



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
298th MEETING OF THE BOARD OF DIRECTORS**

**Thursday, June 1, 2023
9:30 am**

This Board Meeting can also be viewed via livestream: <https://dcwater.com/watch-board-meetings>

- I. Call to Order (Chairman Tommy Wells)**
- II. Roll Call (Michelle Rhodd, Board Secretary)**
- III. Approval of the May 4, 2023 Meeting Minutes**
- IV. Chairman's Overview**
- V. Committee Reports**
 1. Human Resources and Labor Relations Committee (**Jed Ross**)
 2. Environmental Quality and Operations Committee (**Howard Gibbs**)
 3. DC Retail Water and Sewer Rates Committee (**Rachna Bhatt**)
 4. Finance and Budget Committee (**Anthony Giancola**)
- VI. Issues of General Interest**
- VII. CEO and General Manager's Report (David L. Gadis)**
- VIII. Summary of Resolutions and Contracts (FYI)**
- IX. Consent Items (Joint Use)**
 1. Approval to Execute Contract No. DCFA 534-WSA, Potomac River Tunnel Contract B, Tunnel System Construction, EPC Consultants, Inc. – Resolution No. 23-29 (Recommended by the Environmental Quality and Operations Committee 05-18-23)
 2. Approval to Execute Option Year 4 of Contract No. 19-PR-DWT-15, Centrifuge Dewatering Polymer, Polydyne, Inc. – Resolution No. 23-30 (Recommended by the Environmental Quality and Operations Committee 05-18-23)
 3. Approval of Resolution Authorizing the Transfer of the Projected FY 2023 Net Cash Surplus \$11.382 Million to Ending Cash Balance – Resolution No. 23-31 (Recommended by the Finance and Budget Committee 05-25-23)

4. Approval to Award Multiple Contracts to Fund Financial Staff Augmentation Services for Various DC Water Departments – Resolution No. 23-32 (Recommended by the Finance and Budget Committee 05-25-23)
5. Approval of Funding for Annual Property and Casualty Insurance Renewals – Resolution No. 23-33 (Recommended by the Finance and Budget Committee 05-25-23)

X. Consent Items (Non-Joint Use)

1. Approval to Execute Change Order No. 01 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp. – Resolution No. 23-34 (Recommended by the Environmental Quality and Operations Committee 05-18-23)
2. Approval to Transfer \$2,097,891 of FY 2023 MAP Funds to FY 2023 RAP Program Budget – Resolution No. 23-35 (Recommended by the DC Retail Water and Sewer Rates Committee 05-23-23)

XI. Update on the Lead-Free DC "Community Activators" Initiative (Korey Gray, VP, Contract Compliance and Business Development)

XII. Executive Session*

XIII. Adjournment (Chairman Tommy Wells)

Upcoming Committee Meetings | via Microsoft Teams

- June 15th @ 9:30 a.m. Environmental Quality and Operations Committee
- June 22nd @ 9:30 a.m. Finance and Budget Committee
- June 27th @ 9:30 a.m. 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.



**HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE
WITH UNION PRESIDENTS**

MINUTES OF THE MEETING

May 10, 2023

COMMITTEE MEMBERS PRESENT

Jed Ross, Chairperson

DC WATER STAFF

1. David Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Office and EVP,
Government and Legal Affairs
3. Matthew Brown, Chief Financial Officer and EVP, Finance
and Procurement
4. Wayne Griffin, Chief Administration Officer and EVP
5. George Spears, VP, Labor Relations &
Compliance

UNION PRESIDENTS

1. Kevin Poge, President AFSCME 2091
2. Michelle Hunter, President NAGE R3-06
3. Barbara Milton, President AFGE 631
4. Jonathan Shanks, President AFGE 872
5. Calvert Wilson, President AFGE 2553

The Human Resources and Labor Relations Committee meeting was called to order by Jed Ross, Acting Chairperson at 11:02 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE REPORT

Barbara Milton, President AFGE 631 shared her union's concerns around DC Water's negotiation strategy on changes that affect union employees.

Jonathan Shanks, President AFGE 872 shared his concerns regarding the Authority's worker's compensation program noting that DC Water does not have a worker's compensation policy in place. Mr. Shanks went on to discuss the Authority's process for handling workers' compensation matters.

George Spears, Vice President, Labor Relations and Compliance Programs informed the Committee the Authority is finalizing a formal Workers' Compensation policy. Robin Hayes, Program Manager, Workers' Compensation, reviewed the current process for filing and processing Workers' Compensation claims.

Calvert Wilson, President AFGE 2553 noted his experience with the Authority's management team has been cordial and collaborative.

II. EXECUTIVE SESSION

To discuss the terms of a contract under D.C Official Codes 2-575(b)(2).

III. ADJOURN

The Committee returned to the regular session; and Mr. Ross adjourned the meeting at 12:12 p.m.



**ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
MINUTES OF THE MEETING**

MAY 18, 2023

COMMITTEE MEMBERS

1. Howard Gibbs, Vice Chair
2. David Franco, District of Columbia
3. Christopher Herrington, Fairfax County

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 and EVP, Finance and Procurement
4. Wayne Griffin, Chief Administration and EVP Strategy and Performance Officer
5. Jeff Thompson, Chief Operating Officer and EVP

The Environmental Quality and Operations Committee meeting of the District of Columbia Water and Sewer Authority was called to order at 9:31 a.m. by Vice Chairperson Howard Gibbs. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll.

David L. Gadis, CEO and General Manager introduced the new Chief Operating Officer, Jeffrey Thompson, who will have oversight of the operations side of DC Water.

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, VP, Wastewater Operations gave an update on the BPAWTP monthly performance. The Tunnel System and Wet Weather Treatment performance had a very dry year through April, with approximately nine inches of rain and 229 million

gallons of water. There have been no measurable CSOs in the Anacostia system. The performance is overall well.

Mr. Passarelli reported on the Blue Plains Electrical Energy Use and Generation. The plant performance was good for April. Between the CHP and the solar system, the plant generated 29% of electricity onsite. The power purchased from Pepco was below 20 megawatts on average, down to 19.7 MW of electricity. This is down for the month of April, which shows good performance.

Mr. Passarelli stated the performance of the biosolids, and bloom sales were above the goal and exceeding last year. Bloom sales reported under 10,000 tons for the month of April. A total of 15,072 Class A Biosolids were sold and/or recycled to meet EPA's EQ requirements. This is above the initial goal and on track to meet this year's goal of 58,000 tons.

II. ASSET MANAGEMENT-VERTICAL ASSETS

Theresa Bruton, Asset Manager/Blue Plains, updated the committee on Blue Plains Asset Management Program. Ms. Bruton described what Asset Management and Reliability is, the purpose it serves and how it drives the culture. She noted that within the last 10 years, the following areas have grown in the vertical assets: Organizing CMMS, Sustainability, Data in Action, and Analytics/Business Intelligence. These assets collectively allow DC Water to assess, deliver and process efficiently for the present and the future. The Power BI system allows the collected data, such as the CMMS to be collected in one spot. This technology allows unity when working on multiple projects. One example is the KPI – Equipment Level of Service dashboard. This provides the WWTP – Critical Assets Availability Reporting, which allows data to be shared and displayed in one spot and users to receive answers promptly.

Ms. Bruton discussed Risk Analysis. She pointed out that it is used to work with the Capital Improvement Program and planning. The information is abstracted from the work order and used to determine discrepancies. She emphasized how technology is being used to increase efficiency. Ms. Bruton shared a motion amplification video demonstrating how the vibration tool helps visualize the vibration to devise a plan and implement the plan with an enterprise approach. She also shared insight on the Uptime Elements training tool which is available for all employees to stay current and skilled in diverse areas. Three hundred and twenty-five people have completed the program and have learned the various aspects of asset management and reliability.

Ms. Bruton concluded her report by sharing an overview of the last 10 years of progress made with the asset management program at the Authority. She noted that technology has allowed continuous improvements and demonstrated good stewards of the investment.

III. EQUITY FACTORED INTO CIP PRIORITIZATION

Getachew Melsew, Senior Manager, Planning, DETS reported on Equity. He noted that equity is the intentional investment of resources and planning in vulnerable communities. He shared a snapshot of the program; the program is still a work in progress. He explained the definition for equity and equality and the importance of knowing the differences.

Project Prioritization follows two approaches: risk score based, and benefit score based. The risk score-based prioritization is good for programs with dedicated funds such as small diameter watermain, local sewer rehabilitation and linear water and sewer asset assessment programs. The benefit scores address all other projects such as pump station upgrades. He pointed out that the equity consideration includes 1) boosting a project's priority so that projects benefiting vulnerable communities are given priority over others, 2) dedicating projects to address needs of vulnerable communities.

Mr. Melsew stated the driver for this initiative or program is the equitable imperative of Blue Print 2.0 strategy goal. The objectives of the equitable imperative are achieved by embedding equity in infrastructure decision-making and by empowering communities through equitable projects. Six demographic indicators are primarily used to identify vulnerable communities and some of the eleven environmental indicators would be used in future equity considerations and to calculate the Equity Index (EI) for each census tract in the District. During emergencies like basement backup or a watermain break, impacts to vulnerable communities include cost of property damage, insurance availability, daily life impact and health and wellbeing of children and elderly. To enhance equity outcomes the focus should be on community needs, as well as on infrastructure needs - balancing good asset management principles and equity expectations.

Mr. Melsew concluded by sharing future initiatives and goals for the equity programs. These include equity analysis tools and dashboards, community engagement, training team members, working with city programs, and process improvement.

IV. QUARTERLY CIP UPDATE

David Parker, Vice President of Engineering shared a few of the ongoing non-process facilities projects in the planning, procurement, and construction area. On the planning side, work is going through the program management consultant to help with assessments and scope development including roofing & HVAC Assessments, Main & O Seawall, and Concept Design Underway. On the Procurement side, requests for proposal documents are underway for multiple projects.

Moussa Wone, VP, Clean Rivers gave a brief overview of the Clean Rivers programs including the Division J, Northeast Boundary Tunnel (ongoing, planning commissioning); Division PR-C, CSO 025/026 Separation, which has been completed; Division PRT-A, Potomac Tunnel Advance Utility (slated to be complete at the end of June); and the

Division RC-B, Green Infrastructure Project B although is slated to be completed in September is ahead of scheduled and projected to be completed in August.

Mr. Parker highlighted the capital project progress for Blue Plains AWTP noting the Gravity Thickener upgrades Phase II was one of the larger projects currently underway and it is due to be completed this year. He continued to provide a high-level view of the other significant projects and their status.

Mr. Parker went on to discuss the Sewer and Water infrastructure projects including a focus on the Potomac Interceptor Manhole #31 upgrades involving excavation and exposure of the sewer and construction of a new structure, which was recently water tested. In addition, an update on the Soapstone sewer rehab was provided.

Mr. Parker noted that replacement of small diameter water mains proceeded ahead of expectations with a projected replacement of 6.8 miles this year as compared to the baseline of 3.3 miles. Better than expected availability of materials has been a factor driving performance.

Mr. Parker briefly discussed the Lead-Free DC program, noting the current status to date of 1028 replacements this year which represents 49% of the FY23 goal. He also went on to say that impacts to the program are being reviewed with an ongoing inventory assessment taking place as a precursor to defining the cost impacts.

Mr. Paul Guttridge Director, CIP Infrastructure Management provided the CIP budget summary stating that the current projection at fiscal year-end is approximately 90% of the baseline budget. Mr. Guttridge went on to highlight the spending performance by service area and discussed some of the significant project performances.

Mr. Guttridge concluded his report with an overview of the schedule of Key Performance Indicators (KPIs) noting that of the 32 KPIs planned for the year, 13 have been completed within the 90-day threshold and 4 have been complete outside the threshold.

V. ACTION ITEMS

Action Items (Joint Use)

1. Agreement No. DCFA-533 Potomac River Tunnel Contact B – Tunnel System Construction – EPC Consultants
2. Contract No. 19-PR-DWT-15 – Centrifuge Dewatering Polymer, Option Year 4 - Polydyne

Mr. Gibbs received a consensus from the Committee to advance the action items to the full Board.

Action Item (Non-Joint Use)

1. Contract No. 150140 Change Order – Constitution Avenue Area Water Main Replacement– Sagres Construction Corp.

Mr. Gibbs received a consensus from the Committee to advance the non-joint use action item to the full Board.

VI. ADJOURN

There being no further business to come before the Committee, Mr. Gibbs adjourned the meeting at 10:59a.m.

ACTION ITEMS

1. Provide copy of white paper on the Equity Analysis Benefits (C Herrington)
2. Either a presentation to the full Board or the opportunity to observe a training session on the Equity Analysis Tool and Dashboard (Coming in Fall 2023) (C Herrington)



**MINUTES OF THE MEETING
RETAIL WATER AND SEWER RATES COMMITTEE**

MAY 23, 2023

(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Chairperson
2. Anthony Giancola, Principal
3. David Franco, Principal
4. Howard Gibbs, Principal

DC WATER STAFF

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

The DC Retail Water and Sewer Rates Committee meeting was called to order by Rachna Bhatt, Chairperson at 9:30AM. 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 presented the monthly revenue report. Overall year-to-date revenue is below budget by 2 percent or \$10 million. Year-end projections have been completed and will be presented to the Finance and Budget Committee. Revenue projections are expected to be slightly above budget despite shortfalls by the end of the fiscal year. The residential, commercial, and multi-family categories have a shortfall of \$2.7 million based on year-to-date budget. This variance is based on the function of bills and customer payments. Mr. Brown noted that the municipal category consumption is also down due to less consumption than budgeted.

Mr. Brown went on to report that the wholesale billing category budget was adjusted upward for chemicals and utilities; the adjustment resulted in increased revenue budget in the wholesale customer category. Affected customers were notified about the adjustment and increased revenues will be reported next month. Additionally, the interest earnings category and the system availability fee category are both slightly behind budget. Overall the shortfall of all categories is 2 percent. However, it is anticipated that many of the categories will meet or exceed the revenue budget by the end of the fiscal year.

Mr. Brown reviewed the operating revenue breakdown noting that it consisted of year-to-date receipts by customer category and the Clean Rivers project. Delinquent accounts are trending in the right direction in terms of dollar amount and number of accounts.

II. TRANSFER OF FUNDS FROM MAP TO RAP

Meisha Lorick, Director of Customer Care presented the proposal to seek the Committee's support to recommend Board approval for the transfer of Multi-Family Assistance Program (MAP) funds to the Residential Assistance Program (RAP). Ms. Lorick reviewed the RAP's background, mission, funding history, and future projections. She stated that 98 percent of RAP funds have been distributed to date with limited funds remaining for 2023. Year-to-date, only 23 percent of MAP funds have been distributed with \$3,360,465 remaining in the program. RAP funds will be fully exhausted in May. Ms. Lorick concluded her presentation with the rationale for the MAP transfer. MAP participants are not taking advantage of the program as hoped, transferring the funds to the RAP program will ensure that additional assistance can be provided to those customers to the end of the fiscal year. Ms. Lorick shared demographics and funding information for both the RAP and MAP programs to demonstrate the difference in the appropriated funds and the projections should the transfer be approved.

In response to questions regarding the status of the MAP program and reasons for its low participation rate, Ms. Lorick responded that management continues to support the program and have implemented opportunities to increase participation and awareness about the program. She further clarified that the program would continue to be sufficiently funded even if the funds transfer were approved. Responding to a question regarding the total budget for each category once the transfer is made, Ms. Lorick explained that each program would have a projected ending balance, for the fiscal year, of approximately \$500,000.

IV. ACTION ITEM

Ms. Lorick requested that the Committee the following item for action to the Board:

- **Recommendation for Board Approval to Transfer \$2,097,891 from MAP to RAP**

Committee Chairperson Rachna Bhatt agreed to recommend the transfer of \$2,097,891 from MAP to RAP to the full Board for approval.

V. DC RETAIL WATER AND SEWER RATES COMMITTEE WORKPLAN

Mr. Brown briefed the Committee on the FY 2023 Proposed Workplan.

VI. AGENDA FOR JULY 25, 2023, COMMITTEE MEETING

Mr. Brown informed the Committee that there would be no meeting in June. The next meeting in July would include a discussion of the financial report and the customer feedback survey. Board members will receive the financial report in June by email.

VII. ADJOURNMENT

The meeting adjourned at 9:52 am.



FINANCE AND BUDGET COMMITTEE MEETING

MINUTES OF THE MEETING

Microsoft Teams

May 25, 2023

DIRECTORS PRESENT

District of Columbia Members

1. Anthony Giancola, Principal (Committee Chairperson)
2. David Franco, Principal

Prince George's County Members

1. Jared McCarthy, Alternate

Fairfax County Members

1. Sarah Motsch, Alternate

DC WATER STAFF

1. David Gadis, CEO and General Manager
2. Matthew Brown, Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance
3. Marc Battle, Chief Legal Officer and Executive Vice President, Government and Legal Affairs
4. Wayne Griffith, Chief Administration Officer and Executive Vice President
5. Jeff Thompson, Chief Operating Officer and Executive Vice President
6. Michelle Rhodd, Board Secretary
7. Lola Oyeyemi, Vice President, Budget
8. David Parker, Vice President, Engineering
9. Paul Guttridge, Director, CIP Infrastructure Management
10. Tanya DeLeon, Manager, Risk Management

The Finance and Budget Committee meeting of the District of Columbia Water and Sewer Authority was called to order at 9:30 a.m. by Chairperson Anthony Giancola. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll.

I. APRIL 2023 FINANCIAL REPORT

Lola Oyeyemi, Vice President, Budget provided the financial report. She noted that year-to-date fiscal year revenues were \$487.6 million, operating expenses were \$374.2 million, and capital disbursements were \$214.4 million for the period ended April 30, 2023.

Matthew Brown, Chief Financial Officer and Executive Vice President, noted that management has been following the federal debt ceiling situation and has been working to assess the impact on DC Water if Congress does not raise the debt limit. Management's primary concern is the liquidity of DC Water's treasury investments. Because the investment portfolio is diversified, management has a plan in place to leverage cash and money market investments as necessary. Mr. Ivan Boykin provided details of that plan to include the use of any available overnight cash, drawing on any available construction funds held with the trustee currently at approximately \$200 million, and selling available commercial paper funds currently totaling \$170 million if necessary.

Ms. Oyeyemi continued her report stating that revenues were \$487.6 million, approximately \$10 million under budget. She explained that receipts across several customer categories are lower due to the timing of payments and that the wholesale customers made their payments in May. Operating expenses for this period totaled \$374.2 million, \$12 million below year-to-date budget. Ms. Oyeyemi went on to explain the reason behind the increase in supplies costs versus the budget.

Ms. Oyeyemi further reported that the vacancy rate is trending downward. Capital disbursements totaled \$214.4 million of the revised FY 2023 budget. Total cash funds of \$772.1 million, including the Rate Stabilization Fund, as well as \$290.4 million in operating reserves. Year-to-date operating interest income was \$2.5 million.

In response to Committee member David Franco's question whether the permit office hired additional staff to process developer refunds, David Parker, Vice President, Engineering provided an update noting that interviews are underway. He also explained that staff are currently reviewing contract proposals to bring on additional consultants for a longer period and management anticipates the factsheet will be reviewed with the Environmental Quality & Operations Committee for Board action during this summer. Mr. Parker went on to explain that a list of developer accounts was published on the DC Water website and a mailing will be sent out to each account holder.

II. CAPITAL IMPROVEMENT PROGRAM QUARTERLY UPDATE

Mr. Parker reported on the Clean Rivers project starting with the Northeast Boundary Tunnel. The tunnel is scheduled to be fully operational and commissioned by Summer 2023. The sewer separation project is 90 percent complete. The Potomac River Tunnel advance utility construction is 99 percent complete. The Rock Creek Green Infrastructure Project B is 60 percent complete and on track to meet the Consent Decree January 23, 2024 deadline. The Blue Plains service area Gravity Thickener Upgrades Project, a four-year project and the largest project in Blue Plains. The project goal is to rehabilitate 10 gravity thickener tanks. The project has been successful and is expected to be completed this fiscal year.

Additionally, Mr. Parker provided an update on the other projects including the Soapstone project. He reported that the Soapstone project received heavy public attention and the contract is going very well. The Lead-Free DC Program spending is projected to be below the annual target this year. Mr. Parker continued his report with a briefing on the impact of the Lead-Free DC Program on the CIP. In response to a question from Mr. Giancola regarding the Lead Free (LFDC) Program and the resulting landscaping and drywall restorations, Mr. Parker explained that DC Water has been receiving notifications and has been tracking and responding to residents' concerns and complaints.

Paul Guttridge, Director, Capital Improvement Program Infrastructure Management reported on service area projections for year-end performance. The total CIP disbursements were \$159 million through the second quarter of FY 2023. He noted that the baseline projection for FY 2023 was developed to better align with the anticipated execution of the planned work. The preliminary year-end forecast is estimated at 90 percent or \$24 million underspending for the capital projects. He went on to review the Key Performance Indicators (KPIs) for the second quarter.

III. INSURANCE RENEWAL UPDATE AND RECOMMENDATION

Tanya DeLeon, Manager, Risk Management, provided an update on DC Water's insurance renewal. A Request for Proposal (RFP) was conducted earlier this year that selected four firms to be part of a qualified pool of insurance brokers eligible to market and service DC Water's property and casualty insurance policies. Ms. DeLeon discussed market challenges, noting that property insurance was particularly complex due to inflationary pressures, climate change, industry losses, and reinsurance costs. Cyber insurance premiums continue to increase for accounts without strong Information Technology controls. However, DC Water has received positive feedback regarding its IT controls. Ms. DeLeon concluded her report and asked the Committee to recommend to the Board approval to bind insurance renewal coverage in an amount not exceed \$5.9 million. Updates with final terms will be provided at the next committee meeting.

IV. FY2023 YEAR-END PROJECTIONS AND RECOMMENDATION

Mr. Brown provided the year-end projections. He reported that revenue is anticipated to be \$3 million above the revised budget. The operating budget is projected to be \$9.0 million below the revised budget of \$686.4 million. This is due to projected underspending in personal services, contractual services, and water purchases. Additional projected underspending of \$7.2 million in debt service is due in part to a \$3.0 million release from 1998 Debt Service Reserve Fund.

Mr. Brown reviewed the revenue projections in detail, including a projected surplus in the residential, commercial, and multi-family category and anticipated shortfalls in interest income, the Washington Aqueduct Backwash and the System Availability Fee.

Mr. Brown reported that total operating expenditures are projected to be \$9.0 million below the budget. The personnel services budget is anticipated to have a \$4.8 million underspending while the cost of chemical and utilities will exceed their respective budgets. The projected underspending in debt service will be transferred to the Cash Financed Capital Improvements (CFCI) to reimburse the prior transfers from that account to deal with chemical and energy cost pressures as communicated during the budget process.

Mr. Brown provided a brief overview of the capital budget forecast, noting that the budget for capital equipment will be underspent and that the full amount of contributions will not be made to the Washington Aqueduct because some construction projects are delayed. He explained that the overall CIP underspending will result in carryover of unspent bond proceeds at the end of the fiscal year.

Overall, a projected net cash surplus of \$11.382 million is forecasted mainly from the higher revenues, lower expenses and below the line adjustments for county refunds. Mr. Brown reviewed the considerations for cash including the use by bond rating agencies, comparison with peer utilities and Amawalk's recent study on DC Water's operating reserve fund and recommendations.

Mr. Brown asked the Committee to recommend for the full Board's approval the addition of \$11.382 million projected net cash position to the ending cash balance for FY2024.

V. OPERATING RESERVE & RATE STABILIZATION FUND STUDY

Shan Lin, Amawalk Consulting Group, LLC reported on the operating reserves study. The minimum operating reserve requirement of 250 days of operation and maintenance expenses pursuant to Board policy exceeds the indenture requirement of 60 days. The 250-day requirement includes the Renewal & Replacement (R&R) Reserve, the 60 days of cash requirement and additional cash necessary to meet the minimum balance. Consultant findings show peer utilities have minimum requirements for operating reserves that are typically on the order of 60 days or 90 days but have actual reserves that can far exceed their minimum

requirements. Findings also indicate that DC Water lags behind peers in its cash levels, although DC Water's credit rating is strong. With DC Water expected to borrow an additional \$2.7 billion in the next 10 years, defending the existing rating is important so customers pay less interest in water, sewer and Clean Rivers bills.

Ms. Lin went on to recommend that the Authority increase the minimum operating reserve requirement in its financial policies from 250 days to 350-400 days. This will bring the total days cash on hand to a level that is more aligned with highly rated peers. Amawalk recommended a \$35 million minimum balance for the R&R reserve, either in cash or a hybrid approach that includes both cash and borrowing capacity.

Ed Markus, Amawalk Consulting Group, LLC summarized the Rate Stabilization Fund (RSF) findings. These include 1) the RSF is permitted but not required to have a balance by the bond indenture; 2) DC Water has historically added monies to the RSF and withdrawn funds for multiple purposes; 3) American Water Works Association's Cash Reserve Policy Guidelines indicate monies in a RSF are typically used to address potential fluctuations in revenues and to "smooth out" rate increases; 4) more than half of the surveyed utilities have no RSF requirement; and 5) in Philadelphia, the RSF and Residual Fund serve multiple purposes: operating reserve and RSF. The report provided the following options: 1) confirm or change the name of the RSF; 2) define a minimum, maximum or targeted balance requirement; and 3) update policies for the use of funds withdrawals.

Amawalk recommended a target RSF balance of 5 percent of projected retail revenues. In 2023, the existing RSF balance achieves this target. The authorization to withdraw funds should include a plan to replenish funds to meet the target balance. DC Water should prioritize use of the funds for (i) emergencies or unplanned events, (ii) investment in technologies or other initiatives that could reduce operating expenses, and (iii) defeasance of higher cost debt.

VI. ACTION ITEMS

The Committee members agreed to move the following action items for approval to the full Board:

CONSENT ITEMS JOINT USE

- a. Approval to award multiple contracts to provide Financial Staff Augmentation Services for various DC Water departments for an amount not to exceed \$6,96 million for a three-year base period.
- b. Approval to pay property and casualty insurance premiums through DC Water's brokers of record or direct writing insurers with a total amount not to exceed \$5.87 million.

CONSENT ITEMS NON-JOINT USE

- a. Approval of Resolution Authorizing the Transfer of the Projected FY 2023 Net Cash Surplus of \$11.382 million to the ending cash balance for FY 2024.

VII. AGENDA FOR JULY 2023 COMMITTEE MEETING

Mr. Brown announced that there will be no June meeting and a financial report will be provided via email to the Board.

VIII. ADJOURN

There being no further business to come before the meeting, Mr. Giancola adjourned the meeting at 11:00 a.m.



CEO's Report

JUNE
2023



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

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dc Highlights

Chairman Wells and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for June 2023. 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 Health, Safe and Well**. There are also individual reports from Finance and Procurement; Shared Services; Customer Experience; Information Technology; and Operations and Engineering, as well as the monthly update from Internal Audit.



Lead Free DC Program Funding Update

On Tuesday, May 16, the Washington City Paper published a story, "[Bowser's Proposed Budget Zeros Out \\$10 Million Program to Replace Lead Pipes](#)," that examines this decision and the potential risk to households unable to afford private lead service line replacement.

As I have expressed on many occasions, both with Mayor Bowser and Councilmember Charles Allen, who serves as Chair of the Committee on Transportation and the Environment, designating a funding source is essential to the success of the Lead Free DC initiative.

While I am concerned about restoring funding, I do know that the Mayor and Council are broadly supportive of Lead Free DC. I am hopeful that during the budget negotiation process, funding will be restored to support the program.

In support of program funding, **Marc Battle** (Chief Legal Officer and EVP / Government and Legal Affairs) and **Apera Nwora** (Director, Government Affairs and Public Policy / Government and Legal Affairs) will continue to monitor progress and continue to work with the Mayor and Council to advocate for full funding of critical program.



dc Highlights



Sustainable

DC Water Participated in a US Study Tour of Forest Cities Regarding Stormwater Retention

On May 4, we participated in a USAID/Deloitte sponsored study tour with the Government of Indonesia (GOI) at our Blue Plains Advance Wastewater Treatment Plant, which included an Anacostia River tour.



Thank you to **Francis Cooper** (Director, Enterprise Program Management Office / Strategy and Performance) for organizing this engagement with our wastewater staff, USAID, and Deloitte. The tour includes New York, NY and Atlanta, GA after which the GOI's initiative team will compile leading practices and lessons for IKN Forest City development, including themes around forest management, inter-governmental coordination, and inclusive, gender-sensitive urban and green landscape planning and management. The contingency also engaged local stakeholders including the DC Department of Energy and Environment, the DC Department of Economic Development, US Forest Service, and the National Park Service.

Brown Accepted to Harvard Senior Executives Program

Matthew Brown (CFO, EVP Finance, Procurement and Compliance) has been accepted into the Harvard Kennedy School Senior Executives in State and Local Government program. The three-week program on the Kennedy School campus includes topics such as leadership, negotiation, effective partnerships, policy modeling and implementation, and urgent and real-time challenges.

Congratulations to Mr. Brown on this remarkable honor.



Resilient

Leadership Town Hall on Organizational Realignment

On Thursday, May 4, I assembled Authority leadership – directors and above – to share important information on the upcoming organizational realignment that will shift some teams and employees previously assigned to Engineering and Operations to the newly formed Administrative Cluster. As I previously informed the Board, **Wayne Griffith** (Acting Chief Operating Officer), will step into his new role as Chief Administrative Officer (CAO). During his time as Acting COO, Wayne has worked closely with Operations leaders and teams to ensure continuity of excellent water and wastewater services and we thank him for his leadership.



In his new role, Wayne will bring together and enable a high-performing cluster comprised of the current Strategy and Performance team, Information Technology, Shared Services, and Customer Care. Together, this Administration Cluster is well positioned to better collaborate and deliver strategic, data-driven, and digitally enabled services and leadership across the organization and to our customers. This transition will also enable the Operations Cluster to remain keenly focused on continuing to deliver unparalleled water and wastewater services to our local communities. The operational divisions under Mr. Thompson's leadership will include Wastewater Operations, Sewer and Pumping Operations, Water Operations, Engineering and Clean Rivers.

Additionally, **Dr. Matt Ries** (Acting Chief Strategy Officer) will step into the role of Vice President of Strategy and Performance, reporting to Wayne Griffith.

dc Highlights



First Ever Pinning Ceremony at DC Water for Newly Certified Professional Operators in Department of Pumping & Sewer Operations

I am pleased to share a recap of DC Water's first-ever pinning ceremony to honor our operators in DPSO who achieved a Professional Operator (PO) certification. The ceremony celebrated the accomplishments of 23 staff members who worked hard to attain the PO designation.

I'd also like to recognize the leadership and collaboration at DPSO who teamed to attain a 1,050% increase in the number of POs from just two in 2018 to 23 in 2023, namely, **Kenrick St. Louis** (Vice-President / Pumping and Sewer Operations), **Mandy LeBlanc** (Senior Manager / Pumping Operations), **Keith Watts** (General Foreman, Pumping Operations), **Gregory Stephens** (Foreman, Pumping Operations), **Robert Simpkins** (Foreman, Pumping Operations), and **Calvert Wilson** (Utility Systems Operator Leader, Pumping Operations). The significance of this occasion was underscored by the participation of several industry associations, including the Water Professionals International and the Water Environment Foundation (WEF).

Notably, some of our apprentices were also present as observers, gaining valuable insights and setting expectations for their own future certification achievements. This event provided us with a wonderful opportunity to express our appreciation for the hard work and dedication displayed by our staff, aligning perfectly with my executive initiative for DC Water to become a learning organization.



 **Healthy, Safe and Well**

Kirsten Williams Leads Authority Presence at Environmental Justice Forum

On Thursday, May 18, **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer and EVP / Marketing and Communications) represented the Authority at the Environmental Justice Forum's event on environmental impacts to public health.



Ms. Williams appeared alongside several other executives, including Becky Hammer (Senior Attorney and Deputy Director of Federal Water Policy / National Resources Defense Council), Eric McFarland (Director, Diversity, Equity and Inclusion / WSSC), and Chris Williams (President and CEO / Anacostia Watershed Society) to discuss a host of related issues, including the urgency around lead pipe replacements.

In her remarks, Ms. Williams noted that two of the Authority's five imperatives featured in Blueprint 2.0 – Equitable and Healthy, Safe and Well – are at the core of our mission, and that without full funding, the District risks exposing another generation of children to potentially lead-contaminated water.

DC Water Basketball League Begins Play on June 17

As part of our ongoing strategic commitment to health and wellness, I am pleased to share that the DC Water Basketball League will begin the 2023 season on June 17, 2023. The league will play a seven week schedule, ending with Championship Weekend, scheduled for July 29, 2023.

League games will be played on Saturday mornings at Charles Hart Middle School, at 601 Mississippi Avenue, SE, and all employees have been encouraged to participate or volunteer to support the program. Not only is our league good exercise in support of health and wellness, but it also builds camaraderie and forges new relationships between colleagues.

If your schedule permits, I encourage all Board members to join us one Saturday for a first-hand look at how the league facilitates team building and dynamics.





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.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	Jan-23	Feb-23	Mar-23	Apr-23
Operating Cash Balance (millions \$)	\$242.6	\$253.8	\$261.5	\$289.0	\$290.4
Delinquent Account Receivables (%) [†]	3.3%	4.5%	4.5%	4.4%	4.3%
On-time Vendor Payments (%) ^{††}	97%	96%	96%	97%	97%
Investment Earnings Data (Thousands \$)	\$4,161.8	\$747.2	\$1,036.2	\$1,937.6	\$2,504.3
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index [*]		4.3%	4.9%	4.2%	4.2%
Core Investment Yield Data (%) - Actual Monthly Yield ^{†††}	0.2%	2.5%	2.6%	2.6%	2.9%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index [*]		4.6%	4.7%	4.6%	4.9%
Short Term Investment Yield Data (%) - Actual Monthly Yield ^{†††}	0.1%	2.8%	2.9%	2.8%	2.8%
Days of Cash on Hand ^{**} and ^{***}	250 ^{**}	287.0	291.0	313.0	314 ^{***}

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

** 250 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 34 days in the Rate Stabilization Fund and 279 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 is approaching the desired target due to efforts to research and resolve some invoices prior to payment. We also continue to achieve improvements as users become more proficient with the Oracle system.

^{†††} 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.

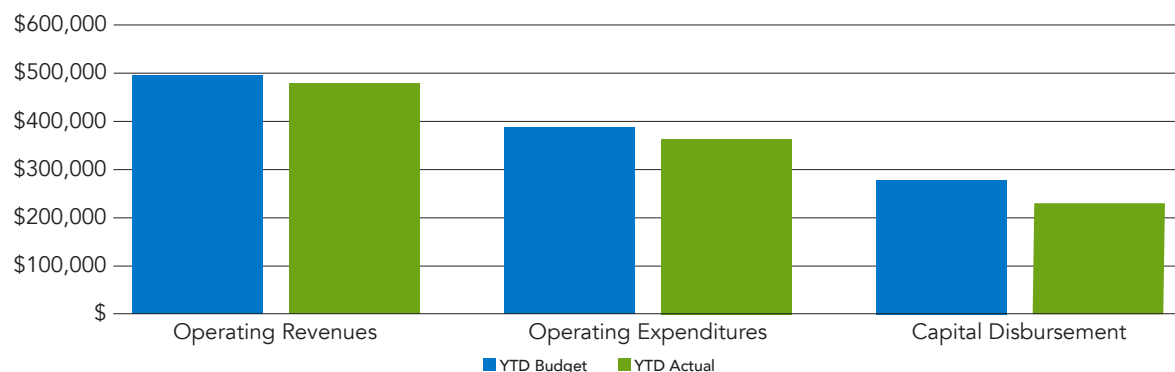
Finance Highlights

FY 2023 Financial Performance

At the end of April 2023, with 58 percent of the fiscal year completed, DC Water is on track with its budget. Total operating expenditures were \$374.2 million, or 54.5 percent and capital disbursements were \$214.4 million or 56.9 percent of the respective revised budgets.

Total operating revenues were \$487.6 million or 57.9 percent of the FY 2023 revised budget. The YTD revised budgeted receipts were \$497.6 million. The lower receipts were mainly from wholesale customers due to the higher revised budget as compared to the previously approved budget. The revenue shortfall from the wholesale customers is expected to recover in the third and fourth quarters. Additionally, there were lower receipts in the other revenue category mainly from interest earning, system availability Fee and Washington Aqueduct Backwash.

FY 2023 Year to Date Performance Budget vs. Actuals (\$000's)

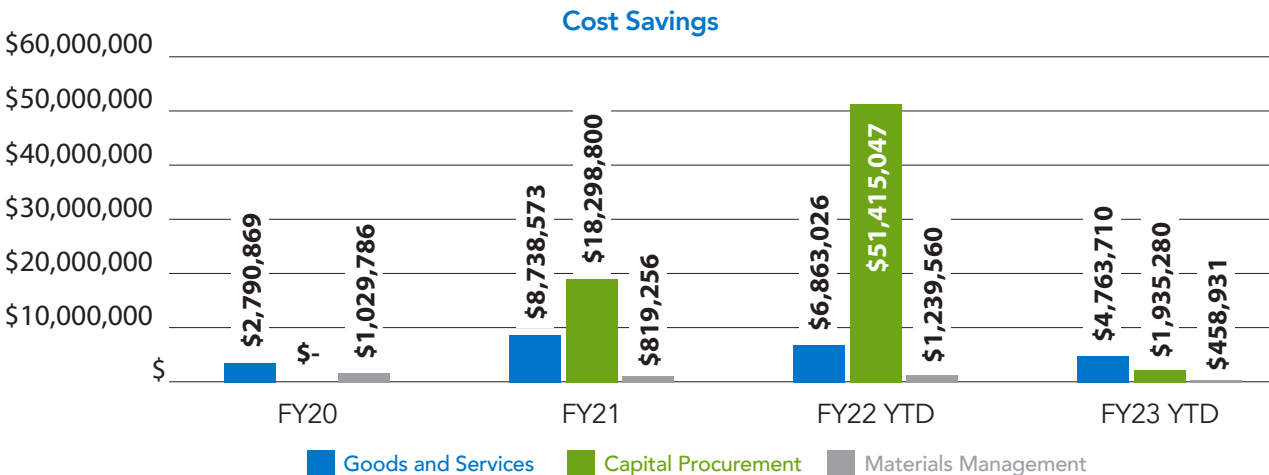


Procurement



Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings from FY 2020 to FY 2023 year-to-date achieved by Procurement through the competitive solicitation process in the Capital Project and Goods & Services solicitations and the cost avoidance achieved in the Materials Management through the inventory optimization. The cost savings for Capital Procurement were not tracked in FY 2020.



Savings are related to the number and amount of solicitations. FY22 Capital Procurement savings exceed FY23 savings realized to date because several major contracts with high dollar amounts were awarded in FY22, including LFDC Program Management. FY23 savings from Goods & Services are still on track to produce similar results as FY22.

Procurement - continued

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

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery w Type	Eligible Inclusion Program
April, 2023	Construction of Flood Seawall Segment A, B, D	RFP	\$25M	Design Build	DBE/WBE
April, 2023	Glover Park	RFP	TBD	Design	DBE/WBE
April, 2023	Service Life Restoration Program (SLRP) 2	IFB	\$20M	Bid Build	DBE/WBE
May, 2023	Primary Tank Treatment - 20 yr rebuild	RFP	\$5M	Other	DBE/WBE
June, 2023	Sewer and Water IR &R	IFB	TBD	Bid Build	TBD

Goods and Services Procurement:

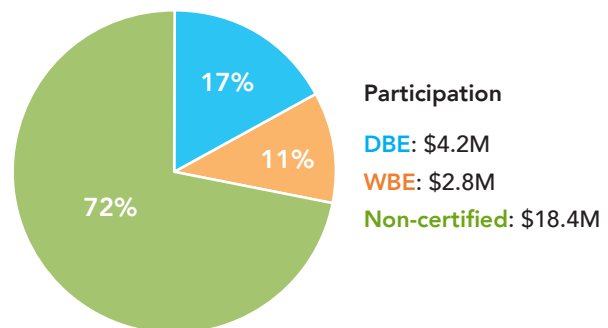
Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
August, 2023	Independent Review of A/E Consultant overhead rates	RFP	<\$1 M	LSBE
August, 2023	Annual Maintenance, Repair and Calibration of Instrumentation Control and Electrical Equipment	RFP	<\$1 M	LSBE
November, 2023	Repair of Instrumentation and Electrical Control Equipment	RFP	<\$1 M	LSBE
November, 2023	HMO health plan for employees	RFP	>\$5M	N/A

Contract Compliance

During this reporting period, DC Water approved six different procurement actions, including one new award and five extension / option years. The value of the procurement actions for this period totaled \$25.5 million. Of this total, the planned certified firm participation is \$7 million (in prime and subcontracting opportunities).

- Two Mentor protégé relationships were established, including one between a certified prime contractor and a certified sub.
- One certified firm, new to DC Water, was added to the Non-Process Facilities Project Management team. Special thanks to Albert Slack and Rudy Gonzalez for engaging with this firm and connecting them with the prime contractor (ongoing Good Faith Efforts).

**Certified Firm Participation
March 2023 Awards**



dc Finance, Procurement, and Compliance

Procurement - continued



- As of this reporting period, 69 positions were filled through DC Water Works (including the new Lead-Free DC Community Activator trainees). Of these, 54 were filled by local residents (those living in DC Water's user jurisdiction).

DC Water's User Jurisdiction	Number of New Hires
District of Columbia	31
Prince George's County	15
Montgomery County	1
Fairfax County	6
Loudoun County	1
Total	54
Outside the User Jurisdiction	15

DC Water Works participated in three external job fairs:

- **District Department of Employment Services, Department of State Initiatives graduation** (DC Water delivered the commencement speech)
- **The Spring Job Fair hosted by the District Department of Human Resources; and**
- **A virtual Job Fair hosted by the Women's Business Enterprise National Council.**





In 1996, the National Safety Council (NSC) established June as National Safety Month in the United States.

Safety Month is to increase awareness of the leading safety and health risks, and ultimately decrease the number of unintentional injuries in the United States.

2023 Weekly Topics:

- Emergency Preparedness
- Slips, Trips, and Falls
- Heat-Related Illness
- Hazard Recognition

A safe DC Water for all, above all else – Through the Blueprint 2.0 - Healthy, Safe, & Well Imperative, DC Water is committing to safety by conducting audits at the management level, as well as tracking important Safety Observations (near misses, good catches, and observations) to acknowledge those leading the way.

Department of Occupational Safety and Health (DOSH) Celebrates National Safety Month

After a 5-year hiatus, DOSH brings back the ever-so-popular one day celebration of safety in the new and improved, **Safety Day Fair**.

The Safety Day Fair will take place on Wednesday, June 21st from 10am-2pm at Ames Place. All employees and contractors are invited to attend. Various vendors and partner agencies covering the 2023 weekly topics mentioned above will be in attendance.

Highlight includes **Trench Safety Stand Down** (June 19-23 is Trench Safety Stand Down Week)!

What is a Safety Stand Down?

A Safety Stand Down presents the opportunity for employers to talk directly to employees and others about safety. These Stand Downs will focus on trench & excavation hazards and reinforce the importance of using trench protective systems and protecting workers from trenching hazards. (Source: National Utility Contractors Association)



Photos from Fall Protection Stand Down in May 2019



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Jan-23	Feb-23	Mar-23	Apr-23
Security: Camera operational uptime	90%	97%	96%	97%	97%
Security: Smart card readers operational uptime	90%	97%	98%	97%	97%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	43%	40%	39%	82%
Facilities: Service Request Completion Rate	90%	67%	57%	55%	48%
Fleet: Preventive Maintenance (PM) on Schedule	96%	NA	NA	NA	94%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	74%	74%	71%	75%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	2.8	2.6	2.86	2.7
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	2	1.8	2.2	2.1
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	3.1	3.2	2.6	2.3
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0.4	0.3	0.3	0.3

Facilities: The Facilities completion rates for April 2023 are 82 percent for Preventive Maintenance work orders and 48 percent for Service Request work orders. During this month, the facilities shop continues to support space planning effort, the new office build-out in HQO, workspace reconfigurations and moves at CMF. Preventive maintenance work orders completions rose with 179 completed, over 123 in March. Service request work orders completion dropped to 108 completed in April, down from 157 completed in February. Facilities continues to work with people and talent to recruit two open crew positions (2 HVAC positions) and one open HVAC Foreman position. The two B&G position offers were accepted: 1 employee started April 10 and the other will start May 22. Facilities prepared a FY23 "surge plan" proposing additional contracted services for HVAC preventive maintenance and support for B&G team core functions to mitigate gaps in KPI performance.

Fleet: The new fleet maintenance contract began on March 27th and successful work to date is illustrated by the 94 percent preventive maintenance completed on schedule. Of the 66 PMs scheduled, 62 units were brought in within 5 days of schedule. FVS added four technicians in the last month to increase serviceability.

Safety: For the month of April, DC Water had one lost-time injury and ROCIP had no lost-time injuries.



Customer Assistance Programs (CAP)

DC Water is on track with sharing Customer Assistance opportunities. We are working with survey vendors Qualtrics and Walker to create a Customer Assistance Survey. We plan to launch the survey in early June to capture customers' knowledge and opinion of our assistance options. The survey will function as an awareness campaign and an opportunity to apply for assistance. We will use technology to direct customers to the applicable site for information or to apply for assistance.

The Residential Assistance Program (RAP) funding will be depleted in May. We will seek Board approval to allocate some of the Multifamily Assistance Program (MAP) funding to RAP so we can continue to help eligible residential customers through the end of the fiscal year.

DC Water Customer Catch-Up Offer ends on 5/31/2023. This equitable one-time offer incentivizes all rate classes offering them help with their outstanding balances.

The data chart below has been changed for the April report to reflect the total Catch-up offer payments as of the outstanding balance on 12/20/2022. This will be the format for the upcoming months through June 2023. The March report included all payments by the customer that contributed to a zero balance bill.

As of April 30, 2023, the Catch-Up Offer participation is as follows: (Adjustment to be posted by 5/31/2023)

	# Participants (April 2023)	Adjustment (April 2023)	Total Catch-Up Payments (Apr 2023)	YTD* Total Participants	YTD* Total Catch-Up Payments**	% of Catchup Balance Collected***
Residential	1228	\$200,150	\$699,427	5,292	\$2,200,564	8.2%
Multifamily	110	\$146,409	\$522,582	482	\$2,220,573	8.3%
Commercial	78	\$69,630	\$240,178	522	\$1,002,028	3.7%
Total	1434	\$416,189	\$1,462,187	6,296	\$5,423,165	20.2%

* YTD includes payments made on or after January 19, 2023.

** Payments for current charges are not included. This total includes Catch-up Offer payments (outstanding balances as of 12/30/2022).

*** Total Anticipated Catch-up Balance – RES - \$9,159,930, MF - \$11,315,827, COM -\$6,398,989, TOTAL - \$26,874,746

Customer Assistance Programs (CAP)

Program	FY2022 Enrolled	FY2022 Dollars	Apr. # Enrolled	Apr. Dollars	# FY23 Enrolled	FY2023 Dollars	FY2023 Budget
CAP I	6,949	\$4,871,357	321	\$220,390	3,485	\$960,957	\$2,500,000
CAP II	679	\$338,362	15	\$13,007	272	\$59,886	\$400,000
CAP III	204	\$33,026	2	\$632	28	\$3,508	\$50,000
Non-Profit CRIAC Relief	186	\$866,375	6	\$62,663	111	\$407,141	\$905,608
DC Water Cares Residential	1,690	\$1,318,242	283	\$243,085	1,738	\$1,654,649	\$1,681,758
DC Water Cares Multifamily (number of units)	4,313	\$1,880,830	195	\$120,986	1,625	\$982,542	\$4,545,195



Customer Experience

Customer Care

The team worked to meet metrics this month but missed 3% of bills Issued on time within five days (missed by 2%), unbilled at the end of the month (missed by 0.1%) and AMI Transmission (missed by 2%). Absences at the beginning of the month and the last bill cycle ending on a weekend caused us to miss the billing metrics. The AMI metric was missed due to ongoing constraints relative to filtering noise interference, DCU/MTU locations and MTU installation coordination with Lead Free DC and Small Diameter Water Main projects.

The Winter Moratorium ended on March 31, 2023. In April, we resumed disconnections for residential accounts with outstanding balances of \$1,500 and greater. In May 2023, we will change the disconnection threshold to \$800 and greater, with the plan to resume normal thresholds (\$200 and greater) in July 2023.

Key Performance Indicators

Metric	Target/ Service Level	Feb 23	Mar 23	Apr 23
% of bills issued on time (w/in 5 days)	97%	98.0%	99.0%	95.0%
% unbilled	2%	2.1%	0.1%	2.1%
Estimated bills as a percent of meters read	4%	4.5%	4.8%	3.6%
% AMI Transmission	95%	92.9%	93.6%	93.4%
# of bill investigations (Disputes)	trend only	133	130	92
% of OPC inquiries resolved within 14 days	98%	100%	100%	100%
% of calls answered in 40 Seconds (Call Center)	85%	83%	88%	98%
Monthly call volume served (Call Center)	trend only	8,380	9,801	8,854
Abandon rate	3%	2%	2%	1%
Emergency dispatch <= 10 Min (ECC)	92%	100%	100%	100%

April: One new project was launched:

CIPIM: - Capital Improvement Program Infrastructure Management (CIPIM) SharePoint site on Pipeline to consolidate and manage all the different tools / templates / SOP / Standards / Training / etc. used by CIPIM to help our Stakeholders quickly find all things related to the CIP Project Delivery Cycle from Concept to Closeout.

EPA Cyber Security Update

On March 3rd, the Environmental Protection Agency (EPA) released a cyber security mandate for the water sector. The regulations require states to ensure that public water systems evaluate the adequacy of any digital defenses through sanitation surveys. The mandate is "a significant step forward to increase the cyber security Americans routinely rely on," Anne Nueberger, deputy national security adviser for cyber and emerging technology, said during a media briefing on Thursday.

Cyber security experts have noted that sanitation surveyors do not have the knowledge to adequately assess the complex subject of protecting industrial systems from cyber threats that could range from insider attacks to nation-state hacks. Additionally, many insiders say the mandate issued Friday was not developed in collaboration with industry groups, despite the administration's pledge to work alongside stakeholders when developing new cyber regulations.

Our internal assessment is that DC Water is 100 percent compliant with the requirements from EPA. We are awaiting further guidance from EPA to determine the exact method to be used by EPA to validate compliance.

IT Monthly Report

SR/WO Type	SL Target / SLA	Feb 23	Mar 23	April 23
Number of tickets submitted	Trend only	1052	1161	1023
Number of open tickets	Trend only	14	43	29
Helpdesk SLA	96%	97.90%	100%	99.2
Number of active projects	Trend only	24	21	18
Number of completed projects	Trend only	1	3	0
On schedule performance	90%	93.18	91.67	91.67
On budget performance	90%	93.18	95.83	95.83

Featured Projects of the Month – Water Operations



Set up at Potomac River in Georgetown

Too Fly

The Linear Asset Management division of Water Operations is utilizing the Uncrewed Aircraft System (UAS) as part of the National Pollution Discharge Elimination System (NPDES) outfall inspection process. The Drone program which has been in operation by DC Water since 2021, captures high resolution video and images of DC Water Assets to aid in the inspection of outfalls, large pipes, elevated tanks, and confined spaces that would otherwise be unsafe for staff deployment.

With the Blueprint imperatives of safety and wellbeing, reliability and sustainability, the drone program not only reduces hazards, ensures the safety of DC Water Employees, offers an enhanced and efficient condition assessment and is a sustainable cost saving resource that can be used for many years. The Linear Asset Management Branch worked diligently to obtain pilot licenses, FAA clearance, and local authority approval from the Metropolitan Police Department. Tamrat Bedane, Darius Regis, Severin Hanou, Nichol Bell Sowell and Jason Hughes were among those actively involved in the success of the UAS Inspection program as well as others from the Department of Pumping and Sewer Operations.



St. Elizabeth Elevated Water Tank



Outfall 035, P Street, NW


Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Jan-23	Feb-23	Mar-23	Apr-23
Wastewater Operations					
NPDES Permit Compliance	100%	100%	100%	100%	100%
Air Permit Compliance	100%	100%	100%	100%	100%
Biosolids Class A	100%	100%	100%	100%	100%
Tunnel Dewatering	100%	100%	100%	100%	100%
Combined Heat and Power	>20%	26.5%	26%	29%	29%
Reactive Maintenance	<20%	29%	30%	28%	27%
Critical Asset Availability	>95%	96%	97%	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	5490	7756	9814	11571
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	662	993	1163	1203
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	46	83	110	141
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	4	20.49	19.38	27.39
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	7	2	4	1
SSO's to River	Report	0	1	0	0
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	1.45	1.61	1.91	1.99
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	.15	.23	.23	0.23
Combined Sewer System Overflows	0	1	0	0	0

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


Operations and Engineering

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

Key Performance Indicators continued

Metric	Target/Service Level	Jan-23	Feb-23	Mar-23	Apr-23
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	10%	10%	6%	7%
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	10	10	18	20
Hydrant Flow Tests (Non-Winter Months)	>180	27	75	146	187
Fire Hydrant Operational Rate	99%	99.98%	99.83%	99.9%	99.78%
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%	95.15%	78.6%	85.37%	91.8%
Water Main Breaks	<28/Month	27	17	25	23
Water Main Break Rate /100 Miles (National Average is 25)	25	26.77	25.52	25.52	26.47
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	89%	92%	91%	94%

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

DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as percent 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. We observe a descending trend of percent of total reactive maintenance hours, measured as annual average the last four fiscal years for assets at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is applicable for Blue Plains.



DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers



- In February 2023, DDOT indicated that they will not issue any new permits until restoration of 40 blocks has occurred, and the associated permits are closed out by DDOT. Paving has begun and 29 out of 40 blocks have been paved with the additional 11 blocks to be completed by mid-May. DDOT is being updated regularly on the restoration schedule and there are ongoing discussions about advancing the review / approval of the submitted permit applications.

- All permits for Construction Packages 5 & 6 have been submitted to DDOT. For package 7, 23 of 47 permits have been submitted to date. All permits for Packages 7-10 will be submitted to DDOT by mid-June.
- DCW continues to have discussions with DDOT about and MOU for the LFDC program.



- DC Water and Lead-free Group participated in the Waterpalooza event at Headquarters on April 27, 2023. The event was well attended and a great success.
- Public Outreach has completed initial canvassing for Construction Package 5 & 6 (1480 total premises) and has achieved 45 percent signed agreements. Outreach for Package 7 started in mid-April and will continue along with Packages 8-10 in May/June.
- The Outreach team presented at five Advisory Neighborhood Commission (ANC) meetings and currently has seven scheduled in May / June.
- DC Water partnered with Department of Employment Services (DOES) to develop the DC Water Community Activators program, an apprenticeship program for up to 25 trainees to work with the LFDC Outreach team. The 23 candidates completed DOEs training in April. The candidates and the Lead-Free Group received DC Water training in May.
- A 90 percent Design Workshop was conducted with the MSA contractors in April. Construction Packages 7-10 procurement / bidding will occur in May.
- LFG are working on test pit packages and the next group of replacement packages this May.

Construction Package refers to a bid package for specifications and details.

Master Service Agreement (MSA): Task Order-Based Lead-Free DC (LFDC) Lead Service Line Replacement, Contract No: 230030

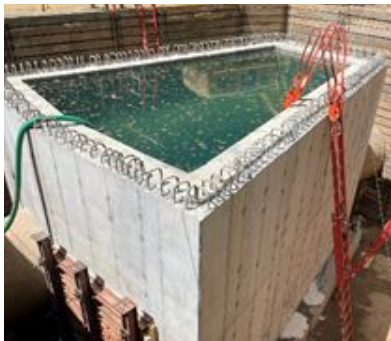


DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers

Major Sewer and Local Sewer Condition Assessment Projects

- Potomac interceptor MH 31-30 Rehabilitation continues to progress.
 - SOE system at MH 31.5 continues installed. MH31.5 watertight test of MH walls was performed and unsuccessful due to presence of leaks.
 - Continued concrete repairs at the walls of MH-31.5 to re-test the structure.
 - Completed backfill of the slip line shaft.
 - Completed installation of crane mat at MH30.59.
 - Completed installation of piles for MH30.59 & MH31 SOE systems via auger & grouting.
 - Started installation of wood lagging boards for MH30.59 & MH31 SOE systems
 - Started excavation of open pit and trenches for installation of new MH30.59 & MH31 as well as the new HOBAS pipe in between.
 - Started installation of tiebacks at MH30.59 & MH31 SOE systems.
 - Completed installation of concrete working pad to be used for upcoming formwork and concrete pour of CIP Roof Planks for MH31.5.



MH31.5 watertight test of MH walls ongoing



Completed backfill of the slip line shaft



Concrete working pad to be used for upcoming formwork and concrete pour of CIP Roof Planks for MH31.5

DC Water Clean Rivers Northeast Boundary Tunnel

- Northeast Boundary Tunnel (NEBT) is a 23' diameter, 5-mile-long tunnel designed to provide CSO control and flooding relief in northeast DC.
- Work continues at Rhode Island Avenue to construct the near surface inlet structures into existing sewer. Began work to install shaft cover at R Street. Also continuing construction of the Ventilation Control Facility. Began restoration work at some of the sites. Coordination with the community and third parties continues.
- The Tunnel Project is planned to be placed in operation in summer 2023 ahead of the Consent Decree deadline of March 23, 2025, within the CIP budget.

Internal audit plan FY2023 timeline

This timeline represents the FY 2023 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.

	Oct - 22	Nov - 22	Dec - 22	Jan - 23	Feb - 23	Mar - 23	Apr - 23	May - 23	Jun - 23	Jul - 23	Aug - 23	Sep - 23	Oct - 23	Status
Contract Compliance Audit	█													Report Complete
Procurement Audit	█													Report Complete
Payroll & Timekeeping Audit			█											Fieldwork in Progress
Metering, Billing and Collections Audit			█											Report Complete
Penetration Testing Audit – External Network			█											Report Complete
Oracle IT General Controls Assessment						█							Fieldwork in Progress	
Oracle Identity & Access Mgmt Assessment						█							Fieldwork in Progress	
Work Order Management Audit – DWO						█							Fieldwork in Progress	
Business Continuity Assessment							█						Planning in Progress	
Fleet Management Audit										█				Not Started
FY 2024 Risk Assessment											█			Not Started
Ongoing Follow-up Procedures	█													Ongoing
Ongoing Hotline Monitoring	█													Ongoing

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions
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No open high risk findings to report. All high risk prior audit findings are in pending testing or closed status as of May 2023

*Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Fleet Management Review	1/24/2019	1
Occupational Safety and Health	4/25/2019	1
Contract Compliance Audit	7/22/2021	1
total		3

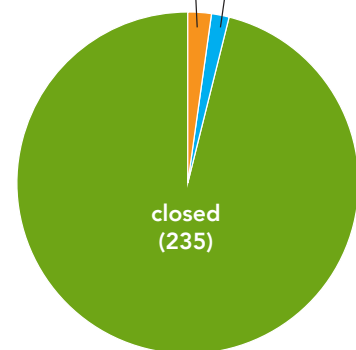
█ At least one original remediation target date has been extended

In total, 96% of all prior audit findings from FY16 – FY22 are closed. Management's target closure rate is 90%.

*Note that the audit findings reported above represent open findings through the FY22 Audit Plan year.

FY16 – FY22 prior audit findings status

pending testing (7) open (3)



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





Summary of Resolutions and Contracts
298th Meeting of the DC Water Board of Directors
Thursday, June 1, 2023

Joint-Use Contracts

Resolution No. 23-29 Approval of Execute Contract No. DCFA 534-WSA, Potomac River Tunnel Contract B, Tunnel System Construction, EPC Consultants, Inc. The purpose of this contract is to provide on-site construction management, contract administration and inspection services during construction of the Division PRT-B, including the tunnel and nine (9) major project sites along the project alignment. This work is required by a Consent Decree. The contract amount is \$46,900,000.00. (Recommended by the Environmental Quality and Operations Committee 05-18-23)

Resolution No. 23-30 - Approval to Execute Option Year 4 of Contract No. 19-PR-DWT-15, Centrifuge Pre-Dewatering Polymer, Polydyne, Inc. The purpose of this contract is to supply and deliver centrifuge pre-dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The amount of Option Year 4 is \$2,100,000.00. (Recommended by the Environmental Quality and Operations Committee 05-18-23)

Resolution No. 23-31 - Approval of Resolution Authorizing the Transfer of the Projected FY 2023 Net Cash Surplus \$11.382 Million to Ending Cash Balance. The purpose of this action is to increase the minimum Operating Reserve requirement in DC Water's financial policies from 250 days to 350 – 400 days which will help defend the current strong credit ratings to support projected borrowing for the ten-year capital program at attractive interest rates. (Recommended by the Finance and Budget Committee 05-25-23)

Resolution No. 23-32 - Approval to Award Multiple Contracts to Fund Financial Staff Augmentation Services for Various DC Water Departments. The purpose of these contracts is to ensure that DC Water can use competent and qualified firms to fulfill its on-going need for staff augmentation services for special projects, long and short-term projects and staff vacancies. The total combined amount of these contracts is not to exceed \$6,959,452.79 for a three-year base period. (Recommended by the Finance and Budget Committee 05-25-23)

Resolution No. 23-33 - Approval of Funding for Annual Property and Casualty Insurance Premium Renewals. The purpose of this action is to pay property and casualty insurance premiums through DC Water's brokers of record or direct writing insurers. The total amount not to exceed \$5,870,000.00 (Recommended by the Finance and Budget Committee 05-25-23)

Non-Joint Use Contracts

Resolution No. 23-34 - Approval to Execute Change Order No. 01 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp. The purpose of this contract is to replace 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 \$860,000. (Recommended by the Environmental Quality and Operations Committee 05-18-23)

Resolution No. 23-35 - Approval to Transfer \$2,097,891 of FY 2023 MAP Funds to FY 2023 RAP Program Budget. The purpose of this transfer is the RAP funds will be fully exhausted in May 2023. Transferring funds from MAP to RAP will ensure DC Water can continue to provide assistance through the end of the fiscal year for both programs. The amount of the transfer is \$2,097,891.00. (Recommended by the DC Retail Water and Sewer Rates Committee 05-23-23)

Presented and Approved: June 1, 2023

SUBJECT: Approval to Execute Contract No. DCFA 534-WSA, Potomac River Tunnel Contract B, Tunnel System Construction, EPC Consultants, Inc.

**#23-29
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 June 1, 2023 upon consideration of a joint use matter, decided by a vote of ___ () In favor and ___ () opposed to approve the execution of Contract No. DCFA 534-WSA, Potomac River Tunnel Contract B, Tunnel System Construction, EPC Consultants, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 534 - WSA, Potomac River Tunnel Contract B, Tunnel System Construction, EPC Consultants, Inc. The purpose of this contract is to provide on-site construction management, contract administration and inspection services during construction of the Division PRT-B, including the tunnel and nine (9) major project sites along the project alignment. This work is required by a Consent Decree. The contract amount is \$46,900,000.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES:

**Construction Management Services for
Potomac River Tunnel Contract B – Tunnel System Construction
(Joint Use)**

Approval to execute an architectural and engineering services contract for \$46,900,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
EPC Consultants, Inc. 101A Clay Street, #110 San Francisco, CA 94111	Gall Zeidler Consultants, LLC Ashburn, VA DBE	8.9%
	Belstar, Inc. Fairfax, VA DBE	7.6%
	DMY Engineering Consultants, Inc. Chantilly, VA DBE	6.5%
<u>Headquarters</u> San Francisco, CA 94111	Kumi Construction Management Corp. Washington, DC DBE	2.3%
	Keville Enterprises, Inc. Herndon, VA WBE	5.0%
	SZ PM Consultants, Inc. Washington, DC WBE	2.3%

DBE Participation = 25.3% WBE Participation = 7.3%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$46,900,000.00
 Contract Time: 2,674 Days (7 Years, 4 Months)
 Anticipated Contract Start Date: 09-05-2023
 Anticipated Contract Completion Date: 12-31-2030

Other firms submitting proposals/qualification statements:

None

Purpose of the Contract:

To provide on-site construction management, contract administration and inspection services during construction of the Division PRT-B - Potomac River Tunnel Contract B Tunnel System including the tunnel and nine (9) major project sites along the project alignment.

This work is required by a Consent Decree.

Contract Scope:

Provide construction management (CM), contract administration and inspection services to assist DC Water's Clean Rivers Project during construction of the Division PRT-B - Potomac River Tunnel Contract B Tunnel System.

CM services will be provided for tunnel construction and associated facilities at Joint Base Anacostia Bolling, West Potomac Park, CSO 020, CSO 021, CSO 022, CSO 024, CSO 027, CSO 028 and CSO 029 construction site locations for construction of contract work that includes, but is not limited to, the following:

- Installation of Six (6) large underground diversion chambers, typically 30 to 40 ft deep,
- Install Four (4) 40 to 60 ft diameter shafts, ranging from 80 to 150 ft in depth,
- Construction of three (3) sets of drop and vent shafts, 80 ft deep ranging from 4 ft to 8 ft in diameter, and Four (4) adits, ranging from 7.5 ft to 18.5 ft finished diameter and 57 ft to 140 ft length,
- Underground connections of tunnels to shafts, adits to shafts, and adits to tunnel,

- Construct two (2) emergency overflow structures to the Potomac River, and One (1) 6 ft diameter, 50 ft long diversion sewer constructed by trenchless techniques,
- Commissioning of the tunnel system which involves isolation of select diversion chambers, removal of bulkheads and connection to the existing tunnel system,
- Coordination with the public and third-party entities to ensure maintenance of vehicular, pedestrian, bicycle and transit traffic.
- Site restoration and landscaping.

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Professional Services	Contract Number:	DCFA #533-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	DC Clean Rivers Project
Service Area:	Combined Sewer Overflow	Department Head:	Moussa Wone
Project:	CZ		

ESTIMATED USER SHARE INFORMATION

Long Term Control Plan (LTCP) Allocation (7.1%)²

User	Share %	Dollar Amount
District of Columbia	92.90%	\$37,602,846.49
Federal Funds	0.00% ¹	\$0.00
Washington Suburban Sanitary Commission	5.54%	\$2,242,408.71
Fairfax County	1.01%	\$408,814.59
Loudoun County & Potomac Interceptor	0.55%	\$222,621.80
Total Estimated Dollar Amount	100.00%	\$40,476,691.59

Capital 100% DC User Share (CAPM) Allocation²

User	Share %	Dollar Amount
District of Columbia	100.00%	\$6,423,308.41
Federal Funds	0.00% ¹	\$0.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun County & Potomac Interceptor	0.00%	\$0.00
Total Estimated Dollar Amount	100.00%	\$6,423,308.41

Total Combined Allocation

User	Share %	Dollar Amount
District of Columbia	93.87%	\$44,026,154.90
Federal Funds	0.00% ¹	\$0.00
Washington Suburban Sanitary Commission	4.78%	\$2,242,408.71
Fairfax County	0.87%	\$408,814.59
Loudoun County & Potomac Interceptor	0.47%	\$222,621.80
Total Estimated Dollar Amount	100.00%	\$46,900,000.00

¹ Eligible for Federal Appropriations Funding. Appropriation funding is insufficient to fund all eligible contracts. Federal Appropriations Funding may be used if additional funding becomes available or if other eligible projects are postponed.

² Draft cost allocation shown. Final cost allocation to be agreed by Intermunicipal Agreement parties.

Moussa Wone
 Digitally signed by Moussa Wone
 Date: 2023.05.05 14:51:34 -04'00'

 Moussa Wone Date
 VP of DC Clean Rivers Project

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2023.05.09 11:05:23 -04'00'

 Matthew T. Brown Date
 CFO and EVP
 Finance and Procurement

Dan Bae
 Digitally signed by Dan Bae
 DN: C=US, E=dan.bae@dowater.com,
 O=District of Columbia Water and Sewer
 Authority, OU=VP of Procurement &
 Compliance, CN=Dan Bae
 Date: 2023.05.05 16:18:17 -04'00'

 Dan Bae Date
 VP of Procurement

David Gadis
 Digitally signed by David Gadis
 Date: 2023.05.30 08:10:09 -04'00'

 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 1, 2023

SUBJECT: Approval to Execute Option Year 4 of Contract No. 19-PR-DWT-15, Centrifuge Pre-Dewatering Polymer, Polydyne, Inc.

**#23-30
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 June 1, 2023 upon consideration of a joint use matter, decided by a vote of ____ () In favor and ____ () opposed to approve the execution of Option Year 4 of Contract No. 19-PR-DWT-15, Centrifuge Pre-Dewatering Polymer, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year 4 of Contract No. 19-PR-DWT-15, Centrifuge Pre-Dewatering Polymer, Polydyne, Inc. The purpose of this contract is to supply and deliver centrifuge pre-dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. The amount of Option Year 4 is \$2,100,000.00

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**CENTRIFUGE PRE-DEWATERING POLYMER
(Joint Use)**

This contract action is to execute option year 4 in the amount of \$2,100,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Polydyne, Inc. One Chemical Plant Road Riceboro, GA 31323	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$1,384,900.00
Base Year Contract Dates:	05-01-2019 – 04-30-2020
Option Year 1 Value:	1,600,000.00
Option Year 1 Date:	05-01-2020 – 04-30-2021
Option Year 2 Value:	1,800,000.00
Option Year 2 Date:	05-01-2021 – 04-30-2022
Option Year 3 Value:	2,610,000.00
Option Year 3 Date:	07-01-2022 – 06-30-2023
Prior Modifications Value:	\$1,365,000.00
Prior Modifications Date:	01-18-2020 – 06-30-2022
Option Year 4 Value:	2,100,000.00
Option Year 4 Date:	07-01-2023 – 06-30-2024

Purpose of the Contract:

This contract is to supply and deliver centrifuge pre-dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. This polymer conditions biosolids to help remove water in the centrifuge process.

Contract Scope:

The centrifuge polymer helps remove water from the biosolids before digestion. Dewatering help reduce water content and increase the solids content in the feed to Thermal Hydrolysis (THP). This conditioning improves the performance of the THP and digestion processes, leading to exceptional-quality Bloom that can be applied for beneficial use.

Polydyne is the only municipal wastewater polymer manufacturer in U.S. capable of meeting DC Water’s needs. Procurement is conducting annual market research to evaluate wastewater polymer manufacturers and issue a new solicitation when appropriate.

Spending Previous Year:

Cumulative Contract Value:	05-01-2019 to 06-30-2023: \$8,759,900.00
Cumulative Contract Spending:	05-01-2019 to 03-01-2023: \$6,289,018.00

Contractor’s Past Performance:

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

No LBE/LSBE participation

PROCUREMENT INFORMATION


Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Pre-Dewatering Polymer	Contract Number:	19-PR-DWT-15
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		


BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Aklile Tesfaye

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	42.74%	\$897,540.00
Washington Suburban Sanitary Commission	42.85%	\$899,850.00
Fairfax County	9.16%	\$192,360.00
Loudoun Water	4.53%	\$95,130.00
Other (PI)	0.72%	\$15,120.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,100,000.00

 / 4/26/23
 Aklile Tesfaye Date
 VP of Wastewater Operations

 Digitally signed by Dan Bae
 DN: C=US,
 E=dan.bae@dowater.com, O=District
 of Columbia Water and Sewer
 Authority, OU=VP of Procurement &
 Compliance, CN=Dan Bae
 Date: 2023.04.26 13:23:14-04'00'
 Dan Bae Date
 VP of Procurement

Matthew T. Brown Digitally signed by
 Matthew T. Brown
 Date: 2023.05.10 16:16:50
 -04'00'
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 5/30/2023
 David L. Gadis Date
 CEO and General Manager

Presented and Adopted: June 1, 2023

SUBJECT: Approval of Resolution Authorizing the Transfer of the Projected FY 2023 Net Cash Surplus \$11.382 Million to Ending Cash Balance

#23-31

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on June 1, 2023, upon consideration of a joint-use matter decided by a vote of ___() in favor and ___() opposed, to approve the following action with respect to transferring \$11.382 Million of the net projected cash surplus to the ending cash balance.

WHEREAS, on December 4, 1997, the Board, in Resolution #97-121, approved establishing the Financial Policies for the Authority, which were subsequently amended in Resolutions #98-08, and #04-30 to establish strong levels of cash reserves and strong debt service coverage; and

WHEREAS, on November 1, 2007, the Board, in Resolution #07-87, approved a Rate Stabilization Fund Policy and authorized the General Manager to implement that policy; and

WHEREAS, on July 1, 2010, the Board, in Resolution, #10-76, approved revisions to the Rate Stabilization Fund Policy establishing deadlines for the General Manager to analyze the Authority's financial performance and make recommendations for excess funds to the Finance and Budget Committee no later than that committee's regularly scheduled meeting in July; and

WHEREAS, on January 6, 2011, the Board, in Resolution #11-10, approved a revised Rate Setting Policy, which states "to the extent annual revenues exceed costs, the Board's [Rate Setting Policy] will continue to utilize all available options to mitigate future customer impacts and annual rate increases, including transferring some or all excess funds to the Rate Stabilization Fund"; and

WHEREAS, on February 3, 2011, the Board, in Resolution #11-22, approved specific guidance on the critical decision making for financing and use of excess cash for the capital program (Pay-Go) with approval of the "Pay-As-You-Go" Capital Financing Policy; and

WHEREAS, on October 7, 2021, the Board, in Resolution #21-84, approved the Statement of Financial Policies which includes a requirement for the CEO and General Manager to report a forecast of expenditures and revenues and a recommendation for use of any projected surplus; and

WHEREAS, on May 23, 2023, the Finance and Budget Committee met and the General Manager presented the FY 2023 projected net cash surplus of \$11.382 Million; and

WHEREAS, on May 23, 2023, the General Manager recommended the Finance and Budget Committee recommend to the Board transferring \$11.382 Million of the net projected cash surplus to the FY 2023 ending cash balance; and

WHEREAS, on May 23, 2023, upon further discussion and consideration of the General Manager's recommendation, the Finance and Budget Committee recommended the Board approve transferring \$11.382 Million of the net projected cash surplus to the ending cash balance.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the transfer of \$11.382 Million from the Authority's projected net cash surplus for FY 2023 to the ending cash balance.
2. This resolution is effective immediately.

Secretary to the Board of Directors

ATTACHMENT

**FINANCE & BUDGET COMMITTEE
PROPOSED TRANSFER OF FY 2023
PROJECTED NET CASH SURPLUS**

ACTION ITEM A: Recommendation for Board Approval of Resolution Authorizing the Transfer of the Projected FY 2023 Net Cash Surplus to Ending Cash Balance.

The Board will be asked to approve a resolution to authorize the use of the Projected FY 2023 net cash surplus as follows:

Projected FY 2023 Net Cash Surplus: \$11.382 million

Use of Surplus Funds:

 Additional Transfer to ending cash balance: \$11.382 million

Presented and Approved: June 1, 2023

SUBJECT: Approval to Award Multiple Contracts to Fund Financial Staff Augmentation Services for Various DC Water Departments

**#23-32
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 June 1, 2023 upon consideration of a joint use matter, decided by a vote of ___ () In favor and ___ () opposed to approve the award of multiple contracts to fund financial staff Augmentation Services for Various DC Water Departments.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to award multiple contracts to fund financial staff augmentation services for various DC Water departments. The purpose of these contracts is to ensure that DC Water can use competent and qualified firms to fulfill its on-going need for staff augmentation services for special projects, long and short-term projects and staff vacancies. The total combined amount of these contracts is not to exceed \$6,959,452.79 for a three-year base period.

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
FINANCIAL STAFF AUGMENTATION SERVICES
(Joint Use/Indirect Cost)**

Approval to award multiple contracts to provide Financial Staff Augmentation Services for various DC Water departments for an amount not to exceed \$6,959,452.79 for a three-year base period.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
IBS Management & Consultancy Services, LLC 1627 K Street, NW, Suite 5027 Washington, DC 20036	Susan Fitzgerald & Associates Inc.	DBE 85% WBE 15%
Mb Staffing Services 819 7th Street, NW Washington, DC 20001	BizyBee Professional Staffing & Bizz'Ness Solutions, LLC	DBE 85% WBE 15%
SPS Consulting 1901 Research Blvd., Suite 320 Rockville, MD 20850	Nuvologic Consulting, Inc.	DBE 83% WBE 17%
vTech Solution Inc. 1100 H Street, NW Suite 450 Washington, DC 20005	Absolute Staffing & Consulting Solutions	DBE 85% WBE 15%
Infojini 10015 Old Columbia Rd., Suite B215 Columbia, MD 21046	Cilable, LLC	DBE 65% WBE 35%
CMT Services, Inc. 1827 Brightseat Road Hyattsville, MD 20785	Verve Consultants	DBE 85% WBE 15%
Compass Solutions, LLC. 1627 K Street, NW, #400 Washington, DC 20006	Dobbs Defense Solutions	DBE 85% WBE 15%
Dataman USA, LLC 6890 S. Tuson Way, Suite 100, Centennial, CO 80112	N/A	DBE 100%

DESCRIPTION AND PURPOSE

Three Year Base Period Value:	\$6,959,452.79
Base Period:	3 Year Base
Number of Option Years:	2
Contract Start Date:	June 19, 2023
Contract End Date:	June 18, 2026
Proposal Closing Date:	February 2, 2023
Proposals Received:	16

Purpose of the Contract:

DC Water's Office of the Chief Financial Officer (CFO) and Department of Customer Care require the services of competent and qualified firms to fulfill its on-going need for staff augmentation services for special projects, long and short-term projects and staff vacancies. These services are used when it is not feasible for DC Water to permanently hire staff for project of short duration such as support for budget preparation and analysis, annual financial audit, year-end close, maintenance and support of the current financial system, insurance and risk analysis, temporary meter readers, customer care support and other projects. The services may be used when specialized or unique skills are required.

Contract Scope:

This contract will provide on an as-needed basis staffing support for Accounts Receivables, General Accounting, Accounts Payables, Internal Controls, Customer Care and Support and Financial Analysis.

Supplier Selection:

Procurement advertised and issued a Request for Proposal for the services. Sixteen (16) firms responded to the solicitation. The award recommendation is based on the overall highest rated offerors.

PROCUREMENT INFORMATION


Contract Type:	Time and Materials with Fixed Hourly Rates	Award Based On:	Highest Ranking
Commodity:	Goods and Services	Contract Number:	Multiple Contracts - TBD
Contractor Market:	Open Market with 15% WBE and 35% DBE participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Department of Customer Care and Office of the Chief Financial Officer
Service Area:	DC Water Wide	Department Head:	Matthew T. Brown

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	70.33%	\$4,894,583.15
Washington Suburban Sanitary Commission	22.20%	\$1,544,998.52
Fairfax County	4.75%	\$330,574.01
Loudoun Water	2.35%	\$163,547.14
Other (PI)	0.37%	\$25,749.98
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$6,959,452.79

DocuSigned by:

 May 11, 2023
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 Dan Bae Date
 VP of Procurement

Matthew T. Brown Digitally signed by Matthew T. Brown
Date: 2023.05.16 14:31:02 -0400
 Matthew T. Brown Date
 CFO and EVP, Finance and Procurement


 5/30/2023
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 1, 2023
SUBJECT: Approval of Funding for Annual Property and Casualty Insurance Premium Renewals

#23-33
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 June 1, 2023 upon consideration of a joint use matter, decided by a vote of ___ () In favor and ___ () opposed to approve funding for annual property and casualty insurance premium renewals.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute funding for annual property and casualty insurance premium renewals. The purpose of this action is to disburse annual payment for property and casualty insurance premiums through DC Water’s brokers of record or direct writing insurers. The total amount not to exceed \$5,870,000.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT MODIFICATION
Property and Casualty Insurance Premiums
(Joint Use-Indirect)**

Approval to pay property and casualty insurance premiums through DC Water’s brokers of record or direct writing insurers with a total amount not to exceed \$5,870,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Alliant Insurance Services 100 Pine Street, 11 th Floor San Francisco, CA 94111	N/A	N/A
Aon Risk Solutions, Inc., of Washington, DC 1120 20 th Street, NW Washington, DC 20036	N/A	N/A
Capitol Insurance Services 1231 B Good Hope Road, SE Washington, DC 20020	N/A	LSBE
Arthur J. Gallagher Risk Management Services, LLC 1667 K Street, NW Suite 1270 Washington, DC 20006	N/A	N/A
FM Global (direct writing insurer) 1200 Atwater Drive, Suite 102 Malvern, PA 19355	N/A	N/A

DESCRIPTION AND PURPOSE

Year 1 Premium Values: \$5,870,000.00
Year 1 Premium Dates: 7-01-2023 – 06-30-2024

Purpose of the Contract:

DC Water property and casualty insurance premiums.

Scope of Services:

Secure insurance coverages through one of the four contracted commercial insurance brokers working on DC Water’s behalf or direct writing insurers. The coverages include Property, Flood, Cyber, Pollution, Excess Liability, Excess Worker’s Compensation, Employment Practices, Public Officials, Professional Liability, Crime and Fidelity and Fiduciary Insurances. The brokers are assigned markets based on their expressed preferences as well as information supplied in the broker RFP process to ensure DC Water gets the best premium rates and coverage. Brokers are responsible for marketing DC Water’s programs and seeking insurance carrier proposals and DC Water engages with direct writing insurers where possible. The supplier presenting the best proposal is awarded that coverage placement.

Supplier Selection:

Four suppliers responded to an RFP for brokerage services to secure insurance coverages on behalf of DC Water. Alliant, Aon, Capitol and Gallagher were recommended for this contract award as all met the requirements of a responsive offeror and submitted a responsive proposal to the RFP and were capable of performing the services.

LBE/LSBE participation

PROCUREMENT INFORMATION


Contract Type:	Fixed Unit Price	Award Based On:	Highest Ranked Offerors
Commodity:	Services	Contract Numbers:	10186, 10333, 10334, 10335
Contractor Market:	Open Market with Preference for LBE and LSBE Participation		

BUDGET INFORMATION

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

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	70.33%	\$4,128,371.00
Washington Suburban Sanitary Commission	22.20%	\$1,303,140.00
Fairfax County	4.75%	\$278,825.00
Loudoun Water	2.35%	\$137,945.00
Other (PI)	0.37%	\$21,719.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$5,870,000.00


 Digitally signed by Ivan A. Boykin
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 email=ivan.boykin@dcwater.com, c=US
 Date: 2023.05.11 21:53:29 -04'00'

 Ivan Boykin Date
 Director of Finance


 Digitally signed by Dan Bae
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 E=dan.bae@dcwater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae
 Date: 2023.05.15 15:16:11 -04'00'

 Dan Bae Date
 VP of Procurement

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2023.05.16 15:17:12 -04'00'

 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement



 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 1, 2023

SUBJECT: Approval to Execute Change Order No. 01 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp.

**#23-34
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 June 1, 2023 upon consideration of a non-joint use matter, decided by a vote of ___ () In favor and ___ () opposed to execute Change Order No. 01 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 01 of Contract No. 150140, Constitution Avenue Area Water Main Replacement, Sagres Construction Corp. The purpose of this contract is to replace 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 \$860,000.

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 a Change Order No. 01 for \$860,000.00. The modification exceeds the Chief Executive Officer and General Manager's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Sagres Construction Corp. 3680 Wheeler Ave. Suite 300 Alexandria, VA 22304	Phoenix Constructions Capital Heights, MD (DBE)	29.7%
	M & C Hauling Alexandria, VA (DBE)	1.7%
	Dulles Geotechnical Chantilly, VA (DBE)	0.6%
	Acorn Supply White Marsh, MD (WBE)	7.6%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$10,887,767.00
Value of this Change Order:	\$860,000.00
Cumulative CO Value, including this CO:	\$860,000.00
Current Contract Value, including this CO:	\$11,747,767.00
Original Contract Time:	540 Days (1 Years, 6 Months)
Time extension, this CO:	60 Days
Total CO contract time extension:	60 Days (0 Years, 2 Months)
Contract Start Date (NTP):	12-20-2021
Anticipated Contract Completion Date:	08-12-2023
Cumulative CO % of Original Contract:	7.9%
Contract completion %:	64.3%

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:

N/A

Current Change Order Scope:

DC Water is to restore the Fredrick Douglas Court Alley with historic brick in lieu of in-kind material, this change in DDOT design requirements for alleys that reside within Historic Districts was unknown to DC Water at the time of design.

- The existing concrete alley will be demolished and replaced with historic brick pavers.
- Extend the restoration limits from 880 square yards to the full surface area of the Frederick Douglass Court Alley, approximately 1,452 square yards.

Federal Grant Status:

This construction contract change is not eligible for Federal grant funding.

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%	\$ 860,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 860,000.00


 Digitally signed by David Parker
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 CN=David Parker, OU=Engineering,
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David Parker _____ Date
 VP of Engineering


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 Sewer Authority, OU=VP of
 Procurement & Compliance, CN=Dan
 Bae
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Dan Bae _____ Date
 VP of Procurement

Matthew T. Brown
 Digitally signed by Matthew
 T. Brown
 Date: 2023.05.08 15:43:30
 -04'00'

Matthew T. Brown _____ Date
 CFO and EVP
 Finance and Procurement

David Gadis
 Digitally signed by David
 Gadis
 Date: 2023.05.30
 08:08:50 -04'00'

David L. Gadis _____ Date
 CEO and General Manager

Presented and Adopted: June 1, 2023

**SUBJECT: Approval to Transfer \$2,097,891 of FY 2023 MAP Funds to
FY 2023 RAP Program Budget**

**#23-35
RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on June 1, 2023, upon consideration of a non-joint use matter decided by a vote of ____ () in favor and ____ () opposed, to approve the following action with respect to Approval to transfer \$2,097,891 of FY 2023 MAP funds to FY 2023 RAP Program Budget.

WHEREAS, the Board at its meeting September 3, 2020, approved Resolution #20-65, to direct the projected FY 2020 Net Cash Surplus to the customer assistance programs for low-income customers: 1) \$3.0 million to continue the Emergency Residential Relief Program in FY 2021 to provide one-time assistance to customers impacted by COVID; assistance up to \$2,000 per residential customers; 2) \$7.0 million for a new program to provide one-time assistance to multi-family buildings where occupants have been negatively impacted by COVID and payment plans are established and adhered to, and the amount of assistance to be determined and provided per affordable unit on a matching basis; 3) \$5.0 million held for FY 2022 targeted assistance for customers in need and transferring the remainder of approximately \$4.894 million to the Rate Stabilization Fund (RSF) to provide operational flexibility to address any contingencies in FY 2021; and

WHEREAS, on November 4, 2021 the Board, through Resolution #21-99 approved the: 1) transfer and allocation of \$5.0 million from the Targeted Assistance Fund: \$223,962.95 to the FY 2021 CAP and CAP2 Programs Budget, \$634,401.00 to the FY 2022 CAP and CAP2 Programs Budget, \$1,892,843.08 to the FY 2022 RAP Program Budget and \$2,248,792.97 to the MAP Program Budget, 2) rollover \$5,332,200.77 of the FY 2021 RAP and MAP balance amount for RAP and MAP Programs to the FY 2022 RAP and MAP Programs Budget, and 3) allocation of \$250,000.00 from FY 2021 MAP balance to Administrative Costs for RAP, MAP and CAP Programs for FY 2022; and

WHEREAS, on October 6, 2022, the Board through Resolution 22-66, adopted and approved the publication of the Notice of Final Rulemaking (NOFR) to amend 21 DCMR 4102 Customer Assistance Program as recommended by the DC Retail Water and Sewer Rates Committee and the General Manager to extend the DC Water Cares: RAP and MAP for FY 2023 and amend the CAP2 recertification requirements; and

WHEREAS, on November 3, 2022 the Board, through Resolution #22-70 approved the: 1) rollover \$1,681,758 of FY 2022 RAP and \$4,343,006.48 of FY 2022 MAP remaining balance to the FY 2023 RAP and MAP programs budget, respectively; and (2) rollover the FY 2022 RAP, MAP and CAP Program's Administrative costs remaining balance of \$202,853 to the FY 2023 RAP, MAP, and CAP Program's Administrative costs budget; and

WHEREAS, on May 23, 2023, the D.C. Retail Water and Sewer Rates Committee met to consider the fiscal status of the DC Water Cares: RAP and MAP programs budget and the General Manager's recommendations for the remainder of Fiscal Year 2023; and

WHEREAS, the General Manager presented the fiscal status of the RAP and MAP Programs noting: 98% of RAP funds were distributed with \$27,109 remaining, 23% of MAP funds distributed with \$3,360,465 remaining, and projected the RAP funds will be fully exhausted in May 2023; and

WHEREAS, the General Manager recommended transferring \$2,097,891 of FY 2023 MAP Program funds to the FY 2023 RAP Program budget to ensure DC Water eligible customers will continue to receive benefits through the end of FY 2023 for both programs; and

WHEREAS, on May 23, 2023, upon further review and consideration, the DC Retail Water and Sewer Rates Committee recommended to the Board the approval of the proposal to: (1) transfer \$2,097,891 of FY 2023 MAP Program funds to the FY 2023 RAP Program budget.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves: The transfer \$2,097,891 of FY 2023 MAP funds to FY 2023 RAP Program.
2. This resolution is effective immediately.

Secretary to the Board of Directors

ATTACHMENT

ACTION ITEM

Recommendation for Board Approval to transfer \$2,097,891 of FY 2023 MAP funds to FY 2023 RAP Program.

1. Transfer the FY 2023 MAP funds to FY 2023 RAP Program as follows:

FY 2023

	<u>2023 Funds</u>	<u>Current Balance</u>	<u>2023 Revised Amount</u>
RAP	\$1,681,758	\$ 27,109	\$3,779,649
MAP	\$4,343,006	\$3,360,465	\$2,245,115