

Presented and Adopted: January 6, 2004
Subject: Approval of Fiscal Year 2004 Revised Operating Budget

#04-00
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

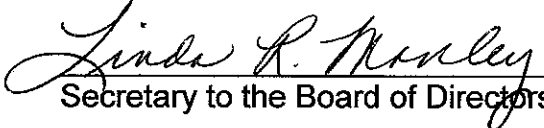
The Board of Directors (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on January 6, 2004, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2004 Revised Operating Budget:

WHEREAS, in October 2003, the General Manager presented a Revised Fiscal Year 2004 Operating Budget to the Board that totaled \$258,886,000, approximately \$209,000 less than the Fiscal Year 2004 Operating Budget approved by the Board in January 2003;

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2004 Revised Operating Budget totaling \$258,886,000 as further detailed in the General Manager's Revised Fiscal Year 2004 and Proposed Fiscal Year 2005 Operating Budget dated October 16, 2003 and in materials presented to the Finance and Budget Committee on December 17, 2003.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
Subject: Approval of Fiscal Year 2005 Proposed Operating Budget

#04-01
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on January 6, 2004, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2005 Proposed Operating Budget:

WHEREAS, in October 2003, the General Manager presented the FY 2005 Proposed Operating Budget to the Board which totals \$275,289,000; and

WHEREAS, on December 17, 2003, the Finance and Budget Committee recommended that the Board adopt the FY 2005 Proposed Operating Budget which totals \$275,289,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2005 Proposed Operating Budget totaling \$275,289,000 as further detailed in the General Manager's Proposed FY 2005 Operating Budget dated October 16, 2003 and in materials presented to the Finance and Budget Committee on December 17, 2003.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Approval of Fiscal Year 2003-2012 Ten Year
Financial Plan

#04-02
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 its meeting held on January 6, 2004 decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2003 – 2012 Financial Plan:

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, the Board has adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of the Authority; and

WHEREAS, these policies include:

1. A requirement that retail rates be based on annually updated and adopted ten-year forecasts of operating and capital budgets;
2. A requirement that retail rate increases be implemented in a gradual and predictable manner, avoiding large one-time rate increases;
3. Maintaining senior debt service coverage at 140 percent; and
4. Maintaining cash reserves equivalent to approximately six months' operating expenses.

WHEREAS, these financial policies have allowed the Authority to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2005 operating and capital budgets; and

WHEREAS, the Fiscal Year 2003 – 2012 Ten Year Financial Plan is expressed in numerical goals that are summarized in the attached Schedule A, which reflects the most recent recommendations of the Retail Rates and Finance and Budget Committees.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the proposed Fiscal Year 2003 – 2012 Financial Plan as expressed in the proposed Fiscal Year 2005 Operating and Capital Budgets, and as modified by the attached Schedule A. The Board further directs the General Manager to employ best efforts to achieve the results projected on the attached Schedule A.

This resolution is effective immediately.

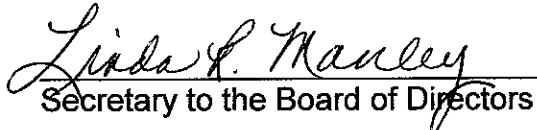

Secretary to the Board of Directors

EXHIBIT A — LIST OF PROJECTS

**Blue Plains Advanced Wastewater Treatment Plant Rehabilitation
Sanitary Sewer System Improvement Projects
Combined Sewer System improvement Projects
Stormwater Sewer System Improvement Projects
Water Pumping, Distribution & Storage Projects
Metering & Capital Equipment
Washington Aqueduct Projects**

Presented and Adopted: January 6, 2004
Subject: Approval of Fiscal Year 2003-2012 Capital Improvement Program

#04-03
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors, (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on January 6, 2004, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2003 – 2012 Ten-Year Capital Improvement Program:

WHEREAS, the Board's financial policies require an annually updated Ten-Year Financial Plan, which includes a Ten-Year Capital Improvement Program.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2003 – 2012 Capital Improvement Plan with a lifetime budget totaling \$4,976,192,000 (Attachment A) and related disbursements budget of \$1,761,491,000 (Attachment B) and as further detailed in the General Manager's Proposed Fiscal Year 2005 Operating and Capital Budgets dated October 16, 2003 and accompanying materials.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board of Directors hereby authorizes the General Manager to proceed with facilities planning for the Anacostia Tunnels.

This resolution is effective immediately.


Secretary to the Board of Directors

**FY 2003 - FY 2012 Capital Improvement Plan
Project Lifetime Budgets by Program Area (\$000's)**

	FY 2004	FY 2005	Variance
<u>Wastewater Treatment</u>			
Liquid Processing Projects	433,016	436,807	3,791
Plantwide Projects	302,350	288,577	(13,773)
Solids Processing Projects	471,609	459,835	(11,774)
Sub-total	1,206,976	1,185,219	(21,757)
<u>Stormwater</u>			
Stormwater Extensions/Local Drainage	6,219	6,599	380
Stormwater On-Going Program	6,188	6,718	530
Stormwater Pumping Facilities	26,169	24,550	(1,619)
DDOT Stormwater Program	25,804	28,507	2,703
Stormwater Projects Program Management	6,415	7,260	845
Stormwater Trunk/Force Sewers	21,461	21,081	(380)
Sub-total	92,256	94,715	2,459
<u>Sanitary Sewer</u>			
Sanitary Collection Sewers	15,475	15,231	(244)
Sanitary On-Going Projects	58,729	60,569	1,840
Sanitary Pumping Facilities	15,205	20,171	4,966
Sanitary Sewer Projects Program Management	13,696	14,930	1,234
Sanitary Interceptor/Trunk Force Sewers	74,071	82,100	8,030
Sub-total	177,175	193,001	15,826
<u>Water</u>			
Water Distribution Systems	230,602	291,707	61,105
Water On-Going Projects	47,830	52,085	4,255
Water Pumping Facilities	79,251	83,053	3,802
DDOT Water Projects	33,325	40,256	6,931
Water Storage Facilities	38,957	36,663	(2,294)
Water Projects Program Management	28,627	25,044	(3,583)
Meter Replacement /AMR Installation	43,409	46,000	2,591
Sub-total	502,000	574,808	72,808

**FY 2003 - FY 2012 Capital Improvement Plan
Project Lifetime Budgets by Program Area (\$000's)**

	FY 2004	FY 2005	Variance
Washington Aqueduct	197,867	204,570	6,703
Capital Equipment	85,566	101,449	15,883
Sub-total	2,261,840	2,353,762	91,922
Combined Sewer Overflow			
CSO Program Management	18,729	15,254	(3,475)
Combined Sewer Projects	142,148	150,176	8,028
Long-Term Control Plan (see note 1)	2,457,000	2,457,000	-
Sub-total	2,617,877	2,622,430	4,553
Total WASA CIP Lifetime (see notes)	4,879,717	4,976,192	96,475

Notes:

- As discussed in Section 1 of this document, the CSO Long-Term Control Plan (LTCP) was approved by the Board of Directors and forwarded to the EPA in August 2002. The total cost of the proposed plan is \$2.6 billion, assuming implementation over 40 years and annual inflation of three percent. WASA's CIP previously included approximately \$143 million (cash disbursements basis) for various CSO-related projects. These include pumping station rehabilitations, fabricadams, and other related improvements. These were the only CSO-related projects included in the CIP (excluding CSO program management and plan development), pending input from stakeholders, finalization of a Board-approved plan for submission to the EPA, and development of a financing plan. WASA received \$49.7 million in FY 2003, with a 100 percent match, and has received preliminary indications that an additional \$25 - \$35 million may be received in FY 2004 for initial funding of the LTCP. Because it is highly unlikely that this outside funding will continue to be appropriated without ultimate implementation of the proposed LTCP, we have added the \$2.6 billion LTCP to the lifetime CIP, although because of the 40-year implementation schedule, only \$189.8 million is projected to be disbursed in the current 10-year planning period. In addition, while we have added the LTCP to the CIP to accommodate the potential receipt of these grants, WASA does not intend to undertake any additional LTCP work beyond those \$143 million (cash disbursements basis) of projects previously included in the CIP until completion of an EPA and Board-approved LTCP, except as authorized by the Board of Directors.
- Lifetime budgets shown here represent total budgets for projects that are active during the current 10-year CIP. Lifetime budgets include historical spending prior to the beginning of the current 10-year plan, spending during the 10-year plan, and projected spending beyond the current 10-year plan. Projects completed in FY 2003 will be dropped from the CIP next year.
- These budgets do not include inhouse labor costs, which historically have averaged \$6 to \$8 million annually and are applicable primarily to time charged to capital projects by employees in the Departments of Engineering, Sewer Services, and Water Services.

FY 2003 - FY 2012 PROJECTED CAPITAL IMPROVEMENT PLAN - DISBURSEMENTS BASIS (\$ in 000's)

	FY 2003 Projected	FY 2004 Revised	FY 2005 Proposed	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total FY '03-'12
Wastewater Treatment											
Liquid Processing Projects	37,499	50,675	57,253	66,318	35,714	7,358	789	495	566	1,917	258,584
Plantwide Projects	48,675	29,665	16,552	10,323	7,883	7,459	1,049	618	590	4,733	127,537
Solids Processing Projects	39,110	30,486	30,486	33,003	78,624	56,781	1,047	964	386	477	313,541
Sub-total	125,284	110,893	104,291	129,644	122,221	71,598	25,015	2,077	1,512	7,127	689,662
Stormwater											
Stormwater Extensions/Local Drainage	206	436	2,251	246	-	-	-	-	-	-	3,139
Stormwater On-Going Program	289	97	222	222	224	229	239	279	340	356	2,497
Stormwater Pumping Facilities	181	360	765	674	701	4,221	4,082	1,119	-	-	12,103
DPW Stormwater Program	450	635	1,135	988	1,024	1,097	1,210	1,361	1,504	1,531	10,941
Stormwater Projects Program Management	299	284	1,212	1,158	639	398	241	118	112	80	4,741
Stormwater Trunk/Force Sewers	1,305	1,731	1,175	1,113	978	1,028	1,116	1,533	-	-	9,979
Sub-total	2,730	3,543	6,760	4,411	3,766	6,973	6,888	4,406	1,966	1,967	43,400
Sanitary Sewer											
Sanitary Collection Sewers	400	3,532	1,723	628	525	285	-	-	-	-	7,093
Sanitary On-Going Projects	2,100	4,265	3,575	4,088	3,717	3,777	3,020	4,705	5,282	4,894	39,433
Sanitary Pumping Facilities	-	1,047	988	7,082	4,792	32	-	-	-	-	13,931
Sanitary Sewer Projects Program Management	605	1,892	2,792	2,326	1,633	601	374	495	430	334	11,382
Sanitary Interceptor/Trunk Force Sewers	1,983	4,472	13,567	11,287	4,159	6,266	5,689	6,054	3,471	-	56,928
Sub-total	6,088	15,208	22,628	25,421	14,726	10,961	9,063	11,254	9,193	6,228	128,767
Water											
Water Distribution Systems	7,193	14,947	26,546	25,732	8,699	17,591	14,045	11,214	11,140	13,965	151,082
Water On-Going Projects	2,619	5,087	3,403	3,840	3,717	3,390	3,552	3,805	3,086	3,393	35,842
Water Pumping Facilities	10,888	14,593	13,885	12,702	9,943	337	-	-	-	-	62,328
DPW Water Projects	1,954	3,088	1,856	2,205	2,273	2,493	2,290	2,616	2,910	3,052	24,677
Water Storage Facilities	1,159	297	310	3,059	1,736	3,520	4,822	7,544	1,475	-	23,962
Water Projects Program Management	3,843	3,060	2,481	2,680	2,160	2,252	1,765	152	-	-	18,383
Meter Replacement /AMR Installation	18,741	10,000	6,103	300	500	500	500	500	500	500	36,144
Sub-total	44,377	51,092	54,584	50,508	29,028	30,013	28,994	25,831	19,061	20,910	352,398
Washington Aqueduct	6,520	14,774	12,007	6,977	16,698	19,914	15,504	18,514	6,695	6,703	119,146
Capital Equipment	9,522	14,880	14,486	8,430	5,641	7,677	6,513	5,025	5,471	4,875	82,540
Sub-total	192,631	210,390	214,763	225,391	191,980	143,136	89,977	67,107	43,828	46,810	1,425,913
Combined Sewer Overflow / Long Term Control Plan											
CSO Program Management	1,196	1,167	506	112	-	-	-	-	-	-	2,981
Combined Sewer Projects	10,693	12,925	16,231	38,370	34,364	16,249	4,691	4,666	4,628	-	142,817
Long-Term Control Plan (see note)	-	730	6,740	770	17,270	28,610	20,460	21,080	9,650	86,470	189,780
Sub-total	11,889	14,822	23,477	39,252	51,634	42,859	25,151	25,746	14,278	86,470	335,678
Total FY 2005 WASA Capital Improvement Program	204,420	225,212	236,240	264,643	243,614	185,995	115,128	92,853	58,106	133,280	1,761,491

Note: The CSO Long Term Control Plan (LTCP) was approved by the Board of Directors and forwarded to the EPA in August 2002. The total cost of the proposed plan is \$2.6 billion, assuming implementation over 40 years and annual initiation of three percent. WASA's CIP previously included approximately \$143 million (cash disbursements basis) for various CSO-related projects, including pumping stations, fabricam, and other related improvements. These were the only CSO-related projects included in the CIP (excluding program management and plan development), pending input from stakeholders. Finalization of a Board-approved plan for submission to the EPA, and development of a financing plan. In FY 2003, WASA received a \$49.7 million appropriation from the U.S. Congress (with a 100 percent match) for initial funding of the LTCP, and there are preliminary indications that an additional \$25-\$35 million will be appropriated in FY 2004. It is highly unlikely that this outside funding will finalization of a Board-approved plan for submission to the EPA, and development of a financing plan. In FY 2003, WASA received a \$50 million appropriation from the U.S. Congress (with a 100 percent match) for continue to be appropriated without ultimate implementation of the proposed LTCP. Therefore, we have added the \$2.6 billion LTCP to the lifetime CIP, although because of the 40-year schedule, only \$189 million is projected to be disbursed in the current 10-year planning period. In addition, while we have added the LTCP to the CIP to accommodate the potential receipt of future grants, WASA does not intend to undertake any additional LTCP work beyond the \$143 million (cash disbursements basis) of projects previously included in the CIP until completion of an EPA and Board-approved LTCP, including a financing plan, except as authorized by the Board of Directors.

Presented and Adopted: January 6, 2004
Subject: Approval of Fiscal Year 2005 Capital Authority Request

#04-04
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors, (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on January 6, 2004, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2005 Capital Authority request which is to be submitted to the United States Congress:

WHEREAS, in October 2003, the General Manager presented the FY 2005 Proposed Capital Authority request of \$274,251,000, which was subsequently increased to \$371,040,000, to include project contingencies associated with the project commitments for which capital authority is being requested. The request is to be submitted to the United States Congress; and

WHEREAS, on December 17 and 18, 2003, the Finance and Budget and Environmental Quality & Operations Committees respectively met and recommended that the Board consider the revised request of \$371,040,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2005 Capital Authority request totaling \$371,040,000 which is to be submitted to the United States Congress as shown in the Authority's proposed Fiscal Year 2005 Operating and Capital Budgets and as further set forth in Attachment A to this resolution.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004

**SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing**

**#04-05
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 January 6, 2004, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed to approve the following action.

WHEREAS, the District of Columbia Water and Sewer Authority (the "Borrower") intends to acquire, construct and equip the items and projects set forth in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, plans for the Projects have advanced and the Borrower expects to advance its own funds to pay expenditures related to the Project (the "Expenditures") prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Borrower intends to utilize the proceeds of tax-exempt bonds or notes (the "Bonds") or other debt in an amount not currently expected to exceed \$186,058,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution #03-10 of the Board adopted on January 10, 2003 plus amounts projected to be reimbursed during Fiscal Year 2004 and through January 2005.
2. The Borrower intends that the proceeds of the Bonds be used to reimburse the Borrower for Expenditures with respect to the Projects made on or after the date that is 60 days before the date of this Resolution. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under

general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Borrower so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Borrower.

4. The Borrower intends to make a reimbursement allocation, which is a written allocation by the Borrower that evidences the Borrower's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Borrower recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Borrower intends that the adoption of this resolution confirm the "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.
6. This resolution shall take effect immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
**SUBJECT: Approval of the Fiscal Year 2005 Stormwater Permit
Compliance Enterprise Fund Budget**

#04-06
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 January 6, 2004 decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2005 Proposed Stormwater Permit Compliance Enterprise Fund Operating Budget:

WHEREAS, on December 17, 2003 the Finance and Budget Committee, and on December 18, 2003 the Environmental Quality and Operations Committee reviewed the proposed Stormwater Permit Compliance Enterprise Fund budget and recommend that it be approved by the Board.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the Fiscal Year 2005 Stormwater Permit Compliance Enterprise Fund budget totaling \$3,792,000 as expressed in the attached Schedule A.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Approval of Contract No. WAS-02-044-AA-JS
C&E Services, Inc. of Washington

#04-07
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 January 6, 2004, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to approve the following action with respect to Contract No. WAS-02-044-AA-JS, C&E Services, Inc. of Washington.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-02-044-AA-JS, C&E Services, Inc. of Washington. Exercising option year one of this contract will allow the Authority to continue to receive Sodium Hypochlorite. The option amount is \$1,428,100.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Approval of Final Water Meter Regulation
Amendments

#04-08
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The District members of the Board of Directors ("the Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on January 6, 2004, decided by a vote of five (5) in favor and none (0) opposed, to adopt final amendments to the Authority's Water Meter regulations.

WHEREAS, the Board in Resolution #03-14 revised the water meter regulations to support the Authority's plan to own and install meters that are compatible with the new Automated Meter Reading (AMR) technology for all Customers; and

WHEREAS, the regulatory changes approved by the Board in Resolution #03-14 provided the Authority with ownership of the commercial meters, but left ownership of the meter pit, valves and piping with the property owner; and

WHEREAS, proposed amendments to the existing regulations, which establish that the General Manager may recover all costs of installing meter setters or other approved fittings by agreements with "Consumers" and that the General Manager shall identify all costs of installation in advance of the installation, were published in the November 14, 2003 edition of the D.C. Register (50 DCR 9770) for a 30-day comment period; and

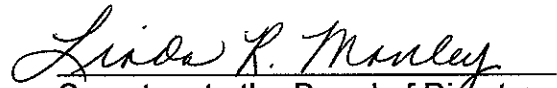
WHEREAS, the comment period ended on December 13, 2003, with no comments received on the proposed amendments; and

WHEREAS, the Finance and Budget Committee met on December 17, 2003 and recommended that the Board adopt as final, the amendments as proposed.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopts as final, without change the regulations which were proposed and published in the November 14, 2003 edition of the D.C. Register.
2. The General Manager shall publish a Notice of Final Rulemaking in the District of Columbia Register and may make such changes to the Notice as may be needed to insure that the Final regulations further the intentions expressed in this resolution and otherwise conform to the publication requirements of the Office of Documents.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Proposed Water and Sewer Service Rates For Fiscal
Year 2005

#04-09
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on January 6, 2004 decided by a vote of five (5) in favor and none (0) opposed, to approved the following action with respect to the proposed retail rates for water and sewer service (a matter not affecting the general management of joint-use sewerage facilities):

WHEREAS, the Board has adopted a rate-setting policy that calls for implementation of retail rate increases in a gradual and predictable manner, avoiding large one-time rate increases; and

WHEREAS, the Board has adopted a ten year financial plan that requires annual rate increases to generate sufficient revenues to pay for the Authority's projected operating and capital expenses and will assure compliance with Board policies regarding maintenance of senior debt coverage and cash reserves; and

WHEREAS, the Authority's revenue projections for Fiscal Year 2005 will reflect the proposed rate increases as included herein; and

WHEREAS, the Retail Rates Committee met on December 17, 2003 to consider the proposed rate increase of five percent (5%) for Fiscal Year 2005 and has recommended adoption of this resolution; and

WHEREAS, the public comment and notification process of the proposed rate increases will occur over the next several months and it is the intent of the Board to take final action on the proposed rate increases at the conclusion of the notification and comment period.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds that the Authority's projected expenditures require that it propose, for public comment, the approximate rate increases described below:

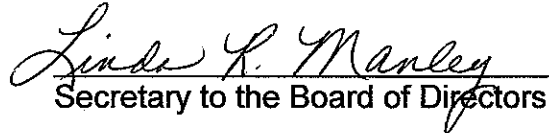
Water Service Rates

- a. An increase in the rate for retail metered water service to \$1.83 per One Hundred Cubic Feet ("Ccf"), effective October 1, 2004.

Sewer Service Rates

- a. An increase in the rate for retail sanitary sewer service to \$2.76 per One Hundred Cubic Feet ("Ccf"), effective October 1, 2004.
-
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed rate adjustments in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures Act.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Expansion of the Customer Assistance Program to Tenants

#04-10
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors of the D.C. Water and Sewer Authority "the Authority," its meeting on January 6, 2004, upon consideration, decided by a vote of five (5) in favor and none (0) opposed to approve the following actions with respect to expansion of the Customer Assistance Program to tenants (a matter not affecting the general management of joint-use sewerage facilities).

WHEREAS, in Resolution #00-38 the Board authorized the General Manager to implement a Customer Assistance Program to assist low income customers in paying their water bills, which is comprised of two components based upon household income, one funded by voluntary contributions from ratepayers and others, and the other based upon exemptions from service charges; and

WHEREAS, the Board finds that it is in the best interests of the Authority and its customers to expand the program for exemption from service charges so as to assist tenants in paying their water bills; and

WHEREAS, on December 17, 2003, the Retail Rates Committee met to consider the plan advanced by the General Manager and recommended approval.

NOW THEREFORE BE IT RESOLVED:

- 1) The General Manager shall expand the Customer Assistance Program to include tenants which is consistent with the existing Customer Assistance Program which, at a minimum, shall contain the following components:
 - a) A program that supplements assistance to low-income customers including the following elements:
 - i) exemptions from water service charges in the amount of four hundred cubic feet per month for eligible participants; and
 - ii) eligibility criteria designed to facilitate administration by an appropriate third-party entity determined by the General Manager – including the following income limits:

<u>Household Size</u>	<u>Household Annual Gross Income</u>
1	\$13,290
2	\$17,910
3	\$22,530
4	\$27,150
5	\$31,770
6	\$36,390
7	\$41,010
8	\$45,630

For households with more than eight members, add \$4,620 for each additional member.

- b) The program referenced in 1.a. shall include the following:
- i) eligibility criteria that limit participation to single-family, owner-occupied primary residential accounts and tenants; and
 - ii) eligibility criteria that require certification that water conservation practices are being utilized and that the participant's system is leak-proof.
- 2) The General Manager is also authorized to modify and implement the Customer Assistance Program as needed to accomplish the objectives of the program.
- 3) This resolution shall become effective immediately.



 Secretary to the Board of Directors

Presented and Adopted: January 6, 2004
SUBJECT: Approval of Contract No. 040010
C&F Construction Company

#04-11
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 January 6, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to Contract No. 040010, C&F Construction Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 040010, C&F Construction Company. The purpose of this contract is to replace lead water service lines with copper piping. The contract amount is \$6,393,900.

This resolution is effective immediately.


Secretary to the Board of Directors