



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

**Board of Directors
Human Resources and Labor Relations
Committee Meeting
with Union Presidents**

Wednesday, May 8, 2024
9:30 am

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Phone Conference ID: 171 628 465#

1. Call to Order.....Jed Ross, Chairperson
2. Roll Call..... Michelle Rhodd, Board Secretary
3. Union Topics..... Union Presidents
 - Kevin Poge, AFSCME 2091
 - Michelle Hunter, NAGE R3-06
 - Barbara Milton, AFGE 631
 - Jonathan Shanks, AFGE 872
 - Quinton Jones, AFGE 2553
 - a) Engineer PE License Issues
 - b) Elimination of Telework
 - c) Request for Increase in Leave Accrual for WWT Operators
4. [HR Update](#).....Joy Dorsey, Executive Vice-President, and Chief People Officer
5. Benefits Update.....Kenya Zeigler, Manager Benefits
 - a) [Kaiser Renewal](#)
6. Action Item (Joint Use)..... John T. Pappajohn, Director of Procurement, Goods & Services
 - Angelia Allison, Manager, Category Management
 - Joy Dorsey, Chief People Officer and EVP
 - Kenya Zeigler, Manager, Benefits
 - [Contract No. 10445, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. – Staff Model Health Maintenance Organization \(HMO\) Services \(Joint Use-Indirect\)](#)

- 7. Executive Session* Jed Ross, Chairperson
- 8. Adjournment Jed Ross, Chairperson

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.

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 D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. 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 D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.



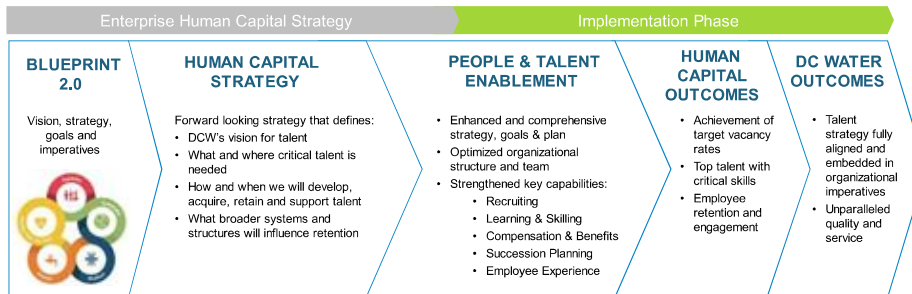
Human Resources and Labor Relations Committee Meeting - HR Update

May 8, 2024

DC Water’s Enterprise Human Capital Strategy is a forward-looking strategy around our talent that defines how the Authority will attract, develop, and retain the right talent with the right skills in the right jobs at the right time. As we bring these elements together, not only will we achieve critical human capital outcomes, but we will best position our employees to deliver on our organizational mission. Bringing all this together, we’ve laid the groundwork in the initial phases of the EHCS this past year, and we now look forward to implementation which we’re mobilizing currently.

Enterprise Human Capital Strategy (EHCS)

Our human capital strategy provides a roadmap for how the Authority will attract, develop and retain the right talent with the right skills in the right jobs at the right time.



As part of this Strategy, DC Water has prioritized five initiatives to advance key enterprise-wide organizational capabilities, including within People & Talent (P&T). P&T’s Suite of Services consists of Talent Management, Talent Acquisition, Compensation, Benefits, and the HR Business Partner Teams. The following prioritized initiatives are aligned with the execution of Blueprint 2.0 and represent the first part of the Enterprise Human Capital Strategy implementation roadmap:

- Career Framework and Compensation Assessment Program
- Succession Planning
- Performance Management
- Talent Acquisition Streamline
- Enterprise-wide Fulfillment Analysis (See Future Ready Skills Graphic Below)

There are external pressures that are impacting our teams and talent – it is critical, now more than ever, that we invest in Team Blue. Below is an outline of our plan to ensure we have high performing talent with future ready skills.

P&T’s work is focused on understanding how the work at DC Water is going to change and therefore the required skills that would be needed. Over 2000 skills were identified and analyzed – ultimately producing a list of 430+ priority skills or “future ready” skills for the Authority. These future ready skills are the ones

that are most critical to achieve Blueprint 2.0 and to adapt to externally imposed changes. We also identified how DC Water should obtain and strengthen these future ready skills. One critical method: upskilling and reskilling to address. In fact, 52% of future ready skills can be addressed via enterprise-wide training alone.

HCS Skills Assessment Analysis

Prioritized skills will help DC Water be ready for and adapt to upcoming changes (i.e., from Blueprint 2.0) and market changes (i.e., rapidly evolving technology) —both chosen

2,000+ total identified skills (i.e., functional, technical and soft skills) with critical to achieve Blueprint 2.0 goals and adapt to externally imposed changes. **~430** high priority skills

52% of priority skills can be addressed via enterprise-wide training alone – it is the most impactful and cost-effective way to embed future-ready skills across the Authority.



P&T’s work is grounded and aligned with DC Water’s bold vision, Blueprint 2.0. It focuses our organization and keeps us moving in the same direction – towards the outcomes we need to achieve for our customers. We execute on our vision and achieve outcomes through our people and through our culture.

In addition to the Enterprise-Wide Training opportunities, shown as “Upskill & Reskill” below, there are four additional implementation initiatives that are being operationalized to help DCW achieve a high performing talent with future ready skills. This includes continuing skills analysis into further priority areas of the Authority, enhancing Succession Planning and Performance Management, and furthering the Job Description work in progress since earlier this year. Together, these actions will help drive DC Water to be ready for the future of the industry and deliver the best outcomes for our customers.

5 Key Initiatives Focused on Developing a Future Ready Workforce



DC Water’s intended outcomes of the implementation initiatives are to attract and retain the right talent with the right skills in the right jobs at the right time. To achieve these outcomes and progress along the Enterprise Human Capital Strategy roadmap, we have prioritized our focus on the following:

- Refreshing program governance, management,
- Developing and rolling out revised P&T strategy and operating model, via prioritizing filling all existing vacancies by 2nd quarter, 2024.
- Transforming Talent Management capabilities
- Benefits designed to provide quality coverage through comprehensive health and retirement programs.

Benefits

Through comprehensive health and retirement programs, employees are ensured full health coverage and able to be prepared for retirement.

DC Water offers group health insurance benefits to eligible employees. There are three medical plan options, two dental plan options, and one vision plan option. Based on the current number DC Water of employees, below are the average participation percentages in each plan for FY24.

Carrier	Participation Percentage
Cigna OAP Medical	29%
Cigna OAP In-Network Medical	20%
Kaiser Permanente	31%
Cigna DPPO	20%
Cigna DHMO	34%
National Vision Administrators	92%

DC Water also offers robust retirement plan options. The organization contributes 7% to our 401(a) Defined Benefit plan of all eligible employees’ base pay and will match up to 5% of our 457(b) plan. Based on the current number of participating DC Water employees. Below are the average participation percentages in each plan for FY24.

Plan Type	Participation Percentage
457(b) Pre-Tax	69%
457(b) Roth	4%
Employees Contribution 5%+	64%

Based on the current number of employees during the last 3 years, below are the average participation percentages for FY21, FY22, and FY23.

Plan Type	2021 Participation Percentage	2022 Participation Percentage	2023 Participation Percentage
457(b) Pre-Tax	75%	73%	70%
457(b) Roth	1%	2%	2%
Employees Contribution 5%+	60%	62%	61%

Compensation

DC Water is committed to fairly compensating all employees. DC Water’s compensation approach is designed to support sustained and competitive salary growth through various compensation activities to include promotions, reclassifications, merit, and bonus pay for non-union employees, bonuses for union employees, internal pay equity (people), pay equity (grade) adjustments, and the establishment and maintenance of competitive pay structures (i.e. salary ranges). P&T’s Compensation Team is continuing its work to update and enhance the compensation philosophy to meet market and talent demands while addressing existing opportunities with the Compensation Program:

- Job Descriptions (JDs)– Update of all Job descriptions (outdated job descriptions and job descriptions that do not truly reflect the work that needs to be accomplished.
- Mitigate legal risks – ensure compliance with FLSA, DCRA, and other labor-related policies.
- Increase competitiveness, reduce time to hire and improve quality of candidate pools by clearly communicating the work and expectations.

Job Descriptions Reviewed	Job Descriptions Finalized	Job Descriptions on hold (JDs impacted by DCRA)	Job Descriptions in Business & Compensation Review
144 out 479 (30.06%)	43 (29.86%)	26 (18.05%)	44 30.55%

*P&T projects completion of this initiative by the end of Q4.

P&T initiated the launch of a Career Framework and Compensation Assessment Program – Classification & Compensation Study. This initiative will focus on non-union employees compensation and enterprise-wide career framework and commence in 2024 to achieve the following key business objectives:

- Ensure fairness in DC Water’s compensation for all employees;
- Enhance DC Water’s existing compensation philosophy and approach to reflect current market conditions and competitiveness with comparable organizations regionally and nationally;
- Implement career paths that supports a performance-oriented culture; and
- Provide flexibility to respond to economic, organizational and talent demands.

Talent Acquisition

Based on DC Water’s Advancing Blue goal to improve, guide, and optimize performance, Talent Acquisition aims to provide a more strategic and proactive approach that focuses on building a strong talent pipeline to build teams with a diverse set of skills, knowledge, and backgrounds.

Beginning in FY-24, Talent Acquisition has filled a total of 128 positions – 52% were external hires and 48% internal hires.

Filled Positions FY-24 (10/01/2023 to 05/01/2024)			
	External	Internal	Total
October	10	5	15
November	5	5	10
December	8	13	21
January	15	14	29
February	7	12	19
March	7	8	15
April	10	4	14
May	5	-	5
Total Positions	67	61	128
Percentage Totals	52%	48%	

There are 62 positions actively under recruitment.

Positions under recruitment (as of 05/01/2024)	
Total	62

Time-to-hire measures the amount of time it takes an organization to fill a position – from the time the position was posted to the time a candidate accepts an offer. The time-to-hire goal is 60 average days. Our current time-to-hire is 58.7 average days.

Time-to-Hire (FY 24) - Goal: 60 avg days
Current - 58.7 average days

Talent Management

Advancing Blue’s goal is to improve, guide, and optimize DC Water’s performance in support of Blueprint 2.0. Collectively, when we are all focused on achieving our organizational goals, we are set up to continuously improve and deliver organizational excellence. Aligning our team and individual efforts with the Authority’s mission, vision, values and our strategic imperatives is critical to DC Water’s success.

Advancing Blue Performance Management:

- Beginning FY-24, DC Water has launched the implementation of a performance management process that enables a culture of continuous performance feedback that ensures the growth of DC Water’s employees performance success and drives its organizational strategic Imperatives.

Advancing Blue Timeline	
Oct 1	Performance Cycle Begins
Feb-Mar	Identify SMART Goals
May-Jun	Mid-Year Check-Ins
Sept 30	Performance Cycle Closes
Oct-Nov	End-of-Year Evaluation Period

Goal Planning Accomplishments FY24 YTD	
Timely Goal Setting Training Completion Rate	96%
Goal Creation and Approval Rate	100%

Succession Planning:

- FY 24, People and Talent has implemented a succession planning process that is transparent, cultivates equity and trust in the process, and helps employees see potential career trajectories for their role. Our goal is to have development plans created for all high performing successor candidates by September 2024. Development plan training kicks off May 2024. Based on market trends and best practices, 15%-20% of all critical positions should have succession plans in place.
- The Succession Planning Process includes the following key components:
 - Identify critical positions
 - Develop Successor requirements
 - Identify a talent pipeline
 - Identify successors from qualified positions
 - Create Development Plans
 - Evaluate Succession planning process

Tuition Assistance/Reimbursement:

- All full-time employees who have been with DC Water for at least a year are allowed up to \$5,000 to use towards degree seeking programs and/or external training that is related to the work we do at DC Water. FY24 year to date we have 105 employees who have taken advantage of this benefit. The table below captures the total cost and participation rate.

Metric	FY24 YTD
Total cost of external training	\$134,934.88
Total # of employees participating in external trainings	36
Total cost of tuition assistance/reimbursement	\$135,606.11
Total # of employees participating in tuition assistance/reimbursement	69

Training:

- We can continue to develop and grow our employees through enterprise-wide learning and development opportunities. Training metrics are captured in the table below.

Metric	FY24 YTD
Total # of employees completing online training	194
Total # of employees completing instructor led training	559

Summer Internship Program:

- May 2024 DC Water will host 45 interns comprising of 14 sophomores, 7 juniors, 5 seniors, and 18 graduate students. The interns were placed across 10 departments, in all seven business clusters. Our program attracts students from local, regional and national schools including many HBCU’s and private universities. As we look forward to continuing to enhance the program, we plan to explore more full-time opportunities that our interns can easily transition into. Exposing our interns to different career paths through professional development, experiential learning, and real hands-on work is crucial to retention and growth of future leaders of DC Water.

P&T Transformation and Operations

- A critical component of P&T’s Transformation and Operations is the HR Business Partner (HRBP) Role. DC Water’s HR Business Partners serve as trusted advisors and operate as internal consultants assigned to Cluster leaders and business units. They collaborate with the leadership team to understand and execute the organization's human capital strategy particularly as it relates to current and future talent needs, recruiting, retention, succession planning and performance management. The HRBP team is frequently the first point of contact with internal stakeholders and can have the greatest influence on the organization’s strategic human capital success, including employee engagement and retention.
- The prioritized staffing goal began in FY24 to fill eighteen (18) FTE vacancies. Seven (7) vacancies have been filled and the remaining eleven (11) are on track to be filled by June 30th.

P&T KPI’s & Metrics:

Metric	Target	Jan-24	Feb-24	Mar-24	Apr-24
Vacancy Rate ¹	6%	9.5%	7.5%	7.5%	6.2%
Temporary Alternative Duty Program (TAD) ²	50% of WC claims eligible for TAD program	71.0%	71.0%	53.0%	70.00%
Time to Hire ³	60 days	59.5	61.2	54.2	58.7
Self Identified Veterans (Active) ⁴		26	26	26	26
Female Workforce (Active) ⁵		22.4%	22.4%	22.4%	22.4%

Turnover metrics:

Year	2020	2021	2022	2023	YTD2024 (Annualized)
Involuntary	0.58%	1.01%	0.78%	1.97%	1.37%
Voluntary (Resignation, Retirement)	4.08%	4.15%	5.77%	5.55%	4.92%
Other	0.25%	0.55%	0.10%	0.09%	0.00%
Total Turnover Rate	4.92%	5.71%	6.65%	7.61%	6.29%

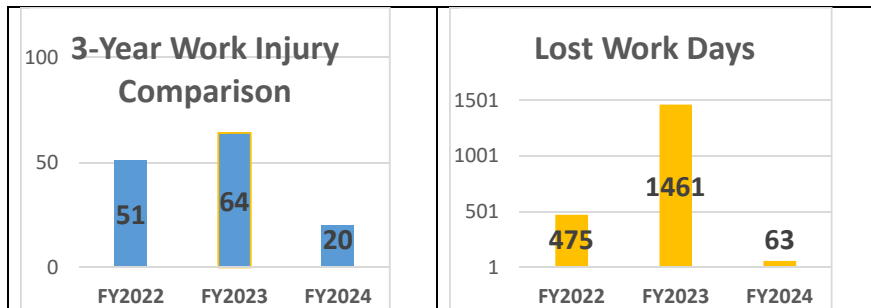
*AWWA Benchmark: 7% turnover rate

Labor Relations and Compliance Programs

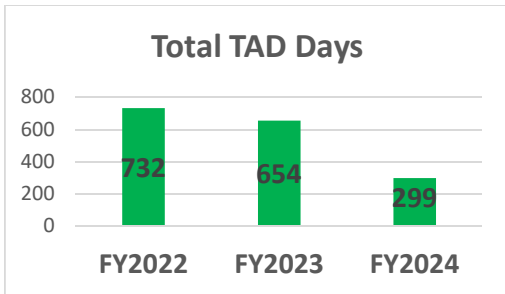
DC Water's Labor Relations and Compliance Department strives to advance DC Water's Blueprint 2.0 imperative of Healthy, Safe and Well through proactive programs and initiatives to mitigate risk to our employees. As a result of these efforts, we have continued to see our Workers' Compensation program data trend in a positive direction while reducing lost work days for our employees and allowing them to return to work sooner and healthier if they are injured. Additionally, we offer a number of robust programs to ensure employees remain well and if they are out of work due to a variety of reasons they do not need to worry about having adequate leave to take care of themselves and their families because they can take advantage of Paid Parental Leave and also Voluntary Leave donations. These and other programs administered by the Department are invaluable to DC Water's workforce and continue to make DC Water an employer of choice.

Workers' Compensation Metrics – Fiscal Year

Stretch and Flex Program assisted with reduction of claims overall and severity of injuries reported and reduced length of time away from work due to injury.



TAD Program allows DC Water to reduce the number of lost work days by accommodating employees with medically cleared temporary restrictions and bringing employees back sooner.



In 2022, DC Water implemented paid parental leave, where eligible employees may receive up to 8-weeks of paid leave to care for a child after birth, placement of child for adoption and foster care.

Paid Parental Leave Yearly Total Report				
Bargaining Units	2022	2023	2024	Unit Totals
AFGE 2553	0	2	0	2
AFGE 872	0	1	3	4
AFSCME 2091	1	6	4	11
NAGE R3-06	0	0	0	0
Non-Union				
	8	15	1	24
Yearly Subtotal	9	24	8	41

*Yearly report for all employees who were approved for Paid Parental Leave except for 631 bargaining unit employees.

DC Water offers a Voluntary Leave Donation (VLD) program to eligible employees who have been confronted with a serious health condition or a catastrophic event and lacks the leave to cover such a condition or situation.

VLD REQUESTS	Fiscal Year 2023 Totals	Fiscal Year 2024 Totals (YTD)
Number of Recipients	9	3
Number of Donors	31	13
Number of Hours donated	1390	572.5



Kaiser Permanente Renewal

May 8, 2024

Presented by: Kenya Zeigler
Manager, Benefits



Who is Kaiser Permanente

Kaiser is a member-based healthcare provider that has a Staff Model HMO offering the following:

- Health maintenance organization (HMO)
- A unique model that hires their own physicians for an integrated healthcare delivery coverage
- High-quality healthcare and coverage to support members total health

dc Why Kaiser Permanente?

Kaiser has been a DC Water healthcare provider that has successfully offered a unique cost-effective healthcare option that no other carrier has provided.

- One Stop Shop
 - Everything is under one location
- Good Participation
 - 31% of our employees are Kaiser members
- Customer Centric Focused
 - Ease of customer administration
 - Low rates that have stayed below other DC Water carriers

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

Staff Model Health Maintenance Organization (HMO) Services
(Joint Use-Indirect)

Approval to execute a new contract award for Staff Model Health Maintenance Organization (HMO) medical plan services in the amount of \$13,726,547.00 for a 2-year base period.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. 2101 East Jefferson Street Rockville, MD 20852	N/A	N/A

DESCRIPTION AND PURPOSE

2-Year Base Contract Value:	\$13,726,547.00
2-Year Base Contract Dates:	01-01-2025 - 12-31-2026
Option Years in Contract:	3
Proposals Received:	1

Purpose of the Contract:

Contract to provide Staff Model Health Maintenance Organization (HMO) medical plan services for employees hired October 1, 1987 or later.

Contract Scope:

DC Water provides its employees with a choice of medical plan benefits. This contract offers comprehensive HMO medical plan coverage to DC Water employees and their families.

Supplier Selection:

In 2019, DC Water published a solicitation for staff model HMO medical plan services. There was only one supplier that responded to the solicitation and was able to meet DC Water's requirements. In December 2023, DC Water researched the marketplace and determined that there yet remained only one supplier that met DC Water's requirements. Based on that, DC Water made a decision to negotiate directly with Kaiser Permanente (KP). As a result of direct negotiation, DC Water obtained a 7% rate cap for 2025 and a 9% rate cap for 2026.

- KP is the only HMO staff model structure covering DC, MD and VA
- Negotiated rate caps are deemed competitive as these are lower than the national/market healthcare trends (9% in 2025) estimated by DC Water's benefits consultant (Aon) and the Bureau of Labor Statistics
- 38% of employees participate in the plan

Contractor's Past Performance:

According to the COTR, the Contractor's quality of services; timeliness of responses; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Direct Negotiation
Commodity:	Medical Services	Contract Number:	10445
Contractor Market:	Sole Source		

BUDGET INFORMATION


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Project Area:	Operating	Department:	People and Talent
	DC Water Wide	Department Head:	Joy J. Dorsey


ESTIMATED USER SHARE INFORMATION

User – Operating	Share %	Dollar Amount
District of Columbia	71.19%	\$9,771,928.81
Washington Suburban Sanitary Commission	21.21%	\$2,911,400.62
Fairfax County	4.86%	\$667,110.18
Loudoun Water	2.38%	\$326,691.82
Other (PI)	0.36%	\$49,415.57
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$13,726,547.00

Joy J. Dorsey, Esq. / 04/29/2024
 Joy J. Dorsey Date
 Chief People Officer and EVP of People and Talent

 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: 2024.04.30 09:49:12-04'00'

 Dan Bae Date
 VP and Chief Procurement Officer

DocuSigned by: 5/6/2024

 262C5D96CC1C4D3 _____
 Matthew T. Brown Date
 CFO and EVP of Finance, Procurement and Compliance

 David L. Gadis Date
 CEO and General Manager