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District of Columbia

***Water and Sewer Authority***

***Board of Directors***

***Joint Meeting of the Environmental Quality and Sewerage Services and Water Quality and Water Services Committees***

*Thursday, March 19, 2015*

*10:15 a.m.*

***MEETING MINUTES***

**Committee Members Present DC Water Staff Present**

Rachna Butani, Chairperson George Hawkins, General Manager

Bo Menkiti, Acting Chairperson Len Benson, Chief Engineer

Howard Gibbs Randy Hayman, General Counsel

James Patteson Linda R. Manley, Board Secretary

Robert Mallett

Alan Roth

Adam Ortiz

Matthew Brown

1. **Call to Order**

Ms. Rachna Butani, Chairperson, called the meeting to order at 10:55 a.m.. Ms. Butani informed the committee that because of the delay start, the joint meeting has been truncated to only discuss the Water Quality Monitoring, American University Parking Cleaning & Lining Project, Asset Management Program and Action Items.

# Water quality monitoring

Charles Kiely, Assistant GM for Consumer Services, reported that starting March 23, 2015 through May 4, 2015, the Washington Aqueduct’s secondary treatment will change from chloramines to free chlorine disinfection, which occurs every year at this time. Mr. Kiely advised the committee that there were zero positive coliforms for the months of February and March 2015.

# Fire hydrant upgrade program

Committee members were informed the program update would be read individually due to the time constraint.

# American University Park cleaning and lining project

Mr. Kiely explained the water main lining pilot will start next week and will provide a full report to the committee in April 2015.

# asset management program

Len Benson, Chief Engineer, provided the committee with a brief background on the Asset Management (AM) evolution and highlighted that AM aligns with DC Water Blue Horizon 2020 Strategic Goal 8. Mr. Benson explained the AM program (AMP) is a 3- to 5- year process to develop the framework, organizational and cultural alignment to support the AM goals. George Hawkins, General Manager, added that organizational and cultural changes will be a key to the success of the AM program with the introduction of new AM processes. Mr. Benson explained the AM program will be setting annual goals for the development of modular components and identifying deliverables. Mr. Benson noted the AM annual work plan will outline the deliverables, schedule, cost, and functionality with progress being assessed by objectively evaluating what was planned as compared to what was actually delivered. Mr. Benson explained that an update on the AM program’s first year accomplishments with a detailed plan forward of what it will take to implement a world-class AM program will be provided to the Committee on May 21, 2015. The committee commented that based on Mr. Benson’s introduction it appeared as if there would not be an integration of the AMP into the budget process for 3- to 5- years because program is still being developed. Mr. Benson clarified that some components of the AMP that are already being included in the CIP prioritization process for FY16 due to the modular approach being implemented and will be discussed further by Mr. Alan Ispass.

Alan Ispass, CH2M Hill Director for the AMP, referenced the international standard ISO 55000:2014 to define AM. Mr. Ispass highlighted that some the characteristics resulting from a world-class AMP include the use of methods and tools to make informed, defensible decisions and to evaluate and understand the risk and consequence posed by asset failure. Mr. Ispass explained that modern AM evaluates the lifecycle of the asset to consider the overall cost of installing, operating and maintaining an asset instead of just the capital (initial installation) cost. Mr. Ispass highlighted that some of the Phase 1 accomplishments consist of an AM Policy outlining nine principles to guide future infrastructure asset decisions and an enterprise risk framework to be used for all types of assets.

The committee inquired as to whether appropriate inventory management can be or is being used to inform other disciplines (e.g. accounting, depreciation). Mr. Ispass explained that Gatsby 34 does incorporate principles of asset management but that in practice many organizations are still in the early stages of applying the concepts. The committee inquired as to how the market rewards achieving a world class AM program and what are other positive consequences. Mr. Ispass explained that it takes many years for an AM program to mature into a state where the overall cost savings are realized; such as in Australia, where they have experienced savings of 10-15% in operations and maintenance (O&M) cost. Mr. Hawkins commented that in the short-term, savings may not be realized; however, the AMP will enable more effective capital investments decisions. The committee asked if capital and O&M prioritization investments would include a business case analysis. Mr. Ispass responded that Phase 2 of the AMP will include development of a business case evaluation procedure for use by staff in evaluating proposed investments. Mr. Ispass further highlighted Phase 1 accomplishments by noting that the capture of over 20,000 assets in the Computerized Maintenance Management System (CMMS) inventory has enabled the generation of automated work orders, which coupled with implementing standard operating procedures (SOP), has resulted in a significant reduction in emergency work orders at Blue Plains over the last 9 months. The committee asked how the authority is performing in terms of satisfying necessary O&M and Preventative Maintenance (PM) work orders. Mr. Ispass responded that the CMMS has reduced back-log work orders; more specific data, including staff feedback as to how they are adjusting from reactive to predictive maintenance, will be provided at the next committee meeting presentation on the AMP. Mr. Ispass concluded the presentation with a chart depicting the three phases for the AMP that illustrates that the majority of the efforts will be transferred from the consultant to DC Water during Phase 3 (approximately 3 years after AMP program development was formerly initiated). Additionally, Mr. Ispass emphasized the need to build capacity and competency to continue the AMP. The committee inquired when the authority will have an AM manager in-place to manage the program. Mr. Benson responded that efforts are underway to recruit an AMP Manager. Mr. Hawkins added that the new Chief Operating Officer, Mr. Biju George, has significant AM experience and will be instrumental with recruiting a qualified candidate for AM manager position.

# AWTP Status updates

Committee members were informed the program update would be read individually due to time the constraint.

# status update: potomac interceptor sewer

Committee members were informed the program update would be read individually due to time the constraint.

# Action items – joint use

* + 1. Contract No. WAS-12-007-AA-SH, Nutri-Blend
    2. Contract No. 15-PR-DET-03, RJN Group
    3. Contract No. WAS-12-026-AA-JR, MC Dean
    4. Contract No. DCFA #445, O’Brien & Gere

Ms. Theresa Scott presented Action Items 1, 2, 3 and Mr. Len Benson presented action item 4.

Action Item 1 is a request to exercise option year three of the contract to distribute class B biosolids to farms, compost facilities, and reclamation sites. The committee inquired as to why this option was necessary in light of the digester project (which produces Class A biosolids). Mr. Bailey explained that we are not certified by the appropriate agency as of yet as producing Class A biosolids and thus we need to continue to distribute our biosolids as Class B until the Class A certification is in hand.

Action Item 2 is a request to install flow monitoring and rain gauges in portions of the sanitary sewer collection system. The committee inquired on whether this contract entails more than installing rain gauges and monitoring flows. Ms. Scott deferred the question to Mr. Benson. Mr. Benson responded that Engineering will expand the current Mike Urban sewer model, and that flow measurements by this contractor will be used to calibrate the model. The committee commented that contract value is the median of the proposal range and asked what selection criteria were used to select the firm. Mr. Benson explained the evaluation criteria to the satisfaction of the committee.

Action Item 3 is a request to exercise option year two of a contract to perform annual corrective and preventative maintenance services. Ms. Scott noted a correction to the requested option year value to be $677,286.82, which will be corrected in the final fact sheet.

Action Item 4 is a request for a supplemental agreement for engineering services during construction for the Poplar Point Pumping Station Replacement. It was noted that there were no planned future supplemental agreements for this contract.

# Action items – Non-joint use

1. Contract No. 14-PR-CCO-06, Mueller Systems, LLC

Ms. Theresa Scott presented Action Item 1.

Action Item 1 is a request to provide positive displacement flow meters at residential and small commercial service sites.

The Committee will recommend all action items to the Board for action.

# ADJOURNMENT

The meeting was adjourned at 11:56am.

**Follow-up Items**

1. Report on the back-log improvements and benefits of the CMMS in maintenance crew redeployment at a future EQSS committee meeting.
2. Provide a full report on the water main lining pilot at a future WQWS committee meeting.