



**District of Columbia
Water and Sewer Authority**

Board of Directors

Retail Services Committee
Thursday, September 17, 2009

11:00 a.m.

MEETING MINUTES

Committee Members Present

Joseph Cotruvo, Chairman
Howard Gibbs
David J. Bardin

WASA Staff Present

Avis Marie Russell, Interim General Manager
Meena Gowda, Acting General Counsel
Linda Manley, Board Secretary

I. CALL TO ORDER

Dr. Cotruvo called the Retail Services Committee Meeting to order at 11:30 a.m.

II. WATER QUALITY MONITORING

1. Coliform Testing:

Mr. Rich Giani, Water Quality Manager, reported that one (1) sample tested positive for coliform in the month of August. As of the meeting date, zero (0) samples tested positive for coliform in the month of September.

2. LCR Compliance Testing:

Mr. Giani provided an update on the status of the Lead and Copper Rule (LCR) compliance testing activities. He reported that 41 samples have been collected to date and 20 samples have been analyzed. Zero (0) 1st draw samples have exceeded the EPA Action Level of 15 ppb; and one (1) 2nd draw sample exceeded 15 ppb. The 2nd draw result for this sample was 17 ppb. The 90th percentile for samples analyzed to date is 8 ppb for the 1st draw and 10 ppb for the 2nd draw.

The Committee briefly discussed whether or not addresses that have received a partial lead service replacement also appear on the LCR Compliance List. Mr. Giani reported that this data is being tracked; and currently 27 out of 100 addresses on the list have received a partial lead service replacement.

III. FIRE HYDRANT PROGRAM

1. Service Status:

Mr. Kiely reported that the current “out-of-service” list for fire hydrants stands at 153. Of these, 34 are categorized “inaccessible” and 119 are scheduled for replacement. Mr. Bardin requested that future reporting on fire hydrants also include – a.) a list of specific addresses for the “out-of-service” hydrants and mapping of the locations, b.) the number of “public” vs. “private” hydrants, c.) how many of the “public” hydrants are connected to 8- in. dia., 12-in. dia., or 16-in dia. water mains, d.) how many within each size category have been flow-tested, and e.) the overall total number of hydrants in the District.

Ms. Avis Russell, Interim General Manager, updated the Committee on the recent DC Council Hearing that focused on the fire at 3030 Chain Bridge Road, NW, the Hydrant Repair/Replacement Program and the Memorandum of Understanding (MOU) between WASA and FEMS. Mr. Bardin, who also observed the council hearing, praised WASA staff for their testimony; and recognized that it was obvious to Council members that WASA and FEMS are collaborating and working together. A Committee Member requested that the WASA Board of Directors (BOD) receive copies of the presentation, testimony/recordings, etc. from the hearing.

IV. WAD WHOLESALE CUSTOMER MEETING UPDATE

Ms. Russell briefed the Committee on the recent Washington Aqueduct (WAD) Wholesale Customer Meeting. She reported that the major agenda item was the 2011 Budget; and that WASA has raised concerns to WAD with respect to WASA’s proposed rate increase. Ms. Russell also reported that the topic of the MOU between WAD and the wholesale customers was deferred because two organization heads (WASA and Arlington County) would be changing in the near future.

A Committee Member requested that WAD’s Cost of Service Study be distributed to the entire BOD. A Committee Member also requested that WASA staff examine the possibility of breaking down WASA’s costs of service in terms of those costs that would fall under providing safe water to its customers (SDWA) vs. costs for protecting the environment (CWA).

V. ACTION ITEMS – NON-JOINT USE

1. Contract No. 030220 – W.M. Schlosser

Following a brief discussion, the Committee agreed to recommend approval.

2. Contract No. 080220 – Anchor Construction Corp.

The Committee agreed to recommend approval.

3. **Contract No. DCFA 396-WA – EA Engineering**

The Committee agreed to recommend approval.

VI. EMERGING ISSUES / OTHER BUSINESS

1. **CDC Letter dated 09/04/09 regarding lead service lines**

Ms. Russell briefed the Committee on a letter received from the CDC on 09/04/09 concerning lead service lines and partial replacements. The letter provides recommendations based on a study conducted by CDC and currently under review at a scientific journal. A conference call between EPA, WASA and CDC to discuss the issues raised in the letter is planned. The Committee recommended that WASA staff thoroughly review the CDC Study when it is published, and stressed the importance of WASA's data on post replacement testing. The letter should be sent to all BOD members along with any updated information from the conference call.

2. **Annual cost of repairing/replacing water mains**

Mr. Kiely gave a presentation to the Committee concerning infrastructure repair costs. He gave an overview of the infrastructure repair process; provided details concerning the budget (for both WASA internal crews and external contractors) associated with these repair/replacement efforts; and cited specific examples of average and large watermain repair projects in the District. Mr. Kiely concluded his presentation by reporting to the Committee that there would be no near-term offsets or reductions in costs (e.g., watermain break repair costs) if infrastructure replacement/repair efforts were tripled – increase from 0.3% to 1%. True gains would not be realized until well into the future.

Mr. Bardin requested that WASA staff provide in future budget presentations: a.) a breakdown of what the extra costs would be each year if the infrastructure repair/replacement efforts were increased from 0.3% to 1% (and what the effect would be on the customer bill), and b.) if watermain replacement efforts were to increase, what would the effect be on partial LSRs.

3. **Intro to past and future expenditure issues**

The Committee requested that WASA staff estimate the total cost to WASA for responding to the “lead issue”, including costs on future customers’ bills. Ms. Russell agreed that the staff will be able to estimate the total cost based on data that are readily available. If, however, more specific information is needed, additional staff time and resources may be required to complete the task.

The Committee requested that WASA staff breakdown specifically what WASA has paid for in terms of WAD’s capital expenditures over the past 10 years – e.g., what are the individual components of the costs to “upgrade the Aqueduct”.

The Committee discussed billed consumption trends and how it ultimately relates to cost recovery. Ms. Russell reported that typically WASA has planned for a 1% reduction per year in terms of water consumption. This year, the reduction has been estimated to be 4-5%. The increased reduction is similar to what has been seen at WSSC and in Fairfax County. Contributing factors to this increase include: cooler/wetter spring and summer than average, low-flush toilets, economic effects, more sensitivity to environmental/"green" initiatives, etc.

The Committee requested that these consumption trends be reported in detail. WASA staff agreed to report consumption trends to the Committee. The report will be similar to the water audit report, but will provide specific details and data.

WASA staff reported that since inception, WASA has spent 1.4 billion dollars in terms of capital improvements. The Committee requested that a breakdown of the major projects (for both water and sewer) and associated costs be provided.

4. Origin of pharmaceuticals in drinking water

Dr. Cotruvo very briefly discussed pharmaceuticals in drinking water. He provided the Committee and WASA staff with a hard-copy of a presentation, *Pharmaceuticals in Water Panel Meeting*, produced by Phrma, which can be used for information and perspective purposes should questions arise in the future. One of the main points stressed was that most of the pharmaceuticals enter the water environment through patient use and elimination of the drug and its metabolites into wastewater, rather than disposal.

5. BOD lead resolution implementation discussion

The Committee discussed the recent BOD Resolution (#09-102) and its goal to reduce costs and the number of partial lead service replacements (LSR). The Committee agreed that WASA should continue to honor those service orders (SOs) that were previously generated under Element 2 (ahead of DDOT) and complete these replacements since a full LSR will be accomplished. The Committee also noted that if the \$500,000 spending cap for the Demand Replacement (Element 3) portion of the Program becomes inadequate, staff should consult with the BOD to increase the amount.

VII. ADJOURNMENT

The meeting was adjourned at 01:40 p.m.