

**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and
Sewerage Services Committee**

Thursday, March 17, 2011

9:30 a.m.

MEETING MINUTES



Committee Members Present

Bob Hoyt, Chairperson
Joseph Cotruvo
Howard Gibbs
David Lake
James Patteson
F. Alexis Roberson
Brenda Richardson

DC Water Staff Present

George Hawkins, General Manager
Leonard Benson, Chief Engineer
Randy Hayman, General Counsel
Linda Manley, Board Secretary

I. CALL TO ORDER

Mr. Bob Hoyt, Chairperson, called the meeting to order at 9:30 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Walter Bailey, Assistant General Manager for Wastewater Treatment reported that the plant achieved full compliance with all permit parameters for February. Flow for the month averaged 298 MGD. Precipitation for the month, at 2.1 inches, was lower than the 2.6 inch historical average. Biosolids production averaged 1263 tons per day with a 12 month average of 1179 wet tons per day. BNR performance was good at a TN (total nitrogen) average of 4.8 mg/l, and a twelve month average of 5.0 mg/l

A Committee member noted that the BNR performance has been very good over the winter, which Mr. Bailey attributed to low flows, recently completed reactor improvements and availability of all twelve reactors. DC Water will also be adding ammonia and nitrate analyzers in the near future for further improvements in process control. There was a comment that the additional billion dollars in planned expenditures will provide only a marginal benefit. Mr. Bailey noted that the construction projects are needed to meet future permit requirements at full plant capacity.

III. STATUS UPDATES

1. Chesapeake Bay TMDL and DC WIP

Mr. Len Benson, Chief Engineer, noted that there is no change in the status of these items since they were issued at the end of last year. Regarding the WIP, DC Water is working with other plants to discuss the handing of CSOs with EPA.

2. LTCP Easements

Mr. Benson noted that the lack of easements is of concern and Mr. Hawkins has been and continues to be in contact with the City Administrator (CA) to seek resolution of this critical issue. Mr. Hawkins explained that DDOT is claiming that federal funding is impacting their ability to approve our easement requests due to the need for an EIS on their federal work. This conflicts with the need for certainty of locations that align with our planning and geotechnical investigations for the LTCP. Any delay of easements could delay completion of work required by the Consent Decree. DC Water believes this would constitute a force majeure event, as defined by the Consent Decree. Mr. Randy Hayman, General Counsel, noted in response to a question that DC Water believes that the federal authorities would likely agree on that claim since it is something beyond our control: a federal requirement that is in conflict with another federal requirement. A letter has been drafted advising the federal authorities of this issue. Mr. Hawkins intends to send the draft letter to the City Administrator warning of the force majeure situation, and send the signed letter (final) in five days if there is no resolution.

IV. STATUS UPDATES: POTOMAC INTERCEPTOR

1. Potomac Pump Station

Mr. David McLaughlin, Director of Engineering and Technical Services, reported that the inlet reconfiguration on one pump (rectangular section to round) has been completed but testing was stopped due to problems in a bulkhead in a downstream structure. That is being fixed, with testing expected to start up again on March 28th. There will be another status report next month, hopefully with flow results.

2. Odor Abatement Project

Mr. McLaughlin reported that the Maryland and DC sites are proceeding on schedule. For the Virginia sites, DC Water will submit a site plan on April 8th to Fairfax County and hope to advertise for construction of both Virginia sites in the first week of June. He thanked Committee member Pattenon for his assistance with approvals from Fairfax County. The original plan was that all sites would be online at approximately the same time, however the Virginia sites have been pushed back approximately 3-4 months after the DC and Maryland sites. This will not affect the operation of the Maryland and DC facilities.

V. ACTION ITEMS – JOINT USE

Mr. Benson presented the following contractual action items for Committee review and discussed the scope of each, with discussion of items 6 and 9 deferred until after the presentation scheduled for Agenda Item VI.

Joint Use:

1. Contract No. WAS-06-035-AB-ND, Recyc Systems
2. Contract No. WAS-06-035-AA-ND-Urban Services
3. Contract No. WAS-10-008-AA-JB, Colonial Chemical Solutions
4. Contract No. WAS-10-007-AA-GA, TAI Engineering
5. Contract No. 060090, Ulliman Schutte Construction LLC
6. Contract No. 100040, Traylor/Skanska/Jay Dee Joint Venture
7. Contract No. DCFA #423, Black & Veatch Corporation
8. Contract No. DCFA #434, CH2M Hill
9. Contract No. DCFA #440, EPC Consultants, Inc

Non-Joint Use:

1. None

Extensive discussion ensued on the first two contracts, due to a Committee member's question regarding the reasons for DC Water biosolids hauling and disposal contracts being significantly more expensive on a per ton basis than WSSC contracts for the same biosolids and the same contractor. Some causes were discussed, and the Committee was reminded that a white paper on this was given to the Committee several months ago. Staff agreed to reissue the white paper to the Committee. Since this is the last option year on the contracts, it was agreed that the next contracts should address some of the causes of the price difference, if possible. Mr. Benson noted that DC is bound by the Davis Bacon Act to pay wages as defined under the act. This act does not apply to WSSC. Also, there are risk factors and the need for DC to obtain an off-site storage site. It was agreed that these option years should be approved and the matters of concern fully addressed in the future contracts. It was also pointed out that whether the contracts are with DC Water or WSSC, that the costs are shared equally between the retail and wholesale users.

An issue was raised over an engineering services contract, in which the proposed supplemental agreement was several times the size of the original contract. Mr. Benson pointed out that this is standard practice, anticipated in the original contract, with the initial contract amount being sufficient to fund a study to define the ultimate scope of what is required in the project to fully address DC Water's needs. Then a final lump sum design cost can be more fairly negotiated. It was also pointed out that there is a need for the long term involvement of the engineering firm, through construction and startup phases of the project. This is common and it would be impractical and costly to re-compete subsequent phases of work. A Committee member reiterated that retaining a new engineering firm for subsequent phases of the same project would likely result in the new firm disregarding previous work and proceeding in a new direction. Mr. Hawkins pointed out that DC Water wants the design firm to be involved and accountable for his previous work. Following this discussion, the Committee agreed to recommend all items to the Board for approval, with the exception of items 6 and 9, discussed later.

The next agenda item was commenced, prior to considering Action Items 6 and 9. Those action items were approved for recommendation to the Board after the following presentation and discussion.

VI. LTCP BLUE PLAINS TUNNEL DB CONTRACT

Mr. Benson introduced this presentation topic by noting that this contract is the largest that DC Water has ever proposed. Through its development, former General Manager Jerry Johnson and former Interim GM Russell were highly concerned with the allocation of risk to DC Water in this contract. The contracting approach described in the presentation was adopted to speed the project delivery and ensure the equitable assignment of risk. Mr. Carlton Ray, Director of the Clean Rivers Project, then commenced with a presentation on the proposed contracts. Key team members and their contribution were noted, and project components identified. Mr. Hawkins pointed out to the Committee that there is a great video on the DC Water website that illustrates the construction process. A Committee member advised that WSSC is using a tunnel boring machine (TBM) on a rock tunnel and has had to take it out for repairs. Mr. Ray noted that we have plans for maintenance interventions to minimize the potential for such an event on this project. In discussions on the Poplar Point shaft site, a Committee member requested a copy of the environmental assessment performed at this location. The team selected for this contract, Traylor/Skanska/Jay Dee Joint Venture, was the team that was rated most highly for their technical proposal and also happened to be the team with the lowest cost proposal.

Mr. Gus Bass, Manager of the Engineering Management Services Branch briefed the Committee on M/WBE participation on this contract and the outreach efforts that have gone into meeting DC Water's goals. Ms. Loretta Caldwell (contractor)

has been involved in the efforts thus far and will be monitoring the project for compliance with the goals.

Mr. Ray introduced the heads of the successful joint venture DB team who were in attendance. The committee indicated their satisfaction with the contract process and the action item before them. Mr. Benson noted that the related action item (Item 9, EPC Consultants) is for an engineering services contract to provide construction management for the same project. Mr. Benson noted that this project is funded from two sources, the typical Blue Plains cost allocation for the flow equalization portion of the tunnel and the LTCP cost distribution for the remainder. A Committee member thanked DC Water management for the presentation, noting that it is apparent that a lot of work has gone into this contract.

VII. PRETREATMENT PROGRAM UPDATE

Mr. Hoyt deferred this presentation to a future meeting due to time constraints.

VIII. ENERGY AUDIT-SUMMARY REPORT

Mr. Hoyt deferred this presentation to a future meeting due to time constraints.

IX. DRAFT NEXT MONTH'S EQ&SS COMMITTEE AGENDA

Mr. Benson noted that there has been a change in DC law, resulting in a requirement for public notice of meetings. After working with the Office of General Counsel and the Board Secretary to determine how best to comply, it is proposed that a general agenda be posted in advance, with a definitive agenda posted 5 days before the meeting. The Committee indicated their approval of this approach. Mr. Benson suggested the same approach for all Board Committees.

X. ADJOURNMENT

Mr. Hoyt adjourned the Committee at 11:15 a.m.

Follow-up Items

1. Reissue the biosolids management contract cost white paper to the Committee.
2. Staff summary of the impacts that the Blue Plains Tunnel will have on the Anacostia River and provide a copy of the Poplar Point EIS (Brenda Richardson)
3. Reschedule deferred presentation topics.