



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and
Operations Committee**

Thursday, December 17, 2009

9:30 a.m.

MEETING MINUTES

Committee Members Present

David W. Lake, Chairman
David J. Bardin
Joseph Cotruvo
Howard Gibbs
Jimmie Jenkins

WASA Staff Present

George S. Hawkins, General Manager
Leonard Benson, Acting Chief Engineer
Avis Marie Russell, General Counsel
Olu Adebo, Chief Financial Officer
Linda Manley, Board Secretary

I. CALL TO ORDER

Mr. Lake called the meeting to order at 9:34 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Walt Bailey, Director of Wastewater Treatment, reported that plant performance was excellent for November and met all permit parameters. Flow averaged 312 MGD, with a 12 month rolling average of 306 MGD. Rainfall for the month was 4.4 inches versus an average of 3 inches. Biosolids production averaged 1121 wet tons per day with a 12 month rolling average of 1163 tons. BNR performance averaged 4.6 mg/l, and the 12 month average is 5.8 mg/l. Mr. Bailey attributed the excellent BNR performance to having 10 reconstructed reactors back in service (2 remain out for construction). Fine bubble aeration and new mixers are being installed in all reactors.

The Committee noted that a new chart has been added to the monthly report, which showed the cumulative nitrogen removal that Blue Plains has accomplished in excess of the Chesapeake Bay Agreement requirements. The Committee pointed out that this is a very positive result that should be conveyed to the general public. As a follow-up to the idea of positive publicity, Mr. Lake and a Committee member both raised a recent Washington Post article on technology that WSSC is using to monitor the condition of large diameter water pipe, with the intention of preventing catastrophic failure. Mr. Benson noted that WASA is in contact with WSSC about such technology. Mr. Lake noted that the company whose technology is being used is located in Columbia MD and

would be very willing to discuss it with WASA. A Committee member pointed out that the annual cost per mile seemed very high, but it was also noted that prevention of an incident similar to the River Road pipe break would make it valuable.

III. STATUS UPDATES - USEPA

1. AWTP NPDES Permit

Ms. Avis Marie Russell, General Counsel, advised the Committee that there are no new developments to report on this topic.

2. LTCP/Water Quality Standards

Ms. Russell advised that there is also nothing new to report on this topic, which is basically tied in with the previous item. Mr. Hawkins commented on his attendance this week as part of a panel at the House of Representatives on the Chesapeake Bay. Legislation is being drafted that would require targeted goals for the various sectors, including farms and urban/suburban runoff. He noted that the farming and development interests were well represented at this meeting. A voice for wastewater treatment plants is required. The difficulty in monitoring non-point sources was discussed. It was noted that point sources may be called upon to do more than their share if the non-point sources are not required to successfully reduce their nutrient inputs. The possibility of a cap and trade provision and the practicability of trading programs were discussed. The difficulty of allocating loads to a multi-jurisdictional facility such as Blue Plains AWTP was noted; and Ms. Russell noted that the Authority's challenge to the proposed draft permit included our contention that the allocation was politically based rather than scientifically based.

IV. STATUS UPDATES: POTOMAC INTERCEPTOR

1. Potomac Interceptor Sewer Odor Abatement Project

Mr. David McLaughlin, Acting Director of Engineering and Technical Services, reported that the construction contract for Maryland and D.C. sites was executed by the General Manager with, a notice-to-proceed expected the first week of January. Approval was received yesterday from Montgomery County, and National Park Service permission is expected with a month. Virginia sites are progressing; Special Exemption Zoning applications to Fairfax and Loudoun Counties are complete, and county supervisors have been engaged. Mr. Lake thanked Mr. McLaughlin for continuing to push this project.

V. LTCP COST SHARE – BASIS OF AGREEMENT

Mr. Len Benson, Acting Chief Engineer, commenced with a presentation on this topic prepared in response to a Committee request at an earlier meeting. The presentation showed the original (2001) plan and basis for the 2005 LTCP agreement, and walked through the modifications to that plan based on economies that could be achieved when combining the requirements of the LTCP with the requirements for modifications at Blue Plains to accommodate the increased wet weather flows along with more stringent nitrogen removal permit limits. A sophisticated and widely accepted model (MIKE URBAN) has been used to evaluate hydrologic years and arrive at the estimated flow contributions from the various jurisdictions. These model numbers were then used for estimating the proposed cost sharing percentages for the LTCP. The original volume of the Anacostia Tunnel (126 MG) has been retained, and an additional volume (31 MG) has been proposed to accomplish peak flow reduction at Blue Plains. A Committee member requested numerous pieces of information related to the development of the user share percentages, documentation on the right of the Blue Plains Chief Administrative Officers (CAOs) to set and/or agree to those percentages and various analyses and permutations of the information presented. Ms. Russell pointed out that the Authority is not party to the IMA, but all cost allocations are made in accordance with the IMA. Due to the plethora and specificity of the information requested by the Committee member, he offered to put his request in writing.

Mr. Lake suggested that more detailed discussions of the IMA could be taken off-line. He also recommended that given the need to show consideration for the Retail Services Committee meeting scheduled to begin at 11:00 a.m., some of the remaining agenda topics be deferred. Mr. Lake then asked the Committee to address the budget agenda item (Agenda Item VI) and to consider the single contract action item (Agenda Item VIII), before adjourning.

VI. REVIEW OF REVISED FY 2010 AND PROPOSED FY2011 BUDGETS

For the proposed Fiscal Year 2009-2018 Capital Improvement Program (CIP), two alternative scenarios were presented. Mr. Hawkins introduced this topic by noting that the budget alternatives were developed by first considering what WASA needed in the CIP and then look at alternatives that lower the impact on retail rates. Mr. Olu Adebo, Chief Financial Officer then gave a presentation with details of the alternatives being proposed for consideration as action items, one resulting in an 18% retail rate impact, and one resulting in a 13% impact. Committee discussion on the two alternatives resulted in requests for additional information on the impact on specific projects, the division of joint and non-joint use projects, the impact on wholesale and retail customers, and clarification of the expectations of the Committee. In response to a Committee comment that they could not express an opinion without a detailed list of projects, Mr. Adebo noted that this meeting was a follow-up to previous budget meetings and workshop where more detailed information was presented.

After further discussion, the suburban user jurisdiction representatives present clearly favored Alternative 1, which funded more of the recommended CIP (this coincides with

the option that includes the 18% retail rate increase, but the focus of this recommendation was on only the joint-use aspects of the budget). The D.C. representatives saw advantages to accomplishing more in the CIP at this time due to a favorable contracting and financing climate, but had some doubts and indicated that further discussions would be held in the Retail Services Committee meeting to be held at the conclusion of this meeting. A specific reservation of one member was related to the budgetary transfer of \$100 million from the TN program to the LTCP. He requested more information on this. It was also requested that the text of what Congress approved for the Authority's FY 2010 budget be furnished to the Committee.

VII. FUTURE AGENDA TOPICS - DISCUSSION

Discussion on this item was deferred due to time constraints.

VIII. ACTION ITEMS – JOINT USE

Mr. Benson presented the following joint use contract item to the Committee for consideration to forward to the full Board for approval:

Joint Use Contracts Considered and Approved				
No.	Type	Prime Contractor	Scope	Amount
WAS-07-050-AA-JW	Goods and Services	Westfalia Separator, Inc.	Option Year 2	\$270,400.00

No comments or concerns were expressed and the Committee agreed to recommend this action item for approval by the full Board.

IX. EMERGING ISSUES/OTHER BUSINESS

1. Six Month Look Ahead: Large Contracts

Due to time constraints, no discussion took place on this item.

2. Memo Requesting Comments on CIP Quarterly Report

Due to time constraints, no discussion took place on this item

X. ADJOURNMENT

The meeting was adjourned at 11:45 a.m.