scale pilot project has been designed to install the PdNA process in one reactor of the secondary treatment process.
- The project is under Construction Procurement, with construction anticipated to start in FY 24.



Contractor Ulliman Schutte (USC) with the assistance of United Crane Rentals delivering LPRFEP-2 via hydraulic crane to the FADF rooftop deck.



Contractor Ulliman Schutte (USC) mounting LPRFEP-2 motor from the FADF rooftop deck.

People and Talent Metrics

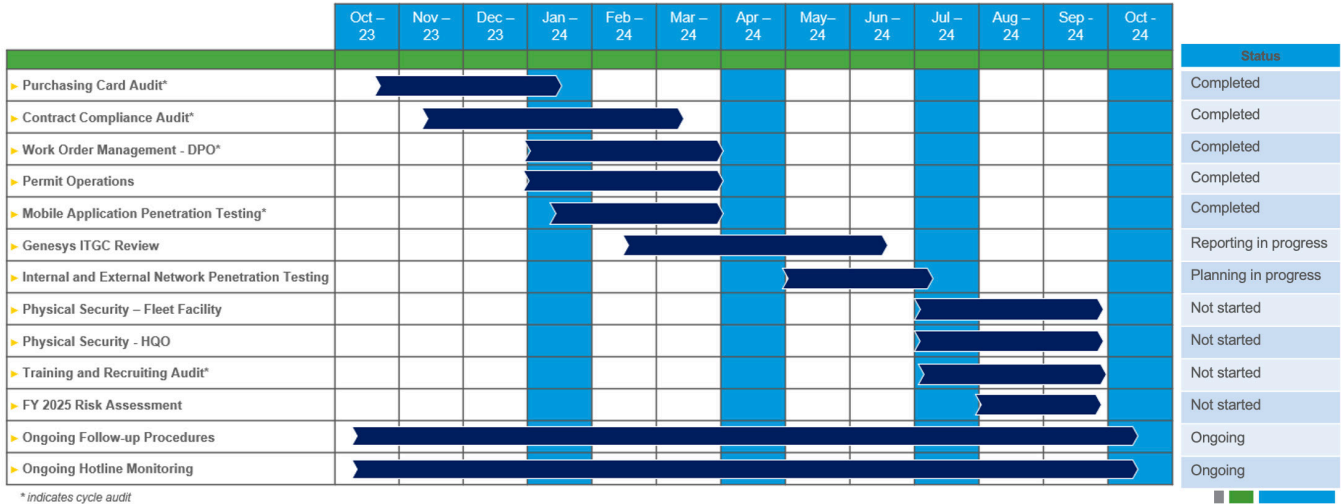
| Metric | Target | Jan-24 | Feb-24 | Mar-24 | April-24 |
|---|---|--------|--------|--------|----------|
| Active Vacancy Rate+ | 6% | 9.5% | 7.7% | 7.5% | 6.2% |
| Temporary Alternative Duty Program (TAD) ++ | 50% of WC claims eligible for TAD program | 71.0% | 71.0% | 53.0% | 70.0% |
| Time to Hire+++ | 60 days | 59.5 | 61.2 | 54.2 | 58.7 |
| Self-Identified Veterans (Active)++++ | | 26 | 26 | 26 | 26 |
| Female Workforce (Active)+++++ | | 22.4% | 22.4% | 22.4% | 22.4% |

Key Performance Indicators (KPI) Benchmark

| KPI Definition | Business Relevance |
|--|---|
| <p>Rolling 12 months' average of monthly active vacancy rate calculated as:</p> <p>(Positions under recruit on 1st of month) / (Positions under recruit on 1st of month plus Active Employees on 1st of the month"</p> | This KPI measures the organization's vacancy rate resulting from employee turnover and the addition of new positions. |
| 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. |
| 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. |
| 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. |
| 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. |

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 which have been socialized with DWO branches. Starting in December 2023, DWO began monitoring data integrity biweekly to monitor the effectiveness of new process adoption. In March 2024, missing percentages were around 30 to 40%, which is a significant improvement from the missing percentages noted during the audit. DWO is working to close the gap to meet their department KPI of keeping missing percentages for labor hours and material costs under 10%.</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 drafted 15 SOPs. They have begun sending draft SOPs to departments for review. 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

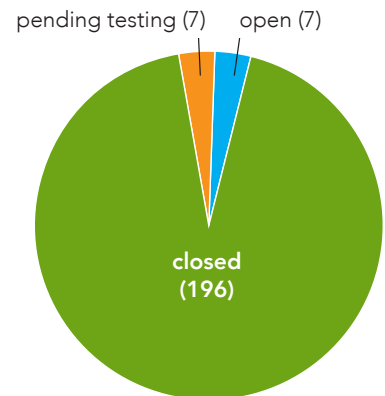
| Audit Report / Subject | Issue Date | Open |
|-----------------------------------|------------|--------------|
| Payroll & Timekeeping Audit | 7/27/2023 | 2 |
| Work Order Management Audit – DWO | 7/27/2023 | 2 |
| Fleet Management Audit | 10/27/2023 | 3 |
| | | total |
| | | 7 |

█ At least one original remediation target date has been extended

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

*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: May 2, 2024

SUBJECT: Approval to Execute Supplemental Agreement No. 04 of Contract No. DCFA-504, Non-Process Facilities Program Management, McKissack & McKissack of Washington, Inc.

**#24-23
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 May 2, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Supplemental Agreement No. 04 of Contract No. DCFA-504, McKissack & McKissack of Washington, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 04 of Contract No. DCFA-504, McKissack & McKissack of Washington, Inc. The purpose of this contract modification is to provide program management services for the DC Water non-process facilities program. The amount of this modification is \$6,909,786.00.

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

**ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT:
Non-Process Facilities Program Management
(Joint Use)**

Approval to execute Supplemental Agreement No. 04 for \$6,909,786.00. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

| PRIME: | SUBS: | PARTICIPATION: |
|---|--|-----------------------|
| McKissack & McKissack of Washington, Inc. 901 K Street, NW, Suite Washington, DC 20001 WBE | North Arrow, Inc. Washington, DC | DBE 17.3% |
| | SZ PM Consultants, Inc. Oakton, VA | DBE 5.7% |
| | Geotech Resources, LLC Montgomery Village, MD | DBE 2.8% |
| | Forella Group Chantilly, VA | DBE 2.1% |
| | Astute Engineering Vienna, VA | DBE 1.8% |
| | Quinn Evans Washington, DC | WBE 3.0% |

DBE Total Participation = 29.7% & WBE Total Participation 3.0%

DESCRIPTION AND PURPOSE

| | |
|--|--------------------------------|
| Original Contract Value: | \$3,000,000.00 |
| Total of Previous SA's | \$3,384,935.39 |
| Current Contract Value: | \$6,384,935.39 |
| Value of this SA: | \$6,909,786.00 |
| Total Contract Value, Including this SA: | \$13,294,721.39 |
| Original Contract Time: | 1,825 Days (5 Years, 0 Months) |
| Time extension, this SA: | 0 Days |
| Total SA contract time extension: | 0 Days (0 Years, 0 Months) |
| Contract Start Date: | 06-08-2021 |
| Contract Completion Date: | 06-07-2026 |

Purpose of the Contract:

To provide program management services for the DC Water non-process facilities program.

Original Contract Scope:

- Provide professional engineering and related services under the proposed agreement pertaining to the execution of the non-process facilities CIP. Services will include:
 - Preparing and updating master plans, facility plans, space/facilities management and associated tools, commissioning, and startup assistance, coordinating with designers, managing design-build projects, and coordinating with construction managers.
 - The program will also provide assistance to the Facilities Management Department in matters requiring program management, engineering or technical expertise pertaining to existing, newly constructed, or proposed non-process facilities with an emphasis on innovation, reliability and cost savings solutions.

Previous Supplemental Agreement Scope:

- Provide program management services as outlined in the original agreement for additional non-process facilities program projects not included in original agreement scope. These projects were transferred from DETS management to Facilities non-process facilities program management.

Current Supplemental Agreement Scope:

- Provide program management and Engineering Design services as outlined in the original agreement to support additional non-process facilities program projects not included in original agreement scope. These projects include:
 - Planning for rehabilitation of existing buildings at McMillian Reservoir a new Combined Water Quality and Wastewater Lab, new Electric Vehicle Infrastructure throughout DC Water Campuses, and a new Operation Training Facility.
 - Providing Concept Design & Bridging Documents for Sewer Services Office and Garage Expansion project
 - Provide support for other non-process facilities program projects as needed.
- Develop and update the 2023-2033, 10-year, Land Use Master Plan including recommendations for new facilities, renovations and modifications of existing facilities to meet the ever-changing needs of DC Water operations.

Future Supplemental Agreement Scope:

- Future Supplemental Agreement is anticipated to provide engineering services during construction.

PROCUREMENT INFORMATION

| | | | |
|---------------------------|-----------------------------|-------------------------|------------|
| Contract Type: | Cost Plus Fixed Fee | Award Based On: | Best Value |
| Commodity: | Engineering Design Services | Contract Number: | DCFA-504 |
| Contractor Market: | Open Market | | |

BUDGET INFORMATION

| | | | |
|----------------------|--|-------------------------|-----------------------|
| Funding: | Capital | Department: | Facilities Management |
| Service Area: | Non-Process Facilities & Water | Department Head: | Brent Christ |
| Project: | DS, HE, HK, JB, RV, SD, SE, SG, SH, SJ, SK, SL | | |

ESTIMATED USER SHARE INFORMATION

Capital 100% DC User Share (CAPM) Allocation

| User | Share % | Dollar Amount |
|--------------------------------------|----------------|-----------------------|
| District of Columbia | 100.00% | \$6,739,786.00 |
| Total Estimated Dollar Amount | 100.00% | \$6,739,786.00 |

Multi-Jurisdiction User Facility (MJ21) Allocation

| User | Share % | Dollar Amount |
|---|----------------|---------------------|
| District of Columbia | 89.70% | \$ 17,940.00 |
| Washington Suburban Sanitary Commission | 10.30% | \$ 2,060.00 |
| Total Estimated Dollar Amount | 100.00% | \$ 20,000.00 |

DC Water Renovations (RENO) Allocation

| User | Share % | Dollar Amount |
|---|----------------|----------------------|
| District of Columbia | 68.35% | \$ 102,525.00 |
| Washington Suburban Sanitary Commission | 24.75% | \$ 37,125.00 |
| Fairfax County | 4.53% | \$ 6,795.00 |
| Loudoun County & Potomac Interceptor | 2.37% | \$ 3,555.00 |
| Total Estimated Dollar Amount | 100.00% | \$ 150,000.00 |

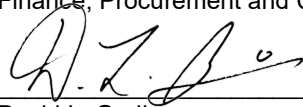
Total Combined Allocation

| User | Share % | Dollar Amount |
|---|----------------|-----------------------|
| District of Columbia | 99.28% | \$6,860,251.00 |
| Washington Suburban Sanitary Commission | 0.57% | \$ 39,185.00 |
| Fairfax County | 0.10% | \$ 6,795.00 |
| Loudoun County & Potomac Interceptor | 0.05% | \$ 3,555.00 |
| Total Estimated Dollar Amount | 100.00% | \$6,909,786.00 |

Wayne W. Griffith
 Digitally signed by Wayne W. Griffith
 Date: 2024.04.12 13:25:03 -04'00'
 _____ Date
 Wayne Griffith
 Chief Administration Officer and EVP

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2024.04.15 17:24:25 -04'00'
 _____ Date
 Matthew T. Brown
 CFO and EVP
 Finance, Procurement and Compliance Cluster

Rudy Gonzalez
 Digitally signed by Rudy Gonzalez
 Date: 2024.04.12 14:56:11/-04'00'
 _____ Date
 Dan Bae
 VP and Chief Procurement Officer


 _____ Date
 David L. Gadis
 CEO and General Manager

Presented and Approved: May 2, 2024

SUBJECT: Approval to Award Contract No. 10436, Cleaning Services Contract, Phoenix Services, LLC

**#24-24
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 May 2, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of Contract No.10436, Phoenix Services, LLC..

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Contract No. 10436, Phoenix Services, LLC. The purpose of this contract is to provide cleaning services to DC Water facilities. These services are required to help DC Water manage cleaning throughout the Authority. The base period contract value with two option years totals \$3,234,966,33.

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 AWARD
Cleaning Service Contract Award
(Joint Use)**

Approval to award and fund a contract to provide cleaning services in the amount of \$3,234,966.33 for one base year, and two option years.

CONTRACTOR/SUB/VENDOR INFORMATION

| | | |
|---|--------------|--------------------------------------|
| PRIME: Phoenix Services, LLC. 101 Executive Drive, Suite H Sterling, VA 20166 | SUBS: | PARTICIPATION: DBE 94% |
|---|--------------|--------------------------------------|

DESCRIPTION AND PURPOSE

| | |
|----------------------------------|-------------------------------|
| Base Period Contract Value: | \$1,041,445.56 |
| Base Period Contract Dates: | 05-15-2024 – 04-30-2025 |
| No. of Option Years in Contract: | 2 |
| Total Option Year 1-2 Value: | \$2,193,520.77 |
| Proposal Closing Date: | 01-05-2024 |
| Proposal Price Range | \$910,894.37 – \$1,499,392.80 |
| Total Numbers of Proposals: | 3 |

Purpose of the Contract:

To provide cleaning services to DC Water facilities. These services are required and help DC Water manage cleaning throughout the Authority.

Scope of the Contract:

Furnish the management, labor, materials, supplies, and equipment necessary to provide cleaning services for office spaces, locker and lunchrooms, the fleet building, trailers, the boat house, welding shops, pumping stations, and blower buildings throughout all DC Water locations. A 10% contingency was added to the original offering to account for deep cleaning and unplanned services. Each option year will be awarded based on requirements, performance, and availability of funds.

Supplier Selection:

This contract was recompeted in Q12024 with suppliers from the previous 2022 competitive solicitation. After analyzing the updated pricing obtained, Phoenix Services was recommended for this contract.

PROCUREMENT INFORMATION

| | | | |
|---------------------------|---|-------------------------|----------------|
| Contract Type: | Fixed Fee | Award Based On: | Highest Rating |
| Commodity: | Goods and Services | Contract Number: | 10436 |
| Contractor Market: | Limited with 6% WBE and 94% DBE participation | | |


BUDGET INFORMATION

| | | | |
|----------------------|---------------|-------------------------|--------------------------|
| Funding: | Operating | Department: | Department of Facilities |
| Service Area: | DC Water Wide | Department Head: | Brent Christ |

ESTIMATED USER SHARE INFORMATION

| User | Share % | Dollar Amount |
|---|----------------|-----------------------|
| District of Columbia | 71.19% | \$2,302,973.24 |
| Washington Suburban Sanitary Commission | 21.21% | \$686,136.57 |
| Fairfax County | 4.86% | \$157,219.41 |
| Loudoun Water | 2.38% | \$76,992.22 |
| Other (PI) | 0.36% | \$11,645.58 |
| TOTAL ESTIMATED DOLLAR AMOUNT | 100.00% | \$3,234,967.33 |

 / 4/11/24
 Maureen Holman Date
 VP, 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: 2024.04.11 12:33:52-04'00'
 Dan Bae Date
 VP and Chief Procurement Officer

Matthew T. Brown Digitally signed by
 Matthew T. Brown
 Date: 2024.04.11
 14:40:58 -04'00'
 Matthew T. Brown Date
 CFO and EVP of Finance, Procurement and Compliance

 / 4/26/2024
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: May 2, 2024

SUBJECT: Approval to Execute Change Order No. 08 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp.

**#24-25
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 May 2, 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. 08 of Contract No.150140, Sagres Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 08 of Contract No. 150140, Sagres Construction Corp. The purpose of this contract is to facilitate the replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues across various locations within the District of Columbia. The amount of this change order is \$97,910.00.

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:

**Constitution Avenue Area Water Main Replacement
(Non-Joint Use)**

Approval to execute Change Order No. 08 for \$97,910.00*. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

| | | |
|--|--------------|--|
| PRIME: Sagres Construction Corp. 3680-Wheeler Ave. Suite 300 Alexandria, VA 22304 | SUBS: | PARTICIPATION: The project is still on pace to meet the overall utilization goals of 32% DBE and 6% WBE. |
|--|--------------|--|

* The total sum of previous Change Orders (2-7) tallied up to \$982,285.86. With this latest change order (8), the contract's value will surpass the million-dollar mark since the board's last review.

DESCRIPTION AND PURPOSE

| | |
|--|------------------------------|
| Original Contract Value: | \$10,887,767.00 |
| Total of Previous Change Orders: | \$1,842,286.86 |
| Current Contract Value: | \$12,730,053.86 |
| Value of this Change Order: | \$97,910.00 |
| Total Contract Value, including this CO: | \$12,827,963.86 |
| Original Contract Time: | 540 Days (1 Years, 6 Months) |
| Time extension, this CO: | 0 Days |
| Total CO contract time extension: | 504 Days (1 Years, 5 Months) |
| Contract Start Date (NTP): | 12-20-2021 |
| Anticipated Contract Completion Date: | 10-29-2024 |
| Cumulative CO % of Original Contract: | 17.8% |
| Contract completion %: | 75.6% |

Purpose of the Contract:

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

Original Contract Scope:

- Replace 2.1 miles of small diameter water mains ranging from four (4) inches to twelve (12) inches in diameter and associated valves and appurtenances,
- Replace 0.5 miles of 20-inch diameter water main and associated valves and appurtenances. between 4th Street, NE and Constitution Avenue, NE.,
- Replacement of SDWM North from the US Supreme Court,
- Replacement of hydrants and valves within the project limits,
- Provide permanent pavement and surface restoration.

Previous Change Order Scope:

- Restoration of the Fredrick Douglas Court Alley in NE Washington DC with Historic brick as required by DDOT in lieu of concrete.

Current Change Order Scope:

During installation of the 20-inch watermain along 5th and Constitution Ave, Contractor encountered conflicts preventing the alignment from being constructed.

- Unknown utility manhole encasement presented conflicts with watermain alignment discovered during excavation.
- Compensation for costs associated with rerouting of the 20-inch watermain for approximately 80 linear feet.

| PROCUREMENT INFORMATION | | | |
|---------------------------|--------------|-------------------------|---------------------------------------|
| Contract Type: | Unit Price | Award Based On: | Lowest responsive, responsible bidder |
| Commodity: | Construction | Contract Number: | 150140 |
| Contractor Market: | Open Market | | |


| BUDGET INFORMATION | | | |
|----------------------|---------|-------------------------|------------------------------------|
| Funding: | Capital | Department: | Engineering and Technical Services |
| Service Area: | Water | Department Head: | William Elledge |
| Project: | C9 | | |

| ESTIMATED USER SHARE INFORMATION | | |
|---|----------------|---------------------|
| User | Share % | Dollar Amount |
| District of Columbia | 100.00% | \$ 97,910.00 |
| Washington Suburban Sanitary Commission | 0.00% | \$ |
| Fairfax County | 0.00% | \$ |
| Loudoun County & Potomac Interceptor | 0.00% | \$ |
| Total Estimated Dollar Amount | 100.00% | \$ 97,910.00 |

Jeffrey F. Thompson
 Digitally signed by Jeffrey F. Thompson
 Date: 2024.04.12 16:27:45 -04'00' / _____
 Date
 Jeffrey F. Thompson
 Chief Operating Officer and EVP

Rudy Gonzalez
 Digitally signed by Rudy Gonzalez
 Date: 2024.04.15 10:50:20 -04'00' / _____
 Date
 Dan Bae
 VP and Chief Procurement Officer

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2024.04.15 17:19:02 -04'00' / _____
 Date
 Matthew T. Brown
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance


 _____ / 4/25/2024
 Date
 David L. Gadis
 Chief Executive Officer and General Manager

Presented and Approved: May 2, 2024

SUBJECT: Approval of Commitment between the District of Columbia Department of Transportation (DDOT) and DC Water, DDOT Participation Project, Kennedy Street NW Phase II, 16th Street NW to Georgia Avenue NW, District of Columbia Department of Transportation

**#24-26
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 May 2, 2024 upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to execute the approval of the commitment between the District of Columbia Department of Transportation (DDOT) and DC Water, DDOT Participation Project, Kennedy Street NW Phase II, 16th Street NW to Georgia Avenue NW, District of Columbia Department of Transportation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the approval of the commitment between the District of Columbia Department of Transportation (DDOT) and DC Water, DDOT Participation Project, Kennedy Street NW Phase II, 16th Street NW to Georgia Avenue NW. 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 \$1,293,487.26.

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 - Kennedy Street NW Phase II, 16th Street NW to Georgia Ave NW
(Non-Joint Use)**

Approval for a commitment between District of Columbia Department of Transportation (DDOT) and DC Water for an amount up to \$1,293,487.26. 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, 293,487.26 |
| Construction Duration Time: | 518 Days (1 Year, 5 Months) |
| Anticipated Construction Start Date: | July 10, 2024 |
| Anticipated Construction Completion Date: | December 10, 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 Scope:

- Replace 866 feet of water mains ranging from four (4) 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% | \$ 1,293,487.26 |
| 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% | \$ 1,293,487.26 |

Jeffrey F. Thompson Digitally signed by Jeffrey F. Thompson
 Date: 2024.04.12 16:26:21 -04'00'


Jeffrey F. Thompson Date
 Chief Operating Officer and EVP

Rudy Gonzalez Digitally signed by Rudy Gonzalez
 Date: 2024.04.15 10:51:46 -04'00'

Dan Bae Date
 VP and Chief Procurement Officer

Matthew T. Brown Digitally signed by Matthew T. Brown
 Date: 2024.04.15 17:23:38 -04'00'

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

 4/25/2024

David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Adopted: May 2, 2024

Subject: Approval to Publish Notice of Proposed Rulemaking to Amend the Fire Protection Service Fee

**#24-27
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the DC Water”) at the Board meeting held on May 2, 2024 decided, in a non-joint use matter, by a vote of ____ () in favor and ____ () opposed, to take the following action with respect to the proposed adjustments to the Fire Protection Service Fee.

WHEREAS, DC Water establishes rates, fees and charges in accordance with the Board’s Rate Setting Policy adopted in Resolution #11-10, dated January 6, 2011, including the recovery of current costs to provide service; and

WHEREAS, DC Water provides fire protection services to the District, including but not limited to the delivery of water for firefighting, inspection, maintenance and upgrading of public fire hydrants in the District of Columbia pursuant to a Memorandum of Understanding (MOU) between the DC Water and District of Columbia Fire Emergency Medical Services (FEMS) Department, effective May 3, 2013; and

WHEREAS, pursuant to Section 3.0 of the MOU, DC Water is required to establish the Fire Protection Service Fee “through the DC Rate Making process that applies to all DC Water rates and fees and is outlined in the DC Municipal Regulations”; and

WHEREAS, the MOU also requires the Fire Protection Service Fee to be “reviewed and revisions proposed every three years through an independent Cost of Services study”; and

WHEREAS, DC Water prepared a Cost of Services Study entitled, “Report Regarding Fire Services Charges,” dated April 23, 2024, which, based on the escalation of costs and past underpayments, DC Water recommends increasing the Fire Protection Service Fee to Seventeen Million Five Hundred Seventy Five Thousand Dollars (\$17,575,000) for FY 2025, FY 2026, and FY 2027; and

WHEREAS, the DC Retail Water and Sewer Rates Committee met on April 23, 2024 to consider the proposed Fire Protection Service Fee adjustments; and

WHEREAS, on April 23, 2024, the DC Retail Water and Sewer Rates Committee recommended the Board authorize the General Manager to publish the proposed increase in the Fire Protection Service Fee, effective October 1, 2024 for public comment; and

WHEREAS, on May 2, 2024, the Board considered the recommendation from the DC Retail Water and Sewer Rates Committee, and the proposed Fire Protection Service Fee and approved publishing the proposed amendments to 21 DCMR Section 4103 (Fire Protection Service Fee).

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds that DC Water's cost of service study justifies increasing the Fire Protection Service Fee for FY 2025, 2026 and 2027 and publishing amendments to 21 DCMR § 4103 (Fire Protection Service Fee) as provided below:

4103 FIRE PROTECTION SERVICE FEE

- 4103.1 Effective October 1, 2024, the District of Columbia shall be charged the Fire Protection Service Fee of Seventeen Million Five Hundred Seventy Five Thousand Dollars (\$17,575,000) each fiscal year for fire protection service, including, but not limited to the delivery of water flows for firefighting as well as maintaining and upgrading public fire hydrants in the District of Columbia, plus the cost of fire hydrant inspections performed by the DC Fire and Emergency Medical Services.
 - 4103.2 The fee may be examined every three years to determine if the fee is sufficient to recoup the actual costs for providing this service.
 - 4103.3 In the event the actual costs are not being recouped, the District of Columbia shall pay the difference and the fee will be appropriately adjusted pursuant to the rulemaking process.
 - 4103.4 In the event the costs paid by the District of Columbia exceed DC Water's actual costs, the fee shall be adjusted pursuant to the rulemaking process.
2. The General Manager is authorized to take all steps necessary in his judgement and as otherwise required, to publish the Notice of Proposed Rulemaking in the *D.C. Register* and receive comments in the manner provided by the District of Columbia Administrative Procedure Act.
 3. This resolution shall be effective immediately.

Secretary to the Board of Directors