



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
224th MEETING OF THE BOARD OF DIRECTORS (20th Anniversary)
Thursday, October 6, 2016
9:30 a.m.
5000 Overlook Avenue, SW
Room 407**

- I. **Call to Order (Chairman Matthew Brown)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of September 1, 2016 Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Governance Committee (Ellen Boardman)**
 2. **Human Resources and Labor Relations Committee (Bradley Frome)**
 3. **Environmental Quality and Sewerage Services Committee (Howard Gibbs)**
 4. **Water Quality and Water Services Committee (Rachna Butani)**
 5. **D.C. Retail Water and Sewer Rates Committee (Rachna Butani)**
 6. **Joint Meeting of D.C. Retail Water and Sewer Rates/Finance and Budget Committee (Rachna Butani)**
 7. **Finance and Budget Committee (Timothy Firestine)**
- VI. **CEO/General Manager's Report (CEO/General Manager George Hawkins)**
 - **Blue Drop Presentation**
- VII. **Summary of Contracts (FYI)**
- VIII. **Consent Items (Joint Use)**
 1. **Approval to Execute Option Year Three of Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Group Life) – Resolution No. 16-71 (Recommended by Human Resource and Labor Relations Committee 09/14/16)**
 2. **Approval to Execute Option Year Three of Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability) – Resolution No. 16-72 (Recommended by Human Resource and Labor Relations Committee 09/14/16)**
 3. **Approval to Execute Option Year Two of Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of Mid-Atlantic States, Inc. - Resolution No. 16-73 (Recommended by Human Resource and Labor Relations Committee 09/14/16)**

4. [Approval to Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria – Resolution No. 16-74](#) (Recommended by Environmental Quality and Sewerage Services Committee/Water Quality and Water Services Committee 09/15/16)
5. [Approval to Execute a Modification to Contract No. WAS-11-017-AA-SC, Mobile Dredging and Pumping Company – Resolution No. 16-75](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)
6. [Approval to Execute a Modification to Contract No. GS11T08BJD6001, Verizon - Resolution No. 16-76](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)
7. [Approval to Execute Option Year Four of Contract No. WAS-12-063-AA-RA, Allied Barton Security LLC. – Resolution No. 16-77](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)
8. [Approval to Execute Option Year Four of Contract No. WAS-12-026-AA-JR, M.C. Dean, Inc. - Resolution No. 16-78](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)
9. [Approval to Execute a Contract with a Base Period of Two Years, Enterprise Security Solutions - Resolution No. 16-79](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)***
10. [Approval to Execute a Modification to Contract No. GS-23F-0291N, SPS Consulting, LLC – Resolution No. 16-80](#) (Recommended by Finance and Budget Committee 09/27/16)
11. [Approval to Execute Option Year One of Contract No. 15-PR-DWT-21, Kuehne Company – Resolution No. 16-81](#) (Recommended by Environmental Quality and Sewerage Services Committee 9/15/16)

IX. Consent Items (Non-Joint Use)

1. [Approval to Execute Contract No. 140220, Fort Myer Construction Corp. – Resolution No. 16-82](#) (Recommended by Water Quality and Water Services Committee 09/15/16)
2. [Approval to Execute Contract No. 130140, Fort Myer Construction Corp. – Resolution No. 16-83](#) (Recommended by Water Quality and Water Services Committee 09/15/16)
3. [Approval to Execute Contract No. 16-PR-CFO-48, PFM Advisors LLC \(PFM\) – Resolution No. 16-84](#) (Recommended by Finance and Budget Committee 09/27/16)
4. [Approval to Execute Contract No. 130230, Proshot Concrete, Inc. – Resolution No. 16-85](#) (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

X. Executive Session – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b) of the D.C. Official Code¹

XI. Adjournment

¹ The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

***** Joint and Non-Joint Use (Item No. 9 – Enterprise Security Solutions)**

Upcoming Committee Meetings (5000 Overlook Avenue SW (Blue Plains – 4th Floor)

- Special Meeting of the Governance Committee – Wednesday, October 12th @ 9:00 a.m.
- Environmental Quality and Sewerage Services Committee – Thursday, October 20th @ 9:30 a.m.
- Water Quality and Water Services Committee – Thursday, October 20th @ 11:00 a.m.

REMINDER: FY 2018 Budget Workshop @ 11:00 a.m. (following the November 3rd Board Meeting)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

GOVERNANCE COMMITTEE

MEETING MINUTES

September 14, 2016

Committee Members

Ellen O. Boardman, Chairperson
Ana Harvey
David W. Lake
Matthew Brown

D.C. Water Staff

George S. Hawkins, General Manager
Henderson J. Brown, IV, General Counsel
Linda Manley, Board Secretary

Chairperson Boardman convened the meeting at 9:05 a.m.

Agenda Item # 1 - DC Water's Blue Drop Project

General Manager & CEO George Hawkins made a presentation to the Committee on the progress of DC Water's Blue Drop proposal. Mr. Hawkins opened by re-introducing Alan Heymann, DC Water's Chief Marketing Officer, who has played a key role in the development of Blue Drop. As discussed in the July 2016 Governance Committee meeting, Mr. Heymann is expected to serve as President of Blue Drop and, along with Mr. Hawkins, will continue to lead the effort in creating and managing the new, nonprofit company. Mr. Heymann briefly introduced other key members of the development team: DC Water's Manager of Marketing and Business Development, Gloria Cadavid, who is expected to serve as Vice President of Blue Drop, and Outside Counsel, Nick Karambelas, who is assisting DC Water with the legal issues involved with establishing and maintaining Blue Drop. Mr. Heymann also thanked DC Water's Finance team and General Counsel, Henderson Brown, for their continued assistance and guidance.

Mr. Hawkins presented an in-depth review of Blue Drop's progress. He explained that the Board had challenged him to find new and innovative sources of revenue to help mitigate effects of rising costs of service. Mr. Hawkins explained that Blue Drop will be a separate, nonprofit, limited liability company (LLC) formed to generate new revenue from the sale of specific services and products to customers in both the public and private sectors. Mr. Hawkins indicated that Blue Drop's success would be measured by the revenue generated from existing product offerings and by the intellectual property gained from ongoing research and development efforts. Ms.

Boardman asked if funding for Blue Drop will be derived from the Marketing Department and identified as a line item expense in the budget. Mr. Hawkins advised that any capital allocated for Blue Drop's operations will be disclosed in a full accounting to the Board.

Committee Member Lake asked how funding and revenue would be allocated among DC Water and the Intermunicipal Agreement (IMA) partners. Mr. Hawkins responded that he expects funding and revenue would be allocated in a manner similar to Bloom™. The precise allocation and calculation for distributions would be determined in consultation with the Board's Finance and Governance Committees, and consistent with any obligations under the Operating Agreement, applicable law, and the IMA.

Committee Member Harvey asked if Blue Drop plans to deliver other products in addition to Bloom™, and what best practices would be followed or developed. Mr. Hawkins answered that Blue Drop will be responsible for marketing Bloom™, and for the delivery of peer-to-peer consulting services, support services to other organizations, and deploying a collaborated utility platform. Mr. Hawkins also emphasized that the creation of Blue Drop as a separate, nonprofit company has strong precedent. He identified other public sector organizations that created similar spinoff entities which generated income, including: Clean Water Services (Oregon), Easton Utilities (Maryland), the District of Columbia Public Library, the District of Columbia Housing Authority, and the National Zoo.

Chairperson Boardman asked about the manner in which DC Water employees involved in Blue Drop would be compensated for their services. Ms. Boardman and Committee Member Harvey asked that the employment relationship be evaluated carefully, including potential joint-employer and leased employee issues. Mr. Hawkins stated that DC Water employees engaged to assist in the creation and initial management of Blue Drop would be fully and properly compensated for their services. Although various models are being evaluated, currently it is anticipated that Blue Drop will reimburse DC Water for services provided by DC Water employees consistent with applicable law. Ms. Boardman also inquired whether and how funds would be returned to DC Water as an offset to the costs associated with any initial investment. Mr. Hawkins stated that, in time, an offset would be part of the expected return based on assumptions of significant revenue generation in excess of the initial investment. Mr. Heymann further commented that a revenue "waterfall" will be established to focus on outcomes, disbursements, and timelines.

With respect to Blue Drop's Board of Directors, Mr. Lake inquired whether DC Water's Board of Directors could, or should, have appointment authority over Blue Drop's Board of Directors. As currently envisioned, Mr. Hawkins will be vested with appointment authority in his role as the member representative of Blue Drop. In response to Mr. Lake's inquiry, General Counsel Brown recommended a separation between the two boards for legal and fiduciary reasons. Mr. Hawkins stated that any appointment of members to Blue Drop's Board of Directors would necessarily take place in full consultation with DC Water's Board members. Mr. Heymann added that there will be provisions in Blue Drop's Operating Agreement for appointment and removal of directors.

Mr. Lake suggested that Mr. Hawkins consider a presentation to the IMA Partners to demonstrate the potential impact and benefits of DC Water's investment in Blue Drop. Mr. Hawkins agreed and indicated that a presentation to the IMA Partners would be welcomed.

General Counsel Brown indicated that a Board resolution approving the creation of Blue Drop had been prepared for advance consideration, and that the resolution will be revised and updated to reflect the Board's input and recommendations. Mr. Lake suggested that a draft submission be circulated in advance to the Board in anticipation of the next committee meeting. Chairperson

Boardman agreed and stated that Blue Drop will be revisited at the next meeting. The Governance Committee also agreed to schedule a special meeting in October to address specific questions on Blue Drop incorporation.

Agenda Item # 2 – District of Columbia Statehood Legislation

Next, General Counsel Brown conducted a brief informational session on the District of Columbia's Proposed Constitution for statehood as set forth in DC Council Bill B21-0826, proposed by Councilmember Phil Mendelson. First, General Counsel Brown outlined the key elements of the proposed legislation and the current dates for public hearings (September 27, 2016 and October 6, 2016). Then, General Counsel Brown explained that David Bardin, a former Board member and continued supporter of DC Water, has submitted a letter to Councilmember Mendelson suggesting four amendments to the proposed Constitution as well as an amendment of Bill B21-0826's ancillary provisions.

General Counsel Brown advised that Mr. Bardin has proposed four amendments to B21-0826. One of his proposals is to amend the legislation to ensure that DC Water retains its status as an independent authority, particularly in its financial operations as provided under federal and District of Columbia law. General Counsel Brown explained that Mr. Bardin will be presenting testimony in support of his suggested amendments and opened the floor for feedback from the Board.

Chairperson Boardman asked if DC Water's and Mr. Bardin's efforts might prompt other independent agencies to present similar amendments and potentially distract from the core purpose of the legislation, which is to obtain statehood for the District of Columbia. General Counsel Brown noted that, while there is a potential risk of distraction, all efforts are and will be conducted in a manner designed to support the goal of statehood for the District of Columbia with the aligned mission of preserving DC Water's statutorily-granted financial and operational independence.

Ms. Harvey stated that, being part of the conversation at the cabinet level and with the Mayor, she believes the Mayor strongly feels the matter of statehood is larger than any individual interests and asked how DC Water would translate the underlying principles of independent authority in a way that avoids the perception that these efforts are self-serving and help only DC Water. Ms. Boardman suggested that consideration be given to a revised amendment that would cover all similarly-situated entities. Mr. Lake asked whether DC Water might consider other vehicles that allow DC Water to continue as independent without the need for incorporating language amending the proposed Constitution.

General Counsel Brown responded that Mr. Bardin is sensitive to and appreciates this concern and has approached the matter with the DC Council in a carefully considered fashion. General Counsel Brown added that he believes other entities such as the zoning commission are planning to testify at the public hearings in support of their independent authority.

General Manager Hawkins indicated that the underlying goal is to maintain independence and constitutional construction in a manner that ensures appropriate protection for DC Water but without inadvertently resulting in the challenge of requiring individual and separate clauses in the proposed Constitution for all independent agencies. To that end, Mr. Hawkins proposed an evaluation of whether the 'savings clause' in the proposed Constitution could be strengthened to provide sufficient coverage for District of Columbia independent authorities rather than amending the legislation in a piecemeal fashion. Mr. Lake expressed his support for moving forward on that path. Ms. Harvey recommended that it be made clear that Mr. Bardin is testifying in his individual

capacity and not on behalf of DC Water. The Committee, joined by Mr. Hawkins, expressed its deep appreciation for Mr. Bardin's tireless efforts as a concerned DC resident and former Board member.

The Committee's next meeting is scheduled for November 2016, after the public hearings. Ms. Boardman stated that she would appreciate a brief review of developments in the meantime. General Counsel Brown indicated that he will continue to apprise the Board of new developments on this important issue.

Conclusion

There being no further business, Chairperson Boardman adjourned the meeting at approximately 10:30 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS
Human Resources and Labor Relations
Committee
September 14, 2016

MEETING MINUTES

Committee Members Present

Bradley Frome, Chair
Matthew Brown, Board Chair
Ellen Boardman

DC Water Staff Present

George Hawkins, CEO & General Manager
Henderson Brown, General Counsel
Mustaafa Dozier, Chief of Staff
Linda R. Manley, Board Secretary

1. Call to Order

Chairman Bradley Frome called the meeting to order at 11:02 a.m.

2. General Manager Remarks

General Manager Hawkins began the meeting by reminding the Board that the Authority had recently reorganized procurement efforts under a Chief of Procurement, John Bosley. In a parallel fashion, we have reorganized our human capital efforts under the Chief of Staff, Mustaafa Dozier. Mr. Dozier as Chief of Staff is now responsible for Human Resources and Labor which have now been brought together. Mr. Hawkins explained that for a period of time, Human Resources and Labor were separate resulting in some inefficiencies. But given these work areas are similar it made sense to bring these units together.

Mr. Hawkins turned it over to Chief of Staff Mustaafa Dozier to speak on how he sees the new department unfolding. Mr. Dozier explained that at one point we had 6 managers in the Human Resources area and we now have 3, which we have reorganized into 3 major operational clusters. The first area is Operations and Steve Rogers was announced as the manager for this cluster. Otho Milbourne was announced as the Supervisor of Total Rewards, which includes compensation and benefits, and is essentially responsible for how we pay employees, as well as the fringe, wellness and everything associated with the total rewards for employees. James Winston continues to lead our systems branch of HR and Albert Williams remains responsible for supervising recruitment.

Elizabeth Stachura was introduced to the Board as the new manager of Labor Relations. Finally, one team member who is in a newly created position is Brandi Fannell, Program Manager of Strategic Initiatives and Change Management. Mr. Dozier explained this

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position was specifically created as an effort to focus on best practices and cutting edge initiatives in the HR field.

3. 2017 Health and Welfare Benefit Renewals

Otho Milbourne, Supervisor of Total Rewards, presented the 2017 Health and Welfare Benefits Renewals. He stated that during the last meeting he presented the medical and dental contracts for 2017, which were approved by the Board. Since that time, he has received rate renewals for our remaining plans. Specifically for medical, Cigna HMO and PPO provider proposed no increases for 2017. Kaiser, our staff model, recently presented a 2.7% reduction in rates, translating into \$120,000 of annual savings in medical premiums. Ms. Boardman asked whether the Authority issues a request for proposal (RFP) to all relevant providers in the field for the purpose of obtaining the most competitive rates. Mr. Milbourne stated the Cigna HMO, Cigna PPO, Delta Dental PPO and the United Concordia Dental HMO all went out to bid and they are all on a 5 year contract. As a result, the medical rates are significantly below annual health trends.

For dental, Delta proposed no increase for 2017 for the PPO and United Concordia will reduce rates by 2%, both of which were the result of the RFP process. There was no increase for vision through United Healthcare. Life and disability rates will remain the same through Life Insurance Company of North America. Our staff model HMO, life, and disability providers require us to extend another option year; Mr. Milbourne espoused that these providers have operated sufficiently and that the Authority is satisfied with their performance. The Committee recommended that the additional option years for the Kaiser Medical plan and the Life Insurance Company of North America for life insurance and disability be moved to the Board for approval.

Mr. Hawkins also shared that he and Mr. Milbourne were part of a panel the day before celebrating the Authority as one of the healthiest companies in the region. Mr. Hawkins pointed out that the Authority was the only company in the group that had personnel in the field doing physical work. He also stated the fact that the Authority has been able to hold its current costs in part due to the efforts made by Mr. Milbourne's team focusing on wellness.

Chairman Frome asked if the health companies review the components that promote a healthy life-style and if that was something the insurance companies review and take into account in the formulation of these rates. Mr. Milbourne stated the health companies look at claims data to determine rates and the Authority partners with them to put together our wellness program.

The meeting adjourned at 11:16 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Sewerage
Services Committee Meeting**

Thursday, September 15, 2016

9:32 a.m.

MEETING MINUTES

Committee Members

David Lake, Acting Chairperson
Mathew T. Brown
Howard Gibbs

DC Water Staff Present

George Hawkins, CEO and General Manager
Liliana Maldonado, Director - DETS
Linda Manley, Secretary to the Board
Henderson L. Brown, General Counsel

I. Call to Order

Mr. Lake called the meeting to order at 9:32 A.M.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Assistant General Manager for Wastewater Treatment began the update by reporting the monthly average influent flow for August 2016 was 259 MGD. During this period, there was an excess flow of 5MG reported that resulted in a single wet-weather incident. Mr. Tesfaye also stated that plant effluent quality was excellent as demonstrated in the discharge levels of total suspended solids (TSS), ammonia, total phosphorous, carbonaceous biochemical oxygen (CBOD), pH, dissolved oxygen (DO) and E. Coli levels, which were all considerably better than permit limits. The Committee requested modifications to the 'influent flow trend graph' to make it more informative and descriptive. The Committee suggested adding a normalized trend line as well as some precipitation information to the graph. Mr. Tesfaye responded that subsequent reports will incorporate the suggested modifications. Mr. Tesfaye continued the update by stating that the enhanced nitrogen removal facility is performing well; producing a low total nitrogen (TN) concentration of 3.11 mg/l. The total tonnage of nitrogen discharged in the calendar year, through August 2016 is on target to meet the permit limits.

Mr. Tesfaye further stated that the Plant performance was excellent with 100% permit compliance. In August, biosolids production was 449 wet tons per day (wtpd) with all of the production going to land applications. The biosolids generated were Class A Biosolids that also met Exceptional Quality standards for pathogen reduction, volatile solids reduction (VSR) and low metals content. The CHP facility generated an average of 166 MWH/day, making up 28% of total energy

consumed at Blue Plains (i.e., 606 MWH/day) while the average energy purchased from PEPCO was 439 MWH/day. The Committee stated that there has been a significant reduction in operating costs in relation to the handling and transportation of biosolids as a direct result of the current program and commended DC Water for that achievement. However, the Committee expressed some concerns that the savings are not materializing in wholesale customer invoices. Mr. George Hawkins, CEO and General Manager for DC Water, replied that DC Water's Finance Department, headed by the Chief Financial Officer (CFO) has presented to wholesale customers on this topic but that if additional information is required, he can meet with relevant parties again.

Mr. Hawkins mentioned that DC Water is working on the two outstanding update requests made by the Committee at previous meetings and that the information will be scheduled and presented to the Committee in upcoming meetings.

Mr. Hawkins gave a brief update on the marketing efforts related to the Bloom product while highlighting the success that outreach efforts have had. An example of a successful outreach occurred recently when a representative from the Organic Consumers Association (OCA) approached DC Water with a concern about the use of the term "organic" on Bloom bags, leading, in their mind to consumer confusion. Although DC Water did not use the word "organic" to mean "pure", but rather to indicate carbon content, DC Water agreed to not use the term on any packaging going forward in order to avoid possible confusion. Mr. Hawkins further stated that the OCA in turn appreciated DC Water's commitment to transparency and innovation.

III. CAPITAL IMPROVEMENT PROGRAM (CIP) QUARTERLY REPORT

Ms. Liliana Maldonado, Director, DETS gave an update on the third quarterly report for fiscal year (FY) 2016 regarding DC Water's Capital Improvement Program (CIP). Current projected FY 2016 disbursements through the end of June 2016 were 3% above the baseline. This overage is mostly due to some projects being ahead of schedule.

Ms. Maldonado mentioned that the 6-month look ahead for large contract actions included the following projects: Small Diameter Watermain Rehab 11b, 11c and 12a as well as Div RC-A-Rock Creek Project 1(Green Infrastructure) and the new Sewer Service Area Project Delivery Consultant (PDC).

Ms. Maldonado next summarized the status of the Key Performance Indicators (KPIs) projects in the CIP as of 3rd quarter FY 2016. Thus far, thirteen KPIs have been achieved on time and five KPIs have been achieved this fiscal year. Two remaining KPIs were not achieved as follows: the construction substantial completion for Biosolids Combined Heat and Power (CHP) (a carry-over from previous quarters) and the construction start for Small Diameter Water Replacement (SDWMR) 11b. Ms. Maldonado further mentioned that the construction start for the SDWMR 11b project was deliberately delayed to incorporate necessary design modifications based on lessons learned from similar contracts in the past, which in turn should reduce construction related change orders.

IV. CLEAN RIVERS PROJECT STATUS UPDATE

Mr. Carlton Ray, Director, Clean Rivers Project, accompanied by Mr. Christopher Allen, Assistant Director, Clean Rivers Project, gave an update that included ongoing accomplishments, schedule and spending to date. Mr. Ray started his update by stating that DC Water successfully obtained

an amended Consent Decree in January 14, 2016 thereby extending the decree deadline by five more years and enabling the deferral of approximately \$400 million dollars in programmatic spending.

Mr. Ray and Mr. Allen next proceeded to update the Committee on the progress of the Division D – JBAB Overflow and Diversion Structures project. This project will capture flow from the Potomac Outfall Sewers (POS) and convey it to Blue Plains via the Blue Plains Tunnel (BPT). Mr. Allen mentioned that the relationship between DC Water and JBAB remains strong. As of August 1, 2016, the project is at 38% completion with the following construction activities completed or ongoing: base slab pour for the diversion structure, ventilation facility and south structures; excavation of the overflow structure and construction of a ventilation facility.

Mr. Allen continued to update the Committee on the progress of the Division Z – Poplar Point Pumping Station Replacement and Main Outfall Sewers Diversion project. This pump station will serve the sewer system on the east side of the Anacostia River by lifting sewage from the Anacostia Main Interceptor (AMI) into the outfall sewers for conveyance to Blue Plains. As of August 1, 2016, the project is at 35% completion with the following construction activities completed or ongoing: midway micro tunneling for the AMI sewer; completion of all major structural base slabs; completion of the Emergency Overflow Chamber (EOC); installation of a 42inch force main and construction of the north and south retaining walls for the approach channel. The project is on schedule and on budget. The Committee recommended that the DCCR team look into reported odor issues emanating from the Poplar Point construction site. Mr. Ray replied that DCCR will look into it.

Division I – Main Pumping Station (MPS) Diversions project is at 52% completion as of July 25, 2016. To date, the following construction activities have been completed or are ongoing: installation of Auger Cast piles; excavation start for CSO 009/011 and demolishing of the Tiber Creek Sewer arch. The project is on schedule and on budget.

Division H – Anacostia River Tunnel project is at 65% completion as of August 1, 2016. This project involved excavating and tunneling in close proximity to sewer structures and pipes with known structural deficiencies such as the 108-inch Anacostia Force Main (AFM). Various mitigation measures including compensation grouting were used during this operation to ensure integrity of these nearby utilities.

Mr. Ray also stated the DCCR program is continuing to address the recommendations from the Mayor's Task Force Report on the Prevention of Flooding in Bloomingdale and LeDroit Park. It is expected that the efforts being undertaken in the form of the Division P – First Street Tunnel project in conjunction with upcoming construction of the North East Boundary (NEB) Tunnel will resolve flooding issues in the neighborhood. As of July 31, 2016, the Division P – First Street Tunnel is ready for operation as needed to store up to 10 MG of flow but the overall project is 90% complete, behind planned schedule. The Committee inquired as to what impact the schedule delay might have on the project budget and if there were more unknowns in this project than expected. Mr. Ray responded that there were some challenges associated with the ground-freezing technique utilized for the project and that delay costs will be manageable within the project budget. The Committee further inquired as to DCCR's relationship with the community and Mr. Ray and Mr. Hawkins responded that although there have been challenging situations due to the schedule delay, the community remains engaged, understands the reasons for the delay and are largely supportive.

Division U – Northeast Boundary Tunnel (NEBT) Utility Relocation project is at 1% completion as

of August 1, 2016. The purpose of this project is to clear and relocate existing utilities as preparation for construction of the NEBT.

Division J – Northeast Boundary Tunnel (NEBT) project has a planned Notice To Proceed (NTP) date of September 18, 2017. At completion, the tunnel will have an inside diameter of 23 ft., a length of 27,000 ft. and have depths ranging from 60 – to 140 – ft. vertical.

Division PR-B – Kennedy Center CSO 021 Diversion Facilities project is at 5% completion as of August 1, 2016. The purpose of the CSO 021 Diversion Facilities is to intercept and redirect flows from the CSO 021 outfall to the planned Potomac River Tunnel during wet-weather conditions. To date, secant pile installations are underway and rock grouting is nearing completion.

Mr. Ray also mentioned that the Division RC-A – Rock Creek GI Project A is now in the procurement phase with a consent decree driven NTP of March 30, 2017. The Division PR-A – Potomac River Project A is now in the development stage of the request for proposal (RFP). A Green Infrastructure (GI) plan as well as a project description for the Division PR-A project has been submitted to the EPA. The consent decree driven NTP for the Division PR-A project is June 2017.

Mr. Ray further stated that a voluntary Downspout Disconnection Program called Drain the Rain will be launched in Spring 2017 by DCCR. This program will open an opportunity to provide complementary and cost effective GI with the Right-Of-Way (ROW) projects. Through this program, a free downspout disconnection service and an option for a free rain barrel is to be provided for eligible participants.

The Kennedy Street GI Infrastructure Streetscape project is at 100% design completion and will be constructed with DDOT’s Kennedy Street improvement project. Mr. Ray also stated that the GI Certification Program will begin certification examinations in December 2016. The Committee inquired as to who prepares the examinations. Mr. Ray responded that the Water Environment Federation (WEF) in consultation with DC Water will prepare the examinations.

Mr. Ray concluded his update by stating that the DCCR project is on schedule. He mentioned that the current shortfall in spending is due to lagging invoices but that DCCR expects to have spending on target at the completion of the 2016 fiscal year.

V. ACTION ITEMS

JOINT USE

1. Contract No. WAS-12-063-AA-RA, Allied Barton Security Services LLC
2. Contract No. GS11T088JD6001, Verizon
3. Contract No. 15-PR-DWT-21, Kuehne Company.
4. Contract No. WAS-11-017-AA-SC, Mobile Dredging and Pumping Company
5. Contract No. 15PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria
6. Contract No. 16-PR-SEC-23, Enterprise Security Solutions
7. Contract No. WAS-12-026-AA-JR, M.C. Dean, Inc.

Mr. Dan Bae, Director, Procurement, presented action items 1 through 7.

Action Item 1: Request to execute contract for protective services for the District of Columbia Water and Sewer Authority (DC Water).

The Committee inquired if this contractor was the same contractor that had an issue with one of its sub-contractors. Mr. Bae responded in the affirmative and added that those issues have been resolved to the satisfaction of the Procurement Department.

Action Item 2: Request to execute a modification to add funding to provide telecommunication services for the Supervisory Control and Data Acquisition (SCADA), MPLS Network, Data Network Circuits/TLS, Analog Lines and Local Telephone Service throughout the Authority.

The Committee requested that reasons for any modification of the contract amount be clearly indicated the fact sheet summary. Mr. Bae replied that the rationale for changes will be incorporated in subsequent fact sheets. The Committee also inquired why DC Water has had the same contract since 2007. Mr. Bae replied that so far, DC Water has been riding the General Services Administration (GSA) schedule contract and that the Authority will be investigating rates from other service providers beginning next year to ensure competitiveness.

Action Item 3: Request to execute a contract to purchase, supply and deliver sodium hypochlorite for use in the Blue Plains Advanced Wastewater Treatment Facility (AWTP).

The Committee inquired as to why the fact sheet states DC Water will obtain a savings during Option Year 1 when the value for the modification amount is more than the original amount. Mr. Bae responded that the quantity estimated for use is higher than the previous year. Additionally, the supplier and DC Water negotiated a new, market based price change resulting in a 2.15% reduction in unit prices. The Committee replied that such explanations should be clearly presented in the summary fact sheet. Mr. Bae responded the fact sheet will incorporate the suggestions given.

Action Item 4: Request to execute contract modification to provide services to remove sediments, debris, and other materials from drains, channels, runoff pump stations, sump pumps, centrifuges, conveyors, process tanks, storage tanks, catch basins and pipes throughout Blue Plains.

The Committee stated that the reason for the modification was not clear in the fact sheet. Mr. Bae and Mr. Joel Grosser, Manager, Procurement, responded that the initial DC Water budget request and resulting available budget for Option Year 3 was insufficient, resulting in the current modification request. The Committee inquired as to where the estimated budget came from. Mr. Bae replied that it was developed by his department. The Committee reiterated that explanation for modification requests should be clearly stated in the text of the fact sheets. The Committee further noted that the modification request was presented in September 2016 while the modification period is reported as July 25, 2016. The Committee inquired as to whether outstanding invoices were paid. Mr. Grosser replied that invoices exceeding the existing budget for year 3 option had not been paid. The Committee noted that this practice, as well as that of presenting a fact sheet after the start date for the contract modification, is inconsistent with the way DC Water conducts business and requested that the 'cure' for the problems encountered with this contract should be presented in the fact sheet summary. Mr. Bae replied that DC Water will ensure such discrepancies will not occur going forward.

Action Item 5: Request to execute contract to provide industrial cleaning services to structures and equipment located at Blue Plains. The Committee asked why the modification value was higher than the previous year. Mr. Bae indicated that additional locations were added to the scope

of work as compared to the previous year.

Action Item 6: Request to execute a contract to provide ongoing and new security related project installations, integration and management services for electronic security systems and devices located throughout all DC Water properties and facilities.

The Committee requested explanation as to why the range of costs in the proposal were significantly higher than the base year contract. They also indicated that changes such as these need to be explained in the fact sheet. The Committee further inquired if the sub-contractors for this contract were located in the District and requested that a detailed breakdown of the sub-contractor's MBE/WBE participation be provided in the fact sheet. Mr. Bae responded that modifications will be made to the fact sheet to reflect the suggestions.

Action Item 7: Request to execute a contract to provide DC Water with annual maintenance for electrical control equipment at Blue Plains Advanced Wastewater Treatment Plant (AWTP).

The Committee inquired as to why the modification requests varied significantly between option years. Mr. Bae responded that there was insufficient funding at the outset, resulting in the need for subsequent modification amounts.

The Committee recommended the Joint Use action items to the full Board.

NON JOINT USE

1. Contract No. 130230, Proshot Concrete, Inc.

Ms. Liliana Maldonado, Director, DETS, presented action item 1.

Action Item 1: Request to execute a construction contract for the structural repair of 5,600 LF of sanitary, combined and stormwater sewer pipes in Georgetown including internal sewer spot repairs of pipes ranging from 30 inch diameter to 103 inch diameter.

The Committee recommended the Non-Joint Use action to the full Board.

VI. EXECUTIVE SESSION

The Committee entered an executive session.

VII. ADJOURNMENT

The Committee reconvened into open session and the meeting adjourned at 10:42 a.m.

Follow-up Items

1. Assistant General Manager for Wastewater Treatment, Blue Plains: Provide a normalized trend line as well as some precipitation information as part of the 'influent flow trend' graph.
2. Director, Procurement: For Action Items 2, 3 and 6 state clearly the reasons for any modification of the contract amount in the fact sheet summary.
3. Director, Procurement: Ensure that invoices be paid only for modification requests that have been reviewed and approved in advance by the Committee and that any

modifications to existing contract option years are presented to the Committee prior to the expiration date for the option year and/or prior to depletion of the existing budget.

4. Director, Procurement: For Action Item 6, provide a detailed breakdown of sub-contractor participation (MBE/WBE) within the fact sheet.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

**BOARD OF DIRECTORS
WATER QUALITY AND WATER SERVICES COMMITTEE**

**MEETING MINUTES
THURSDAY, SEPTEMBER 15, 2016**

Present Board Members

Rachna Butani Bhatt, Chair
Howard Gibbs,
Matthew Brown, Board Chairman

Present D.C. Water Staff

George Hawkins, General Manager
Charles Kiely, Assistant General Manager
for Customer Care and Operations
Linda Manley, Secretary to the Board

I. Call to Order

Ms. Butani Bhatt called the meeting to order.

II. Water Quality Monitoring

A. Total Coliform Testing (TCR)

Charles Kiely, Assistant General Manager for Customer Care and Operations, stated that in August there were two positives or .04 which is below the regulatory level. To date in September there have been zero. This is expected in the warmer months and as it gets colder, there will be less positives. This shows that water distribution and water treatment are in very good shape.

B. Lead and Copper Rule Monitoring

Mr. Kiely indicated that 26 samples have been collected. They are at 2.7 parts per billion. There was one lead and copper rule exceedance during August but there was no regulatory impact. Someone was renovating their kitchen, had capped the pipe, and had no faucet. When it was sampled, there was an exceedance. This shows that people must flush their internal plumbing continuously. D.C. Water is excellent on lead and copper testing as it has been for the last six or seven years.

III. Fire Hydrant Upgrade Program

David Wall, Manager of Water Distribution, reported that out of approximately 9,500 public fire hydrants, there were 58 out of service. Of those 32 were defective and required repair or replacement. Twenty-six were out of service due to inaccessibility or temporary construction work. He stated that they are continuing to target the hydrants out of service for 120 or more days. In the last report there were 13 and they are working to reduce that number.

There were no clusters of out of service hydrants noted on the map.

Mr. Hawkins stated that he wanted to mention something important that recently occurred. He was notified that a body was reported floating in the McMillan Reservoir. Emergency Response was called and the team was convened. There was no indication that there was any water quality issue, since addressing contaminants from bodies is already built into the water treatment process. Water treatment is done after water leaves the reservoir, so there is no risk. However, out of an abundance of caution, the reservoir was taken out of service, disinfected, and the incident was reported to the U.S. Environmental Protection Agency. The reservoir was not brought back on line until disinfectants were at the desired level. This was done with coordination from the D.C. Public Health Department, EPA, and others. Mr. Hawkins stated that they are certain that there were no consequences for D.C. Water's customers. However, he indicated that they are very concerned that anyone was able to get into the Aqueduct's property. Security is not in D.C. Water's purview but it was nearby D.C. Water's property and construction and Clean Rivers work. They are working with the Aqueduct to determine what actions need to be taken. Staff will review the police and medical examiner's reports very closely when they are available and keep the Committee informed.

IV. Unidirectional Flushing Customer Notification Update

Joshua Mazurek, Assistant Program Manager in the Water Distribution Branch, Department of Water Services, updated the Committee on process improvements related to the Unidirectional Flushing Customer Notification Program (UDF). He stated that the purpose of unidirectional flushing is to ensure that water is drawn from a clean water source, usually from reservoirs. Flushing activities are done to pull the water outward through the system and a series of specified valves are closed and a number of specified hydrants are opened. This causes water to flow faster than normal (scouring velocity) through the pipes and this helps to remove accumulated sediment and pipe deposits.

Mr. Mazurek reported that the UDF flushing season lasts from March to late November. Approximately 50 percent of the 263 unique flushing zones are flushed in a year. There are 80,000 premises per UDF season. Notifications go out to all of them to inform them of potential impacts of UDF such as discolored water, slight reduction in water pressure and the fact that flushing activities will occur from 10 p.m. to 6:30 a.m.

The Committee was informed that there are reasons for the need to change the notification process. Until recently a door hanger was left at the customer's house which included handwritten dates when the flushing would be done. Occasionally customers complained that they could not read the handwriting and that dates were missing. No records existed on who received the notifications, so there was no accountability. All 80,000 premises needed to receive the door hangers, so a lot of manpower went into it. Foremen asked their crews to work overtime. The decision was made to transition to a postcard that was suggested by the crews

to streamline operations. The postcard does not include specific dates but lists the website for specific schedules.

Ms. Butani Bhatt asked for information on the feedback from customers on the door hangers versus the postcard mailings. Mr. Mazurek said that there have been less complaints, about 25 calls, since the change. Most complaints relate to questions about the dates. Mr. Kiely and Mr. Hawkins agreed.

Mr. Mazurek thanked the crews, Water Quality, External Affairs, the Mayor's Command Center, and others for their assistance in making the process operate efficiently. They have learned a number of lessons since the new method for notification has been implemented. These include complications of the US Postal Service's bulk mail process, the critical need for coordination with flushing crews, the need to streamline the process by having an experienced printing company, the need for prompt response from the Office of Information Technology, and the critical need for accurate GIS records.

Future goals and objectives of the UDF Program include the use of the D.C. Water Print Shop to prepare, print, and stamp all notification materials in order to save money, evaluation of the internal control mailings instead of an external printer delivering mailings to the post office, link premises data to specific distribution system assets rather than just the flushing zones, and integration of electronic notification.

Ms. Butani Bhatt stated that she liked the plan to utilize electronic mailings in the future and asked for the number of customers they now have email address for. Mr. Kiely replied that they now have email addresses for about 78 percent of the customers. They will also be utilizing robocalls for notifications.

Chairman Brown asked about their methods for notification of multi-family dwellings. Mr. Kiely stated that they have contact information on the property management and that the notifications go to the management or leasing offices.

V. Non-Joint Use Action Items

Two non-joint use contracts were presented by Mr. Kiely—small diameter water main replacement contract to be awarded to Fort Myer Construction Corp. and Spring Valley water main rehabilitation and replacement contract to be awarded to Fort Myer Construction Corp. After discussion the Committee recommended approval to the Board.

The Committee then moved and voted unanimously to go into Executive Session. Upon their return, the meeting was adjourned by Ms. Butani Bhatt, Chair.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, September 27, 2016

9:00 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Butani, Acting Chairperson
Matthew Brown, Board Chairman
Ellen Boardman
Howard Gibbs
Reverend Kenrick Curry
Ana Harvey

DC Water Staff

Mark Kim, Chief Financial Officer
Henderson Brown, General Counsel
Syed Khalil, Director Rates and Revenue
Linda Manley, Board Secretary
Consultant
John Mastracchio, Arcadis

Call to Order

Acting Chairperson Ms. Butani called the DC Retail Water and Sewer Rates Committee meeting to order at 9:00 a.m.

Review 2016 Potomac Interceptor Cost of Service Study (Attachment A)

Mr. Kim began the meeting with a review of the 2016 Potomac Interceptor Cost of Service Study. He introduced Mr. John Mastracchio from Arcadis, who served as DC Water's consultant on this project. Mr. Kim went on to explain that the 86th U.S. Congress authorized the design and construction of the Potomac Interceptor (PI) on June 12, 1960. PI is a large sewer that emanates from Virginia and connects into DC Water's system. DC Water has four "PI customers" (Dulles Airport, National Park Service, Department of the Navy and the Town of Vienna). DC Water charges them for wholesale wastewater treatment services pursuant to agreements signed in 1960.

Mr. Kim explained that there are four separate agreements signed with each of these customers. These PI Customer agreements are separate from the Intermunicipal Agreement (IMA) agreement and the Loudoun County Sanitation Authority Agreement and there is no duplication of cost recovery. Under the Agreement, the PI customers' rates are adjusted periodically (three years or greater intervals). Charges are based on a proportionate allocation of capital and operating costs and are to be recovered through a rate per million gallons of wastewater flow. PI customers are billed quarterly based on measured flow.

Included in this study is a True-Up process, whereby DC Water looks at the actual costs, makes sure that our former rate accurately reflected what the cost of service was, and, if necessary, makes an adjustment. Historically that adjustment is included in the new rate. For example, if the previous rate was set too high, then there would be a downward adjustment in the forward rate; and if the previous rate had been set too low, then there would be an additional charge on top of the projected rate.

Charges are based on the proportional allocation of each of the PI customer's share and are billed quarterly in arrears at a rate established by the Cost of Service study.

Mr. Mastracchio stated that the objective of the study was to determine costs of providing services to the PI customers, which include: 1) true-up for FY 2014 through FY 2016; 2) estimate costs of services and PI customer flows for FY 2017 through FY 2019; and 3) establish a rate for cost recovery for FY 2017 through FY 2019.

Mr. Mastracchio gave a brief overview of the methodology used. There are two components of the rate calculation: 1) capital cost recovery component; and 2) operations and maintenance cost component. Each of these components were evaluated specifically as they relate to the 1960 agreements. The capital costs of PIs are allocated based on their reserve capacity and the operating costs are allocated based on annual wastewater flows. The capital and operating costs are added to get the total cost share, which is then divided by wastewater flows to determine the rate per million gallons.

Board Chairman Mr. Brown inquired if overhead was included in the cost. Mr. Mastracchio replied that there was some overhead and some conveyance but mostly the plant cost.

Mr. Mastracchio explained the operating expenses that were eligible for inclusion in the PI Cost of Service. These eligible operating costs are related to: 1) wastewater treatment operations and maintenance; 2) maintenance services; 3) sewer services; 4) distribution & conveyance systems; and 5) administration.

Mrs. Boardman asked a question regarding how the eligible cost percentages are derived for each of these categories. Mr. Mastracchio responded that DC Water tracks all of these costs associated with each of these categories and these are coded as to whether they are applicable to PI users or not.

Mr. Mastracchio then discussed the capital expenses eligible for inclusion in the PI Cost of Service calculation. Beginning in 2012 and 2013, there was a significant rise in eligible capital costs due to: 1) nitrogen & biosolids projects at the plant; and 2) tunnel / dewatering pump station projects. This rise in costs will be amortized over the next (30) thirty years but will impact the rates.

Mr. Mastracchio explained the cost share basis both for capital and operating costs. He pointed out that these four PI users are small users and account for a very small fraction of the capital cost allocation; less than 1%. Similarly, these four PI customers account for a very small fraction of the operating costs; again, less than 1%.

Next Mr. Mastracchio showed slide with FY 2014 – FY 2016 True-Up Evaluation Results. The chart reflected the recoverable costs for each of the 4 PI customers, the amount paid and the difference showing over / underpayment. This true-up amount was rolled up into the next 3 year cycle of rates.

Acting Chairperson Ms. Butani noted that the under/over-payment would be allocated over the course of the next 3 years and she wanted to know the rationale for that. Mr. Kim responded that this has been the past practice. This was to ensure that there wouldn't be large true-up amounts due every 3 years and smooth it out and roll it into the rate. However, due to the large spike in plant-related capital expenditures the projections of future expenditures have not been as accurate as used to be historically, which has resulted in larger true-up amounts.

Mrs. Boardman asked why we don't just charge each customer based upon their actual use. Mr. Kim replied that this whole process is governed by the original 1960 agreement and it lays out the process by which the rates shall be set as well as the true-up.

Mrs. Boardman wanted to know why in 50 years this agreement hasn't been re-visited and modified.

Mr. Kim stated that in his tenure at DC Water there have been some requests from the PI customers to renegotiate the terms of this agreement, including whether they ought to pay for the service at all as well as requests for increases in capacity. Unfortunately, DC Water does not currently have the capacity to increase their allocated shares. There are a number of issues such as these that have kept DC Water from reviewing or modifying the existing agreement.

Acting Chairperson Ms. Butani asked how many times the rates had to be decreased. Mr. Kim replied that it depends upon each customer. Every time DC Water does the tri-annual Cost of Service study, there are some customers whose rates on a percentage basis go up and for others the rates may be flat or go down.

Mr. Mastracchio pointed out that the size of the true-up depends on the difference between projected and actual costs and flows.

Acting Chairperson Ms. Butani asked if DC Water is taking into account growth of communities. She noted that Dulles and Vienna are growing considerably and wants to know if our models take into account what the expected growth is for those areas.

Mr. Kim noted that this is one of the issues that would come up if DC Water were to re-negotiate the 1960 agreement. He added that the size of the PI is not changing.

Board Chairman Mr. Brown noted that there are two components of the rate, the operating and the capital, and wanted to know whether DC Water segregates these dollars when they receive them. Mr. Kim replied that DC Water pays these costs up front for the customers and then reimburse itself. However, these costs are applied to operating and capital when collected.

Mr. Mastracchio showed the slide on FY 2017 – 2019 Projected Rates. He explained that: 1) inclusion of prior period true-up adjustments in the projected rates contributes to significant rate variability; and 2) excluding them will stabilize the rate adjustments.

Mr. Kim stated that it's important to point out the cost of service is going up at that annualized 2-3% per year. However, it is the true-up piece that gets added to the rate and that makes the rate seem to vary more significantly from period to period.

Mrs. Boardman noted that in this particular period we have under-billed and that we are essentially floating a loan to our customers and inquired if any consideration was given to that loss and if there was any penalty in the agreement.

Mr. Kim responded that this is the case for this period but in the past we have seen both under and over billing of customers. He stated that we must get our projections tighter and more in line. He added that we have also tried to address the notion of distorting the base rate by offering customers this year for the first time an option as to whether or not they wanted the true-up to be incorporated into their next rate or whether they wanted to settle one time right now. Interestingly, two of the customers chose to settle now in order to reset their rate back to a more true cost of service; the other two customers chose to add the true-up on top of their projected rate. This is interesting and likely speaks to their budgeting process. Having the rate provided over a three-year period gives them the opportunity to do financial planning around it. Giving them a real-time actual bill may hamper their budgeting process. Also, from DC Water's perspective administrative burden to track and to generate a quarterly bill might be disproportionate to the amount of revenues received.

Mrs. Boardman asked if the option of paying the true-up up front or adding it to the current rate was part of the original agreement or was it at our discretion.

Mr. Kim responded that the agreement was silent on this point, and so it was an option DC Water came up with this year to try and address the true-up. He pointed out which of the 4 companies opted to pay the true-up now and which chose to have it added to their rate. He felt that this is an incrementally better process.

Mr. Gibbs inquired about option number 2 on slide 15 specifically where the PI Customer owed DC Water money.

Mr. Kim responded by saying that we reached out to the PI customers during the course of the Cost of Service provided them with preliminary projections and rates and whether there was an over / under payment. DC Water asked PI customers to provide their preferred payment option: 1) prior period true-up adjustments; and 2) without applying prior period true-up adjustments. Each PI customer responded: 1) Dulles had underpaid and they chose to pay up front; 2) Navy overpaid but chose to include the true-up; 3) NPS overpaid and chose not to include the true-up adjustment in the rates; and 4) Vienna underpaid but chose the option to include the true-up adjustment. Our conclusion is that by offering the PI customers these options to address the true-up either upfront or over time provided them the flexibility to better handle their finances.

Mr. Mastracchio summed up his presentation with three recommendations: 1) consider excluding prior year true-up amounts from the rate projections and handle them separately; 2) adopt proposed rates; and 3) monitor billed vs. actual cost annually and track differences and where substantial, inform the affected PI customers.

Mr. Kim noted that there was no committee action needed on any of the issues discussed today. The presentation was merely a briefing to the committee.

DC Retail Water and Sewer Rates Committee Workplan

FY 2016 Completed DC Retail Rates Committee Workplan (Attachment B)

Mr. Kim reviewed the FY 2016 completed workplan with the Committee. He said that he was happy to report that all tasks had been completed.

FY 2017 Proposed DC Retail Rates Committee Workplan (Attachment C)

Mr. Kim updated the Committee on the FY 2017 proposed workplan.

Other Business

No other business

Executive Session

No executive session

Agenda for October 25, 2016 Committee Meeting (Attachment D)

Mr. Kim indicated that the DCGIS Flyover presentation scheduled for the October Committee meeting would be moved in conjunction with the CRIAC review planned for the December Committee meeting. There being no other scheduled business, the Committee agreed to cancel the October 25, 2016 meeting.

Adjournment

The meeting was adjourned at 9:52 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (September 27, 2016)

There were no follow-up items



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

*Joint Meeting of the DC Retail Water and Sewer Rates
and Finance and Budget Committees*
Tuesday, September 27, 2016

10:00 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Butani, Acting Chairperson
Timothy Firestine, Chairperson
Mathew Brown, Board Chairman
Howard Gibbs
Reverend Kendrick Curry
Ana Harvey
Ellen Boardman
Adam Ortiz
Sarah Motsh

DC Water Staff

Mark Kim, Chief Financial Officer
Henderson Brown, General Counsel
Syed Khalil, Director Rates and Revenue
Linda Manley, Board Secretary

Call to Order

Acting Chairperson Ms. Butani called the joint meeting of the DC Retail Water and Sewer Rates and Finance and Budget Committees to order at 10:00 a.m.

CAP Customer Clean Rivers IAC Presentation (Attachment 1)

Mr. Kim stated that this presentation is in response to a request from the Board during our rates setting process earlier this year to re-double our efforts to look at our affordability programs and in particular to focus on the Clean Rivers Impervious Area Surface Charge (CRIAC), which is the fastest growing part of our monthly bill. Mr. Kim introduced Syed Khalil, Director Rates and Revenue and informed the Committees that Syed led the efforts to do the analysis that supported the recommendation. Mr. Kim also acknowledged the assistance of the Office of the General Counsel (OGC) and in particular Gregory Hope, Principal Counsel, who helped establish the legal basis upon which to expand our affordability program.

Mr. Kim gave an overview of the enabling legislation.

The enabling legislation requires the Board to establish financial assistance programs for low-income residents and authorizes the Board to promulgate regulations:

- The Authority shall offer financial assistance programs to mitigate the impact of any increases in retail water and sewer rates on low-income residents of the District, including a low-impact design incentive program - (DC Official Code § 34-2202.16 (b-1)(1)).

- The Authority shall possess the power to make, adopt, and alter by-laws, rules, and regulations for the administration and regulation of its business and affairs - (DC Official Code § 34-2202.03 (3)).

Mr. Kim concluded that the Board has the authority to expand the CAP program and then explained the history of the CAP program and Board actions:

- On April 1, 1999, the Board initiated action to establish the Customer Assistance Program – (Board Resolution #99-32):
 - Directed Board Secretary to publish notice of proposed rulemaking and public hearing to receive comments on proposal to provide eligible customers an exemption of the first four (4) hundred cubic feet per quarter on water service charges
 - Eligibility based on recommendations by the District of Columbia Energy Office based on household annual income
- On June 1, 2000, the Board directed the General Manager to implement the Customer Assistance Program which, at a minimum, contained the following components – (Board Resolution #00-38):
 - Exempts four hundred cubic feet per month from water service charges for eligible participants
 - Eligibility administered by a third-party entity determined by the General Manager based on income limits
 - Participation limited to single-family, owner-occupied primary residential accounts
- On May 6, 2004, the Board expanded CAP to include tenants - (Board Resolution #04-38)
- On January 8, 2009, the Board expanded the CAP to apply to retail sewer service rates - (Board Resolution #09-24)
- On September 2, 2010, the Board expanded the CAP to apply to Payment in Lieu of Taxes (PILOT) and Right of Way (ROW) fees - (Board Resolution #10-86)
- On July 2, 2015, the Board expanded the CAP to include a 100% credit for the Water System Replacement Fee (WSRF) – (Board Resolution #15-67)
- On July 7, 2016, the Board directed the General Manager to evaluate the CAP and make a recommendation to the Retail Rates Committee regarding the expansion of CAP to include CRIAC fees as soon as practicable – (Board Resolution #16-60)

Mr. Kim stated that OGC has determined that the Finance and Budget Committee has jurisdiction over the issue of expanding the CAP program, even though it only impacts District residents and historically has been reported through the DC Retail Water and Sewer Rates Committee. Since this is a financial matter as well as a policy matter, a joint committee meeting was called and any action that this joint committee wishes to pursue will be presented to the Finance and Budget Committee for approval.

Board Chairman Brown thanked Mr. Kim for all the work the finance team has done and in being responsive to the Board's desire to address affordability as a top priority.

Mr. Kim updated the joint committee on the residential customers monthly Equivalent Residential Units (ERU) by tiers. He explained the distribution of the residential customers by ERUs. There are approximately 105,000 Residential customers with over 112,000 ERUs. Approximately 300 customers have properties with impervious surface area of 8.6 ERUs or greater.

Mr. Kim presented the CAP customers monthly ERUs by tiers slide and mentioned that the majority of the CAP customers have 1 ERU, which is similar to total Residential customers and what we would expect.

Acting Chairperson Ms. Butani asked if staff did GIS mapping on post 1 ERUs to see if those are retired individuals. Mr. Kim replied in the negative citing the reason that our billing system does not capture that data and added that this is going to be one of the biggest challenges when we undertake a more comprehensive assessment of the CRIAC in order to identify which customers fall into different socio-economic and demographic categories that we do not have access to, such as: 1) retired; 2) small business; 3) non-profit; and 4) charitable organizations. Staff will report back to the DC Retail Water and Sewer Rates Committee in December with respect to the scope of the study.

Mr. Kim showed the Committees slide 7 with the projected monthly CRIAC charges (100% CRIAC credit). The chart reflected the impact on CRIAC for giving 100% CRIAC credit to CAP Customers. If we give a CRIAC credit to CAP customers, the authority will be losing that amount of revenue and would need to make up that revenue by increasing CRIAC for the rest of the customers. In FY 2017 and FY 2018, there is no change as we just adopted the rate proposal which will be implemented on October 1, 2016. However, the Authority will use the projected FY 2016 Surplus to cover the FY 2017 and FY 2018 CAP CRIAC loss of revenue. With a 100% CRIAC credit, the increase in the CRIAC would be \$0.22 per ERU per month or \$2.64 per year for the average residential customer.

Ms. Boardman asked when we expanded credits for CAP customers over the course of time, did you notice or track any increase in CAP Customers and will these CRIAC credits prompt more people to the program. Mr. Kim replied that staff would follow up with a history of the growth of the CAP program.

Mr. Kim displayed the projected monthly CRIAC charges (50% CRIAC credit) on slide 8. He noted that this slide provides the same analysis but with a 50 percent financial impact.

Mr. Kim then updated the Committees on the typical average CAP customer bill. The average residential customer bill for FY 2017 is projected at \$96.35. CAP customers would receive a bill of \$51.69, which represents a reduction of 46 percent. With 100% CRIAC credit, the average CAP customer bill goes down to \$29.45, a reduction of 69 percent. With 50% CRIAC credit, the average CAP customer bill decreases by 58% to \$40.57.

Mr. Kim explained the revenue impact of the two CRIAC credit options. He mentioned that the estimated loss for a 100 and 50 percent credit would occur only in FY 2017 & FY 2018 as the rates have already been set. For FY 2017 and FY 2018, the loss revenue for providing 100% and 50% CRIAC credit is \$1.7 million and \$0.8 million respectively.

Acting Chairperson Ms. Butani inquired if staff did an assessment to give up to 1 ERU credit instead of a 50 or 100 percent credit. Mr. Kim replied in the affirmative and that three credit options had been explored by staff:

- Fixed dollar credit (\$)
- Fixed ERU credit (per account)
- Percent of CRIAC credit (50% or 100%)

In our judgment, the percentage credit was the preferred option: 1) a fixed dollar credit would lose its relative value over time given that the CRIAC will be increasing over time, 2) a fixed ERU credit raised some fairness issues because it is relatively difficult and expensive to change the impervious area on your property so not all CAP customers would benefit proportionally, particularly those with less than or greater than 1.0 ERU. Accordingly, in our judgment, the most uniform, consistent, and fairest way to implement a CRIAC credit would be on a percentage basis whether it is 50 or 100 percent or some other percentage.

Acting Chairperson Ms. Butani stated a preference for giving up to a certain fixed ERU credit and requested information about the CAP customers who have greater than 1.0 ERU. Mr. Kim stated that

we this information is not currently available and that it will be addressed in the scoping of the CRIAC assessment.

Board Chairman Brown stated that he is concerned about the CRIAC because it is the fastest growing portion of the bill and in particular not only the burden on CAP customers but also those customers who did not qualify for CAP but are also low-income rate payers. Chairman Brown asked why the recommendation was made at a 100 percent credit for CAP customers. Mr. Kim replied the customers who qualify for CAP represent the lowest income segment of our customer base and that the recommendation was based on: 1) the direction we received from the Board to look very hard at affordability and do the very best that we can for our CAP customers; 2) a belief that the 100 percent credit option is financially viable and that the impact on the other residential customers is modest; and 3) the benefit to the CAP customer would be meaningful and significant.

Mr. Kim continued that anecdotally, approximately 15 percent of the District would qualify as low-income under federal guideline. Accordingly, our CAP program is clearly not capturing the full potential population, which raises an entirely different issue for the Authority which is that many of those low-income customers are not actually customers of DC Water. Some of these individuals may be living in public housing and do not pay a water bill or they may be living in other accommodations in which we do not have an account directly with them. These individuals present a legal and operational challenge in terms of how we can help them if they are not customers of DC Water. What we do know and what we have tried to do is to identify the customers that do qualify for the program and to give them the fullest extent of assistance we could afford financially.

Board Chairman Brown stated that he wonders about the impact on those low-income residents who are our customers and who will bear the full costs of the IAC but are not CAP-eligible. Mr. Kim reiterated that we do not have that information in our customer information system and that is part of what we want to assess in the review of the CRIAC. It will require a very extensive outreach and coordination with Federal and District agencies to try to identify the income levels of our customers.

Ms. Boardman stated that she supports Mr. Kim's recommendation on the CRIAC credit of 100 percent. We have a long tradition of providing relief and credits to CAP customers. We also have the benefit of relying on the established LIHEAP program that establishes the eligibility criteria. Ms. Boardman also raised the concern of administering a new customer assistance program based on income criteria that differ from the federal LIHEAP standards.

Acting Chairperson Ms. Butani stated that she does not believe you can dial back a credit once it is given and recommended less than a 100 percent credit initially. Chairperson Firestine stated that a 100 percent seemed at odds with the rest of the program where less than 100% CCF usage is credited to CAP customers.

Mr. Kim responded that either credit option would have a very significant and positive impact for the CAP customers and that management was supportive of taking the Board's direction on the final percentage.

Mr. Gibbs stated in light of what has been discussed, a 50 percent discount would be an appropriate starting point.

Ms. Harvey added that she is concerned that the 100 percent credit may cause a spike in the number of CAP customers in the future.

Ms. Motsh inquired about the rationale behind the 4 Ccf discount for water and sewer for CAP customers. Acting Chairperson Ms. Butani replied she believed 6.2 Ccf is the average usage but there are a lot of water savings mechanism to get to 4 Ccf. Mr. Kim added that we want to give a discount to CAP customers but give all customers an incentive to conserve and drive down water consumption.

Mr. Gibbs commented that one of the decisions made was that we were not going to charge the city for the streets and other paved areas that are in the District's jurisdiction. Everybody who has property in the District should be responsible for a part of the charges that the District is not picking up. If the District picks up the charges then every tax payer in the city would be paying a part of that charge.

Reverend Curry mentioned that he believes something less than 100 percent is a place to start. He said that he was in agreement with the percentage basis for the credit and asked if we considered a tiered structure within the CAP program. Mr. Kim replied that we have not considered a tiered CAP program and it was structured to provide the same benefit for all who qualify.

Board Chairman Brown suggested that the Committees take the matter under advisement and consider management's recommendation at a later date. The members were in agreement. The Committees decided to postpone the decision until the additional analysis was provided.

Adjournment

The meeting was adjourned at 10.53 a.m.

FOLLOW-UP ITEMS – Joint Meeting of the DC Retail Water and Sewer Rates and Finance and Budget Committees (September 27, 2016)

1. Provide additional analysis on implementing an expansion of the CAP program to include a CRIAC credit by providing a fixed ERU credit, fixed dollar credit or percent of CRIAC credit (50% or 100%). (Acting Chairperson Ms. Butani) Status: next Committee meeting.
2. Provide history of enrollment in the CAP program. Whenever the CAP program was expanded, was there increase in the enrollment. (Acting Chairperson Ms. Butani, Ms. Boardman & Ms. Harvey) Status: next Committee meeting.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY
Board of Directors
Finance and Budget Committee
Tuesday, September 27, 2016
11:00 a.m.
MEETING MINUTES**

Committee Members

Timothy L. Firestine, Committee Chairperson
Matthew Brown, Board Chairman
Howard Gibbs
Sarah Motsch
Adam Ortiz

DC Water Staff

Mark Kim, Chief Financial Officer
Henderson Brown, General Counsel
Paul Guttridge, Manager, Program Serv., DETS
Linda Manley, Board Secretary

Call to Order

Chairperson Timothy L. Firestine called the meeting to order at 11:00 a.m.

August 2016 Financial Report and Year End Projections

Mr. Mark Kim, CFO, reported that with 92 percent of the fiscal year completed, financials are on track with budgetary expectations and targeted performance metrics through this reporting period with the exclusion of capital disbursements. As previously reported to the Committee, overspending in capital construction costs this fiscal year is expected to be offset by underspending in the capital equipment category.

Total revenues, at \$552 million or 95 percent of budget, are projected to be slightly above budget at year end. He noted that the lag in the Water System Replacement Fee is primarily due to the timing of the federal government bills and the revenues will be received as part of the federal true-up process.

Operating expenses total \$421.7 million or 78 percent of budget, with underspending projected in all categories but personnel services at year end.

In response to an enquiry by Mr. Matthew Brown, Mr. Kim responded that board members received, via email, the contributions and withdrawals schedule for the Rate Stabilization Fund.

Capital Improvement Program Quarterly Update

Mr. Paul Guttridge, Manager Program Services from the Department of Engineering & Technical Services (DETS), provided the quarterly update for the capital construction projects. As of the third quarter of FY 2016, year-end capital project disbursements are projected to be \$15 million, or 3 percent over the baseline budget of \$499 million. Mr. Guttridge provided detailed explanation on the significant project variances within the service areas. The larger than anticipated disbursements in Sanitary Sewer service area are related to slow start of the Small Local Rehab 4 contract and largely to repairs required to the sewer system by the Sewer on-going projects; and Water service area larger than anticipated disbursements are primarily due to additional paving and repairs undertaken by the water on-going projects. The major service areas with underspending are in the Non Process Facilities for the Fleet Management facility due to the ongoing Fleet Facility relocation coordination between DC Water and the DC Government; and Wastewater Treatment service area for the New Digester Facilities due to delayed release of retention pending the final stages of contract closeout negotiation for the Combined Heat and Power contract. He also noted that the Priority 1 Projects are on schedule and within budget.

Environmental Impact Bond Financing Update

Mr. Kim informed the Committee that the closing date for this transaction is scheduled for Thursday, September 29, with a pre-close set for Wednesday, September 28. All materials and conditions of the bond have been negotiated and agreed upon. He noted that updated information will be provided to the Board members via email and included in the General Manager's dashboard report.

Action Items

The Committee reviewed and recommended the following contracts for the Board's consideration:

1. Financial Advisory/Investment Services - Public Financial Management
2. Financial Services - SPS Consulting, LLC

The action item for the Expansion of the CAP Program is to be revisited at a future date based on the discussions at the Joint Committee meeting.

Adjournment

Hearing no further business Chairperson Firestine adjourned the meeting at 11:22 am.

Follow-up Items

1. Provide the Board with the details of the final negotiation on the Environmental Impact Bond financing in comparison to the assumptions that were originally reviewed by the Board. **(Chairperson Firestine)**



MANAGER'S

ber 2016

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Interpretation of Charts A

Color Key

Red	Did not meet Target
Yellow	Missed Target but within acceptable range
Green	Met/Exceeded Target
Gray	Budget/Target Value
<transparent>	Green/Yellow/Red based on comparison

Message from the CEO/GM

As I sit to write this report, rain falls steadily at Blue Plains and the entire region is beset by several days of downpours. I am reminded again of our folks on Team Blue who are out in the city at this moment – cleaning storm drains and preparing for flood response. We have had a busy month!

Environmental Impact Bond

On September 29, DC Water issued the nation's first Environmental Impact Bond (EIB) to fund the initial green infrastructure project in its DC Clean Rivers Project. This deal uses a new financial instrument to fund environmental capital projects. The \$25 million, tax-exempt EIB was sold in a private placement to the Goldman Sachs Urban Investment Group and Calvert Foundation. The proceeds of the bond will be used to construct green infrastructure practices designed to mimic natural processes to absorb and slow surges of stormwater during periods of heavy rainfall, reducing the incidence and volume of combined sewer overflows (CSOs) that pollute the District's waterways.

The EIB allows DC Water to attract investment in green infrastructure through an innovative financing technique whereby the costs of installing the green infrastructure are paid for by DC Water, but the performance risk of the green infrastructure in managing stormwater runoff is shared amongst DC Water and the investors. As a result, payments on the EIB may vary based on the proven success of the environmental intervention as measured by a rigorous evaluation. By financing this project through the EIB, DC Water seeks to create a model funding mechanism that other municipalities can leverage to advance the use of green infrastructure to address stormwater management in their communities.

I want to congratulate once again our CFO Mark Kim and Team FAB (Finance, Accounting and Budget) and for excellent analytical work from Carlton Ray and Bethany Bezak, and their colleagues in the Clean Rivers Program. This also represents a wonderful partnership with many fine organizations: Public Financial Management, Inc. (Financial Advisor); Squire Patton Boggs LLP (Bond Counsel); Harvard Kennedy School Government Performance Lab (Technical Advisor); Quantified Ventures (Pay for Success Transaction Coordinator); and Orrick, Herrington & Sutcliffe LLP (Investors' Counsel).

Tragedy at McMillan

Between 7 and 8 pm on Saturday, September 10, I received an ominous call from Jonathan Reeves, chief of our emergency response program. Jonathan reported that the security guard at McMillan reservoir reported that a body was floating in the reservoir. Police and Fire & EMS were called immediately and pulled a body of a deceased male out of the reservoir. DC Water immediately engaged our emergency response system and had our team on the line by 9 pm. Although the McMillan reservoir holds water prior to treatment, we orchestrated taking the reservoir out of service to be sure no unknown contamination put our customers at risk. Resources were deployed to determine a strategy of additional monitoring and disinfection, and USEPA, the DC Department of Health, Fire & EMS, DC Homeland Security and Emergency Management Agency and a host of others were informed. We communicated with the media about what had happened and how we were taking immediate steps to protect the public. By mid-afternoon the next day, after consultation with USEPA, the Aqueduct and DC Water determined that there was no threat and the reservoir was placed back in service.

Message from the CEO/GM

There are several key takeaways. First, I am comforted by the speed and skill of our emergency response efforts. We mobilized almost instantly and had numerous personnel from every relevant office either on-site or in contact. I am gratified by this effort and our collective work to take the right steps in the face of an unexpected tragedy and challenge. Second, while some thought we might have over-reacted – I was certain that a full response was necessary. I was mindful of the date (on the eve of the September 11 anniversary) and the many uncertainties we face in our world today, and wanted to be sure we were extra protective rather than otherwise. Third, we work extremely well with the Aqueduct. Our interactions with our federal partner were smooth and efficient. Fourth, while there was not risk to the water supply, we are all greatly worried about how someone was able to breach the fencing network surrounding the reservoir and gain access to this water source. We are working diligently with the Aqueduct to improve this part of their operation. Finally, I am impressed by how this story was presented in the press – in comparison to what it might have been given the date and other crime stories in the city. We have worked long and hard to develop a respectful and open relationship with the media, and I think that credibility paid off in this case. We will continue to be diligent and learn from these moments. Although I do hope not to have another call like that anytime soon.

Healthiest Company

As I mentioned at the last Board meeting, we were awarded on September 26 the Healthiest Company Award for 1000+ employee companies (the category for the biggest companies) from SmartCEO. This is one of my favorite awards, for it highlights an absolute truth – which is that DC Water will only be as good as its people, and its people will only be as good as their health and broader welfare. Led by Otho Milbourne, DC Water's superb supervisor of total rewards, and guided by Human Capital Management Director Rick Green and Assistant General Manager Rosalind Inge, we have built a comprehensive program to support the health and welfare of employees. This program includes medical and health assessments, fun health and exercise challenges, on-site professional advice and services, and tailored plans for individual employees. I am a prime example of the potential for this program, as an on-site assessment led me to discover I have high blood sugars, which inspired me to an exercise and diet regime I have now followed for many years. I am hugely proud of this effort and note that DC Water is the only public entity to be awarded in our class, along with well-known companies like Booz Allen Hamilton, Dixon Hughes Goodman and Neustar. Congratulations to our team for building this program, and even more so, to our employees for taking advantage of it.

NIAC

I was sworn in on September 16, 2016 to be a member of the National Infrastructure Advisory Council (NIAC) by Department of Homeland Security Deputy Director Caitlin Durkovich. I am now in the process to gain the security clearance from DHS to hear classified information on threats to infrastructure, and also have learned that I will serve until I request to step off the NIAC in a written letter to the then-serving President of the United States. I am tremendously honored to have been nominated by President Obama, and hope I can both advance the direction of infrastructure investment and security in the water arena, and also learn about these areas for the benefit of our ratepayers.

Message from the CEO/GM

WEFTEC

A significant contingent of DC Water personnel attended and participated in WEFTEC in New Orleans – the largest annual conference in the world for water professionals. DC Water personnel were presenting 16 different programs to our colleagues in the industry, from highly technical research to approaches on emergency management and customer engagement. Each year we strive to compare ourselves to the best in the world – sometimes providing a good model for others, and many times learning and hearing of practices and approaches that will improve our services here. I am pleased to note that we were one of a select group of utilities to receive the first annual “Utility of the Future” Award, and I was honored to receive the Public Officials Award from the Water Environment Federation (the enterprise that sponsors WEFTEC.) My ultimate goal is to ensure we are delivering world class service to our ratepayers and learning from anyone and everyone who can help us get there.

External Affairs

Website: Session totals for the period of August 16 through September 15, 2015
Total Sessions: 83,574
New Sessions: 37,190

Government Relations

DC Water coordinated with the Office of Mayor Bowser and NACWA regarding the language in Bill B21-0833 the “Nonwoven Disposable Products Act of 2016”.

Press Releases

- Sept 15: DC Water Offers Flood-proofing Rebate Program for Residents in Bloomingdale and LeDroit Park Neighborhoods
- Sept 15: Anacostia River Tunnel Construction Brings Closure to I-295 Southbound Onramp
- Aug 24: Two DC Water executives earn prestigious honors from international water quality organization;
- Aug 22: DC Water Builds First Water Tower Since 1945

Media Coverage:

A sampling of some of the most noteworthy Authority-related news clips during the month:

- [Sewage backup floods DC homes, leaving smelly mess behind](#)
(WJLA-7 / August 18, 2016)
- [Groups sue EPA over cleanup standards for DC’s sewage-tainted rivers](#)
(Chesapeake Bay Journal / August 19, 2016)
- [DC officials ready to build 1st water tower since 1945](#)
(WUSA-9 / August 22, 2016)
- [DC Water project and chiefs earn honors](#)
(TunnelTalk / August 25, 2016)
- [D.C. stormwater credit could be a role model for other cities](#)
(Green Biz / September 1, 2016)
- [D.C.’s Social Impact Bond Deal Will Fund Infrastructure](#)
(Bond Buyer / September 2, 2016)

Message from the CEO/GM

- [Reservoir treated with extra chlorine after body found](#)
(Washington Post / September 13, 2016)

Meetings/Presentations/Events

- Each year, DC Water supports a large number of Back to School events hosted by agencies and organizations across the District. The fourth in this year's series of events was a Ward 8 Community Back To School event, hosted by DC Public Library. In support of this event, DC Water provided its Water Drop Mascot, Misting Tent, Cooling Station, information and giveaways.
- DC Water attended the August monthly meeting of the Trinidad Neighborhood Association to provide discussion on the following topics: upcoming utility relocation work in the local area as part of the future Northeast Boundary Tunnel construction project; water quality (lead, water treatment chemicals & home lead testing kits); tips on water conservation inside the home; impacts of new development on local water supply, water pressure and sewers; ongoing work to improved aged water and sewer infrastructure throughout the Trinidad neighborhood.
- DC Water hosted its first Family Water Festival, a free, outdoor family-friendly celebration that included interactive games and exhibits for children and adults, all geared to raise awareness of water resources and promote environmental stewardship among District residents and visitors. More than 500 residents and visitors were in attendance, and DC Water enlisted the services of a number of vendors including TJ's Soul Food Kitchen Services, Rita's Italian Ice, James Creel and his Ballooney, and DC Department of Parks and Recreation. Hosted at DC Water's historic Bryant Street Pumping Station, the Family Water Festival also commemorated the near-completion of the First Street Tunnel, a medium-term solution to persistent flooding conditions in the Bloomingdale and LeDroit Park neighborhoods. While this was a public event, a special invitation was extended to residents in these neighborhoods.
- DC Water attended the 38th annual Adams Morgan Day Festival, providing its Water Drop Mascot, Cooling Station, information and giveaways.
- In support of its Northeast Boundary Tunnel Project, DC Water is embarking on a series of on-site meetings with residents in the specific blocks where future construction activities will take place. The first of these meetings occurred at the intersection of 6th Street, NW and Rhode Island Avenue, NW.
- The second NEBT block meeting occurred at the intersection of 3rd Street, NW and S Street, NW.

Drinking Water Marketing and Communications

- External Affairs promoted drinking tap water and tap water safety during a partnership campaign with Capital Bikeshare. External affairs set up a cooling station with tap water and reusable water bottles next to bikeshare stations during the morning commute hours on 8/16, 8/23, and 8/30. In total, approximately 350 people attended.
- External Affairs presented at the Trinidad community meeting on 8/23 about water conservation.
- External Affairs presented at ANC 1B's monthly meeting about lead and minimizing lead exposure on 9/1.

Message from the CEO/GM

- External Affairs continues to participate with the interdepartmental lead strategy group to consolidate DC Water's lead information and strategize about lead service line removals.
- External Affairs conducted the tap water taste test during DC Water's family water festival on 9/10.
- External Affairs participated in the quarterly regional Drinking Water Source Protection Partnership meeting.

Customer Newsletter

The September bill insert was a double issue dedicated to National Preparedness Month, describing DC Water's Office of Emergency Management, its function and accomplishments, and gave customers a variety of preparation tips including: 1) how to find their emergency shut off valve, 2) how much water to store in advance of an emergency, 3) how to conserve water in an emergency, 4) how to sign up for emergency alerts from DC Water, AlertDC, and to register for DC Water's critical customer database. Finally, customers were reminded that if they see something suspicious to say something.

Tours

- 20 DCHR Fellows
- 15 members of the Accenture DC Metro ECO Team
- 15 sustainability directors from The Tower Companies
- 10 engineers from DC Infrastructure Observatory
- 4 representatives from GE Corporate
- 20 members from EPA Climate Change
- 15 members of the Federal Water Quality Association

Message from the CEO/GM

Social Media







Twitter	7/16 - 8/15	Fiscal Year to date total 7/16 – 8/15
New Followers	245	3,931
Total Followers	13,458	13,458
Mentions	416	7,411
Retweets	165	4,146
Likes	352	6,169
Facebook		
New Fans	49	2,294
Total Fans	2,294	2,294
Impressions	32,171	740,759
Users	18,381	359,958
Engagements	349	5,110
Instagram		
New Followers	60	399
Followers	739	739
Likes	286	2,985
Comments	15	127

ORGANIZATIONAL PERFORMANCE DASHBOARD (AUGUST, 2016)

Financial Highlights

Net Operating Cash Actual 123427 Target 68706 (\$ tho)	Operating Revenues Actual 552 Target 532 (\$ mil)	Operating Expenses Actual 422 Target 496 (\$ mil)	Capital Disbursements Actual 519 Target 512 (\$ mil)
Operating Cash Balance Actual 158 Target 126 (\$ mil)	Delinquent Account Receivables Actual 2 Target 3 (%)	Core Investments Yield Actual 1.13 Target 0.79 (%)	Short Term Investment Yield Actual 0.62 Target 0.25 (%)

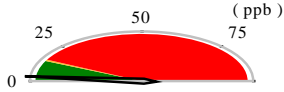
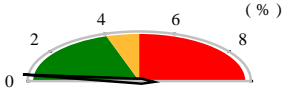
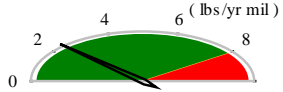
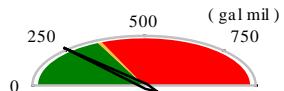
Customer Care and Operations Highlights

Call Center Performance  Aug 88 85 (% of calls rec)	Command Center Performance  Aug 90 85 (% of calls rec)	First Call Resolution  Aug 82 75 (% of calls rec)	Emergency Response Time  Aug 100 90 (% of calls rec)
Fire Hydrants out of Service  Aug 32 96 (count)	Fire Hydrant Insps. and Maint. 1346 (count)	Fire Hydrants Replaced  Aug 103 250 (YTD count)	Permit Processing within SLA 84 (%)

Low Income Assistance Program

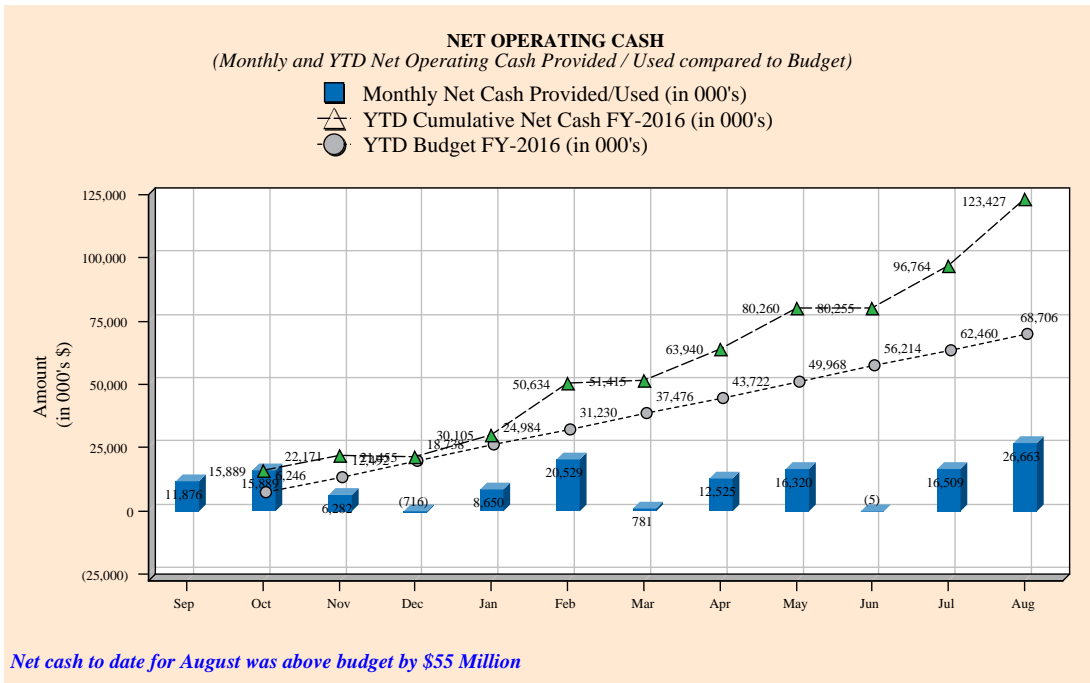
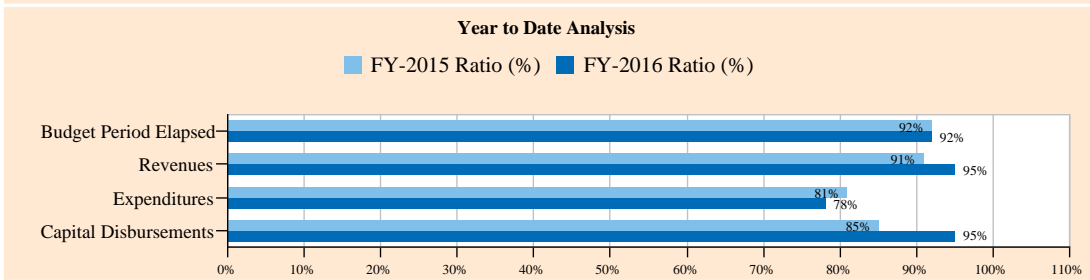
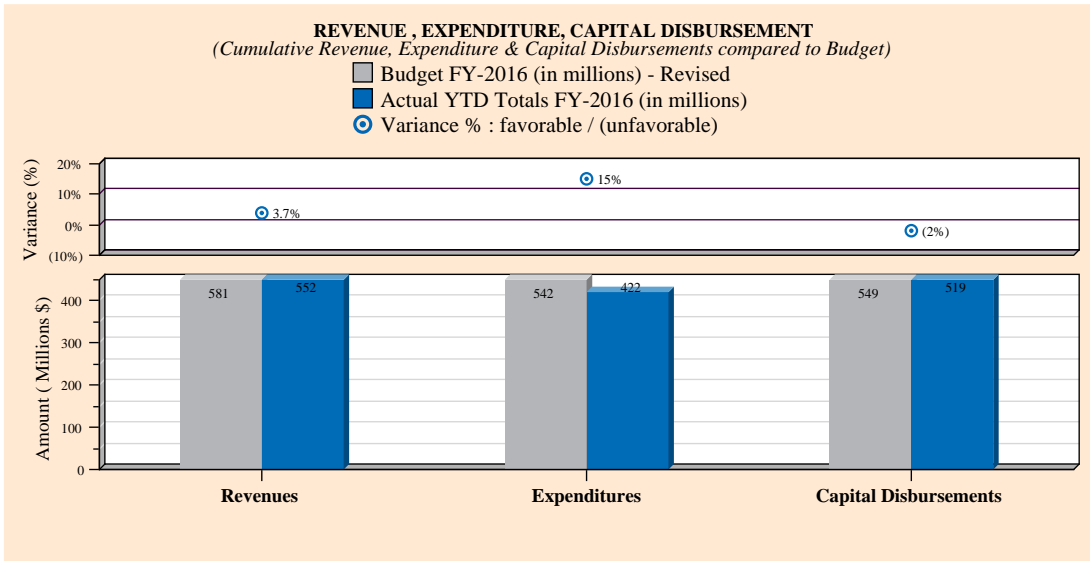
Splash Contributions Actual 94 Target 73 (\$ tho)	Customer Assistance Program Previous 133 Current 96 (\$ tho)
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Operational Highlights

Lead Concentration 0 25 50 75 (ppb) 	Total Coliform Rule 0 2 4 6 8 (%) 	Biosolids Production 449 (wet tons)	Total Nitrogen 0 2 4 6 8 (lbs/yr mil) 
Plant Effluent Flow 0 250 500 750 (gal mil) 	Excess Flow 5 (gal mil)	Water Main Leaks 31 (count)	Water Valve Leaks 0 (count)
Non-Revenue Water Sold 8 Purchased 12 (CCF mil)	Sewer Main Backups 10 (count)	Sewer Lateral Backups 187 (count)	Dry Weather CSO 0 (events)
Recruitment Activity Filled 57 Open 114 (count)	Electricity Usage 16223 (MWh)	Employee Lost Time Accidents 6 (count)	Vendor Payments Actual 98 Target 97 (%)

FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE SUMMARY



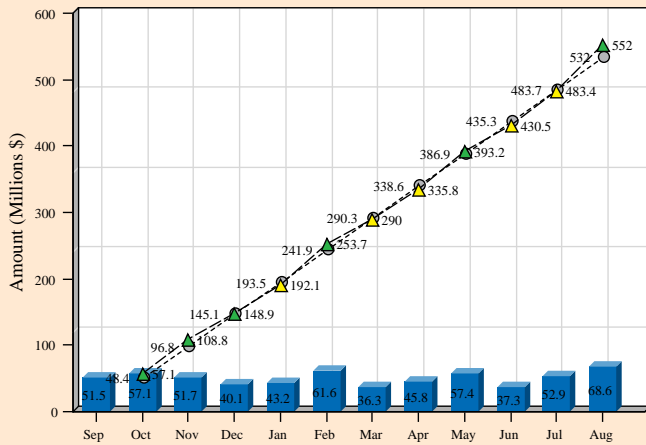
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- △ YTD Cumulative Revenue FY-2016
- YTD Cumulative Budget FY-2016

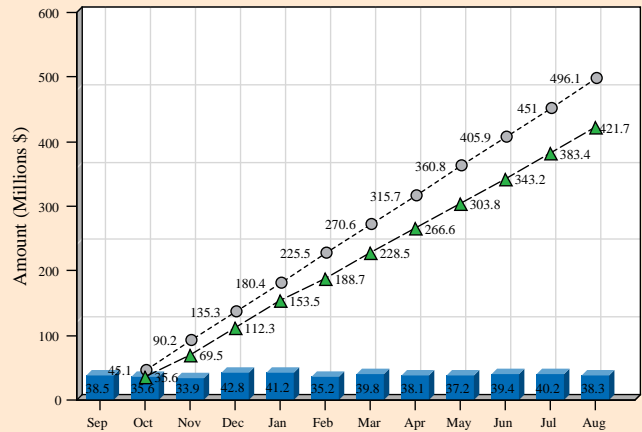


Revenue to date for August was above Budget by \$20 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- △ YTD Cumulative Expenditure FY-2016
- YTD Cumulative Budget FY-2016



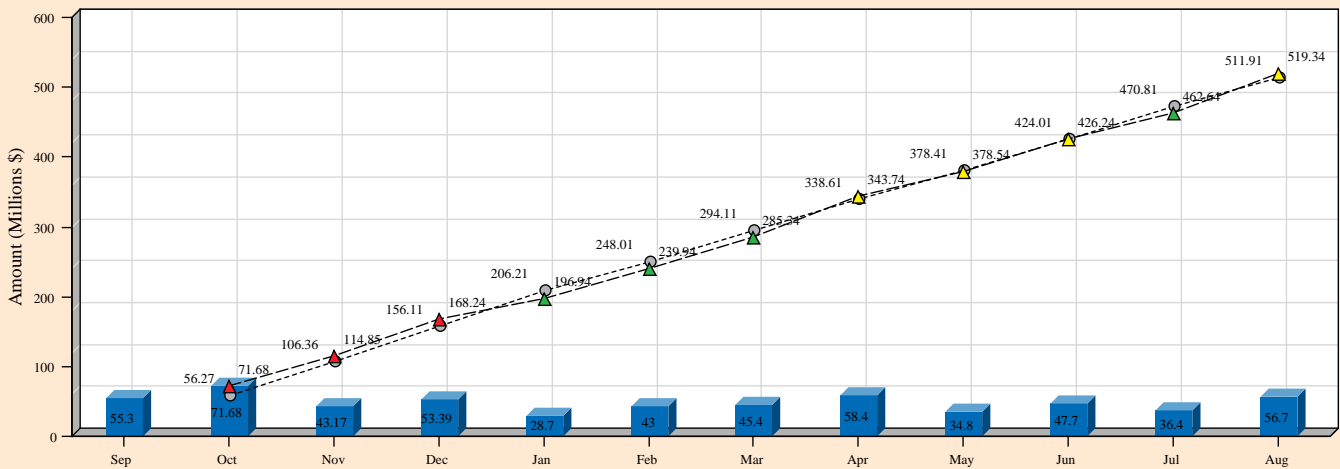
Expenditure to date for August was below budget by \$74 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- △ YTD Cumulative Disbursements FY-2016
- YTD Cumulative Budget FY-2016



Disbursements to date for August were above budget by \$8 Million

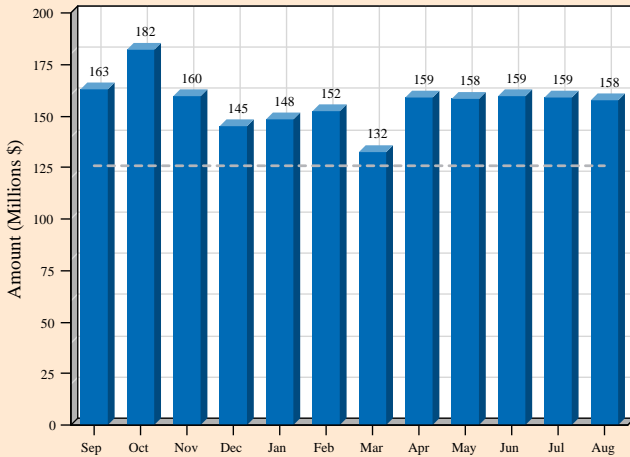
FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- Actual Cash Balance FY-2016
- - - Operating Reserve Target - (126 Million)

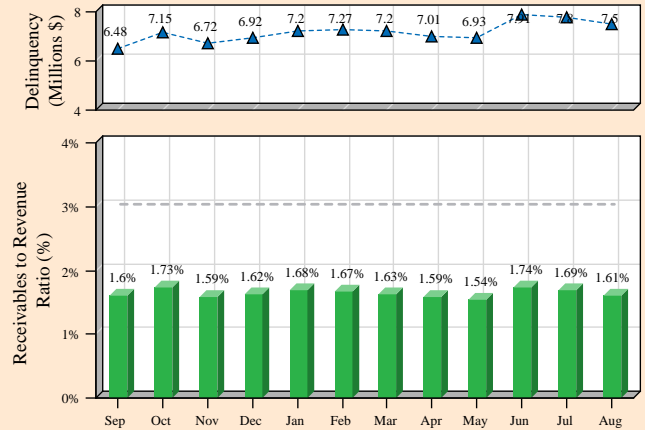


Cash Balance for August was above target by \$32 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

- Receivables to Revenue Ratio
- ▲ Delinquencies FY-2016 (in millions)
- - - Target: Receivables to Revenue Ratio (3%)



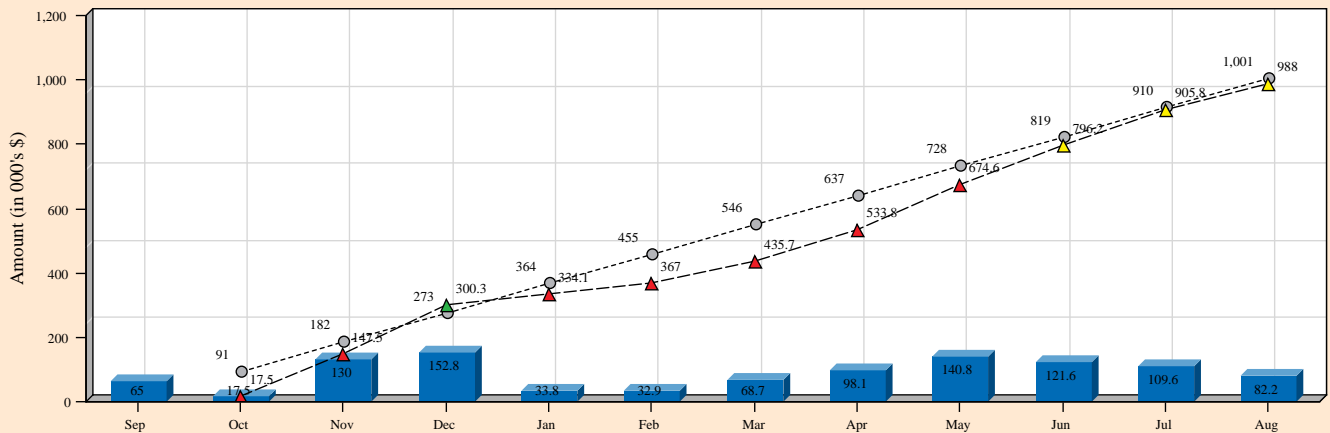
August Receivables to Revenue Ratio 1.6%, Delinquency \$7.5 Million

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- Monthly Earnings (in 000's)
- ▲ YTD Cumulative Earnings FY-2016 (in 000's)
- YTD Cumulative Earnings Budget FY-2016 (in 000's)



Earnings to date for August were below Projected Budget by \$13,000

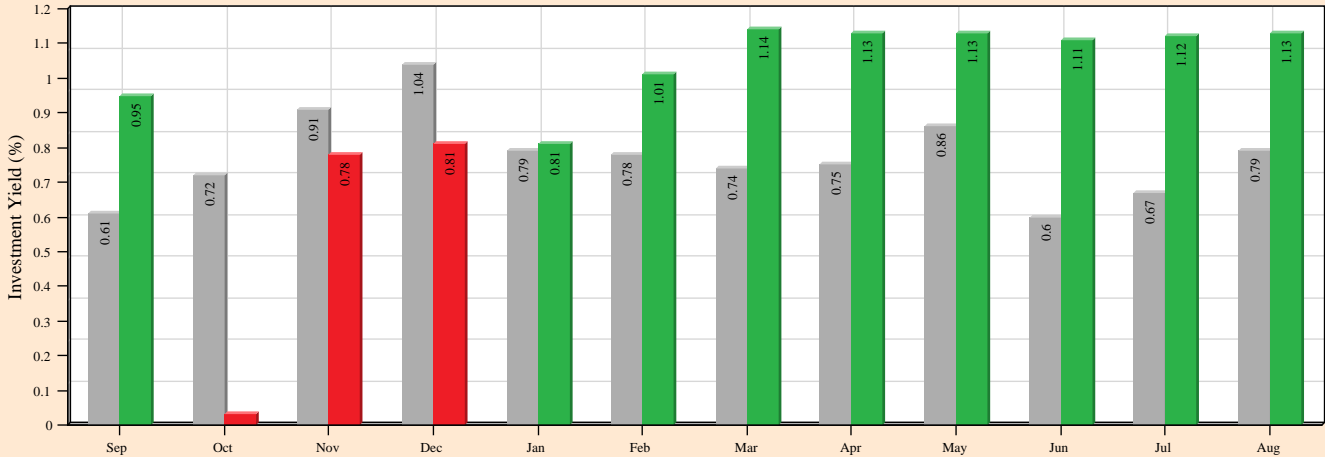
FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark

- Actual Monthly Yield (%)
- Merrill Lynch 1-3 Year Treasury Index - Book Value (%)

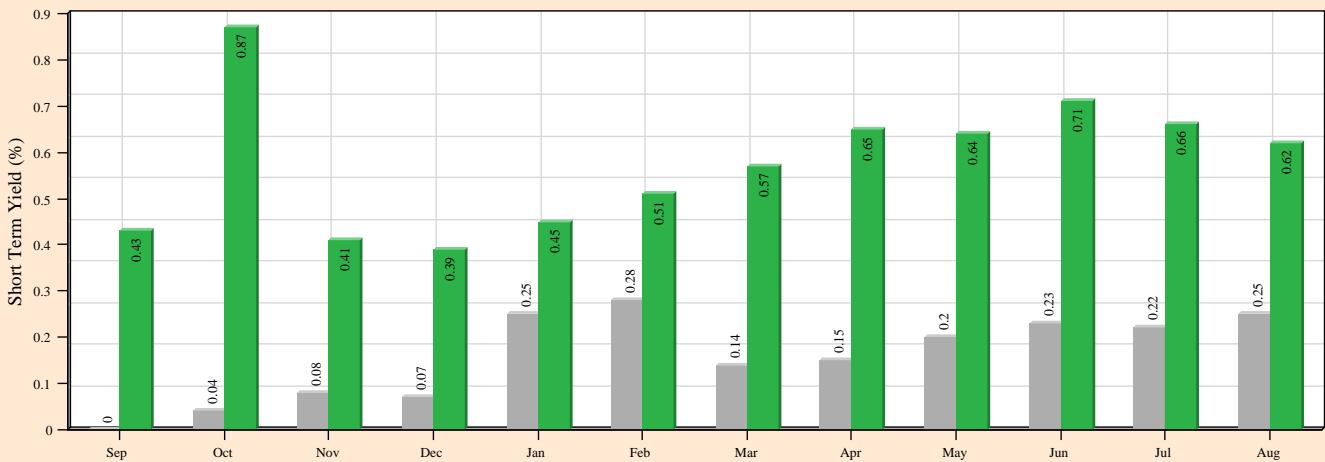


Yield for August was higher than the treasury index by 0.34%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark

- Actual Monthly Yield (%)
- Merrill Lynch 3-Month Treasury Index - Book Value (%)



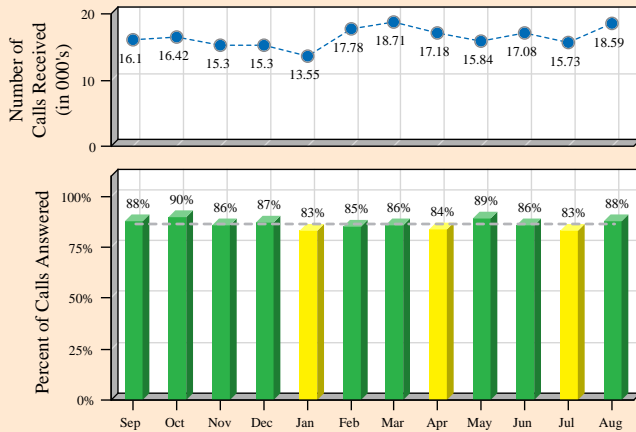
Short Term Yield for August was higher than the Merill Lynch yield by 0.37%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

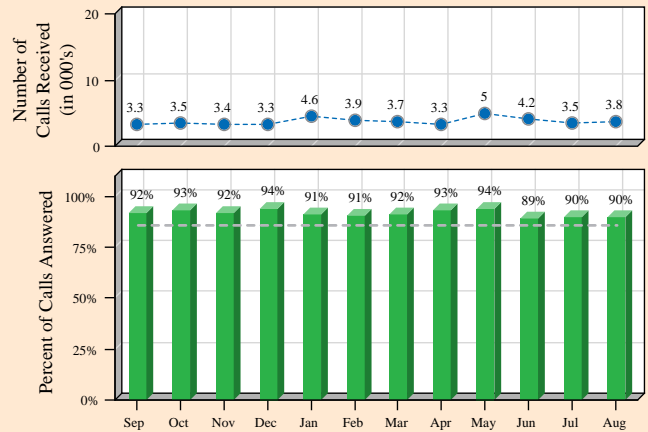
- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target -Call Center (85%)



Performance for August was above target by 3%

COMMAND CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

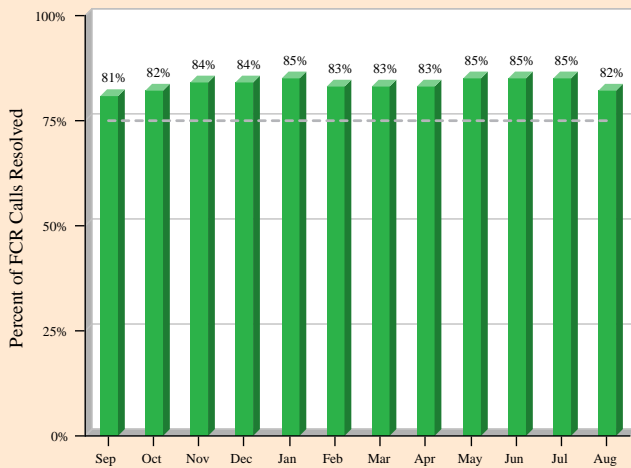
- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target -Command Center (85%)



Performance for August was above target by 5%

FIRST CALL RESOLUTION (FCR)
Calls resolved on first contact compared to Target

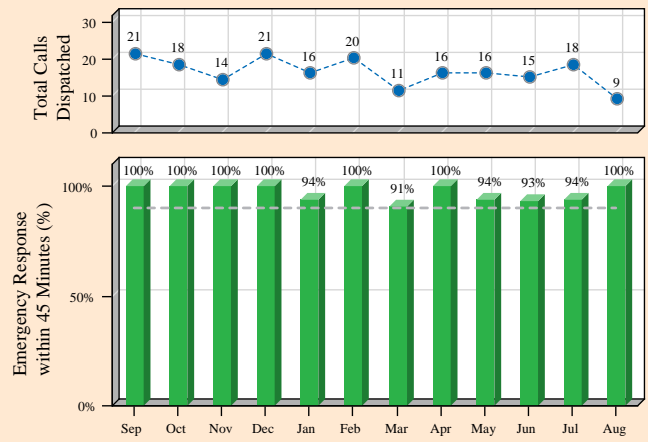
- FCR (%)
- FCR Target (75%)



Performance for August was above target by 7%

EMERGENCY RESPONSE TIME
Calls responded to within 45 Minutes compared to Target

- Response (%) within Target
- Total Emergency Calls Dispatched
- Response Target (90%)



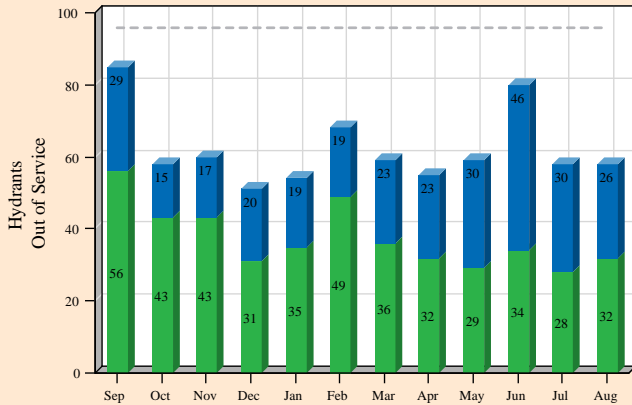
Performance for August was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

FIRE HYDRANTS OUT OF SERVICE (OOS)
Total Hydrants Out of Service against Target

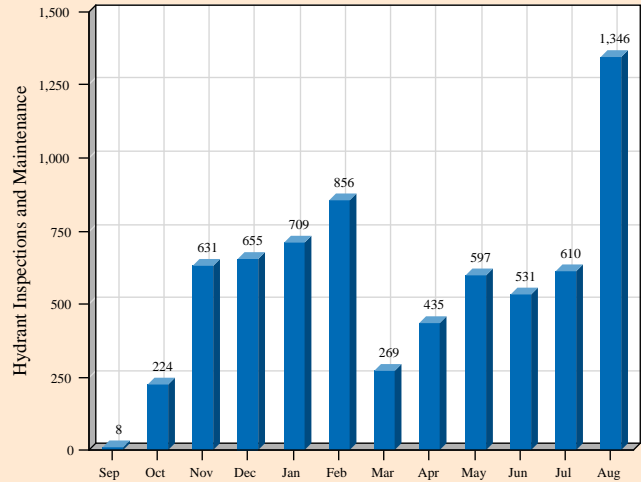
- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

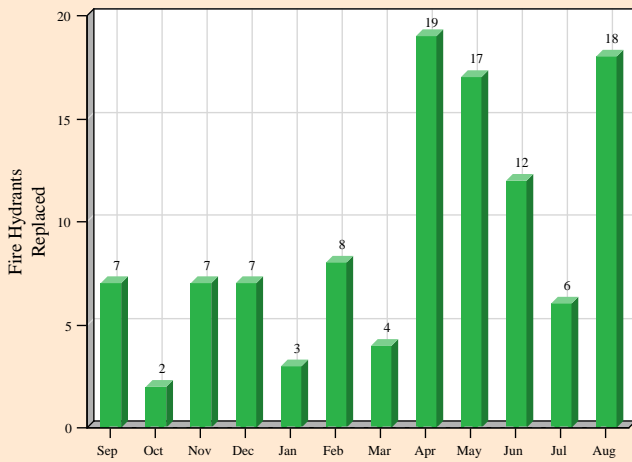
- Hydrant Inspections and Maintenance



FIRE HYDRANT REPLACEMENTS

Total Hydrants Replaced per Month

- Hydrants Replaced
- Annual Replacement Target (250)



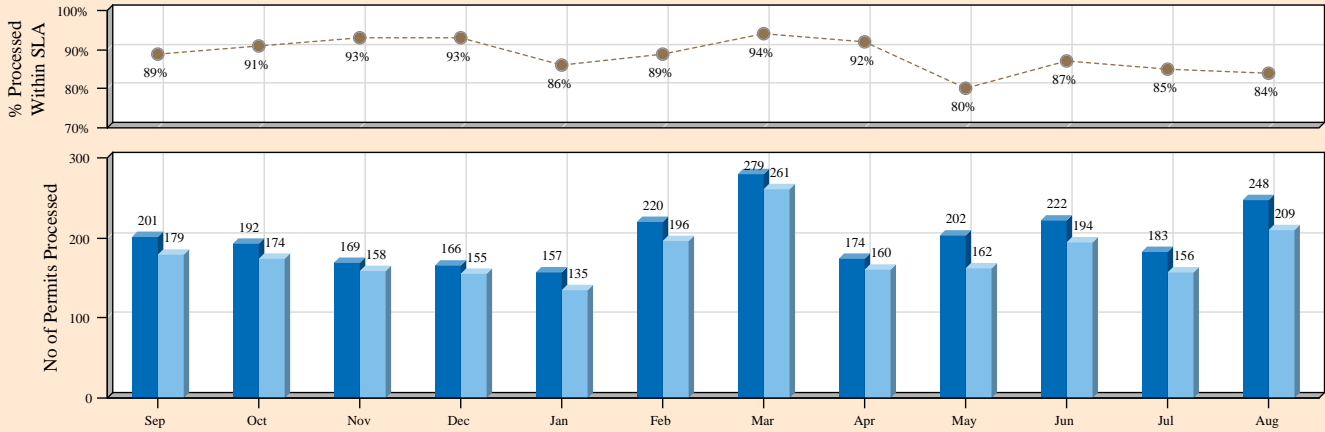
Total replacements as of August were 103 against annual projections of 250

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

TOTAL APPLICATIONS PROCESSED WITHIN SERVICE LEVEL AGREEMENT (SLA)

- Total No of Applications Processed
- Total No of Applications Processed within SLA
- Percent (%) Processed within SLA



SLA Examples: Raze Permit - 14days, Sheeting and Shoring - 14 days, Preliminary Plan Review - 45 days

Permits not processed within SLA in August were 16% Note that different SLA's range from 7 days to 45 days

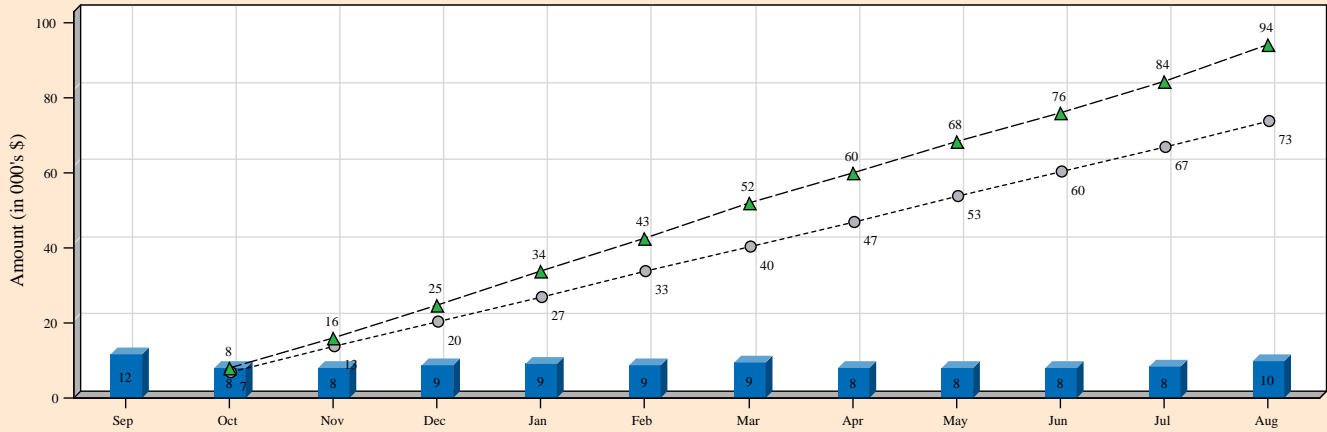
LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

- Monthly Contributions (in 000's)
- ▲ YTD Cumulative Contributions FY-2016 (in 000's)
- Projected YTD Target FY-2016 (in 000's)



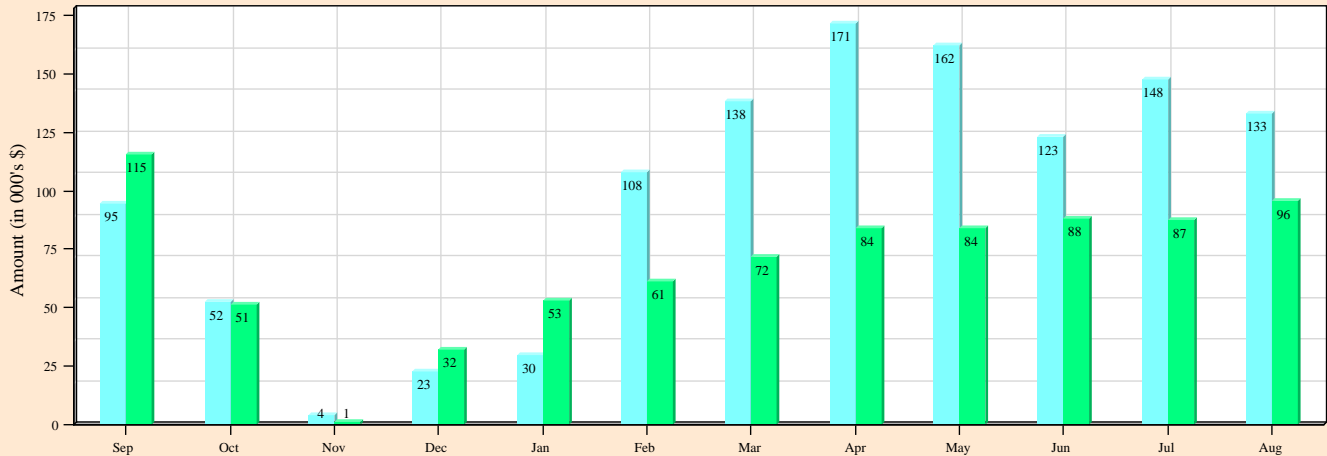
Total SPLASH Contributions to date for August were above target by \$21,000

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods

- Actual Monthly Amount - Previous Year (in 000's)
- Actual Monthly Amount - Current Year (in 000's)

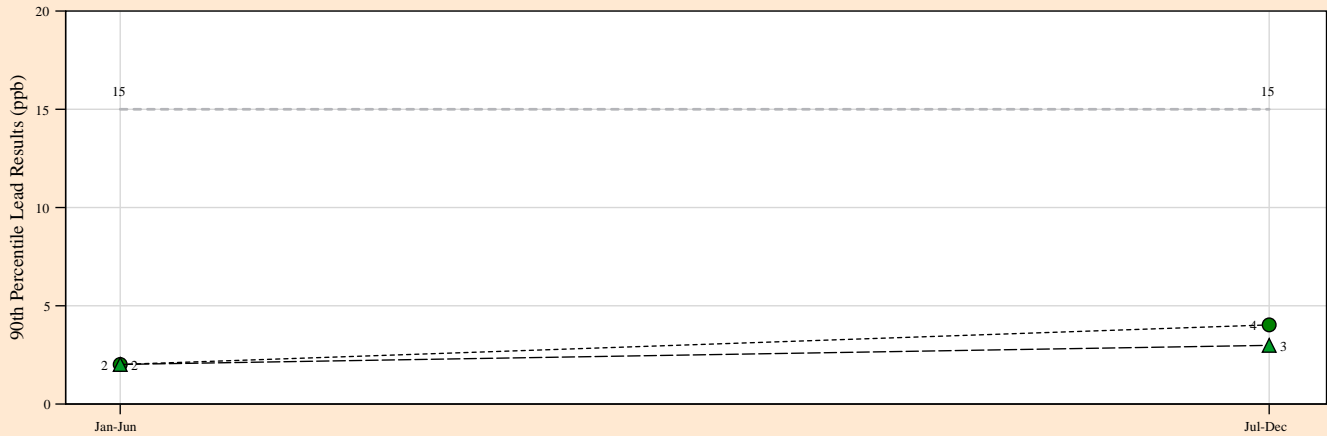


OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE
Semi-Annual LCR Monitoring Results

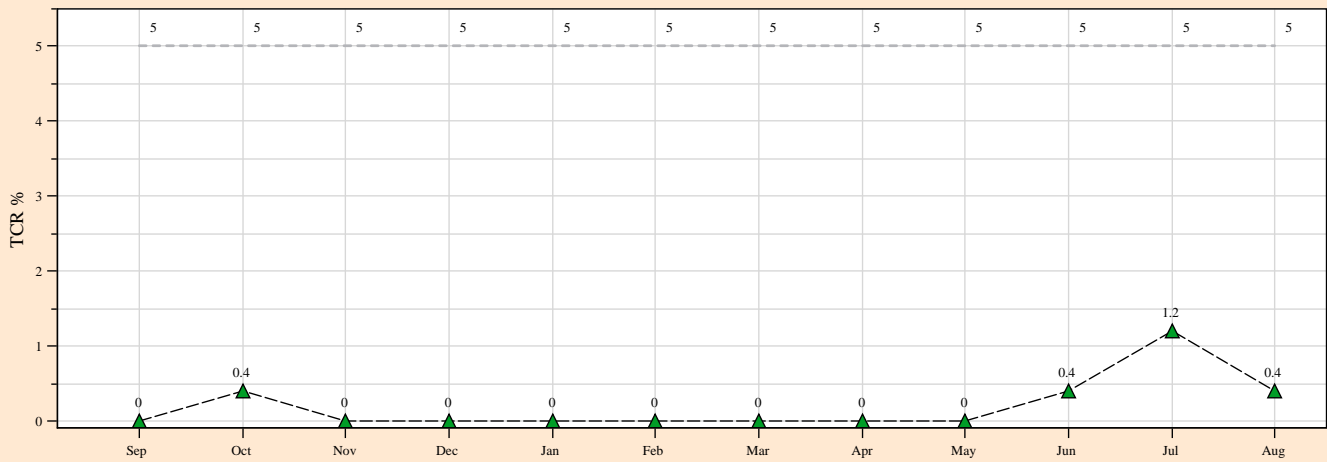
- 2015 LCR Results
- △ 2016 LCR Results
- Action Level : 15 parts per billion (ppb)



Jul-Dec 2016 results to date

TOTAL COLIFORM RULE (TCR)
Total Coliform Positives compared to EPA Maximum Contaminant Level (MCL)

- △ TCR Level
- EPA Maximum Contaminant Level (5%)



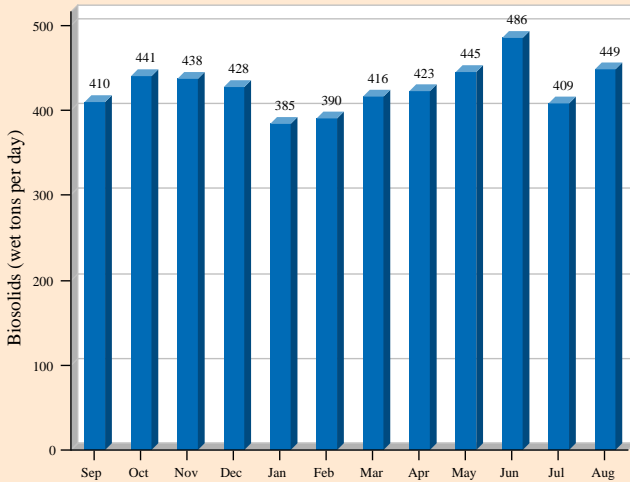
Coliform Positives were recorded in August at 0.4%

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION
Average Daily Biosolids Production

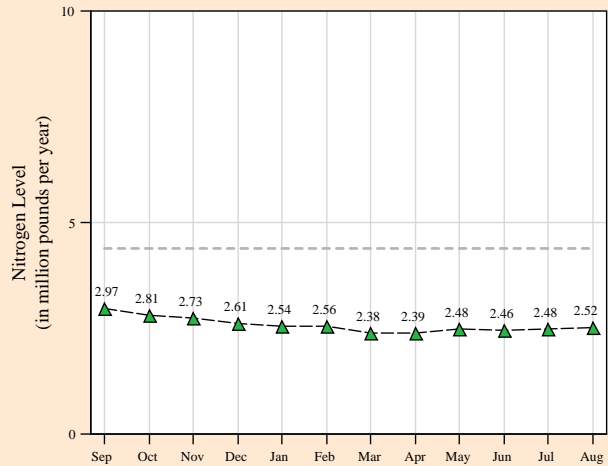
■ Average Daily Biosolids Hauled



Biosolids Average Daily Production for August was 449 wet tons per day

TOTAL NITROGEN
Total Nitrogen compared to New Permit Levels

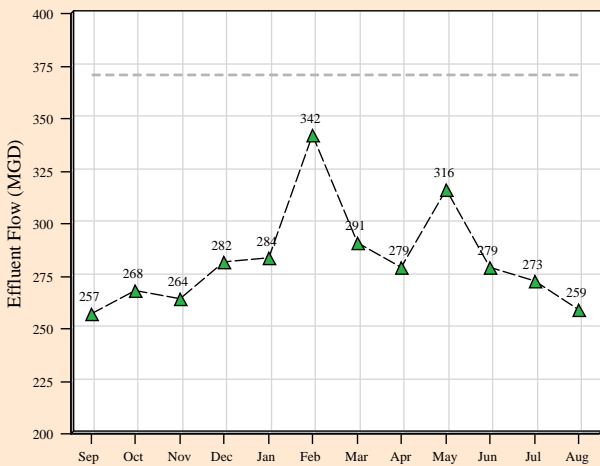
△ Nitrogen Annually Load (lbs/yr)
--- New Permit Limit - 4.38 Million (lbs/yr)



Nitrogen level for August was below permit by 1.9 million lbs/yr

PLANT EFFLUENT FLOW
Effluent Flow compared to Plant Design Average Limit

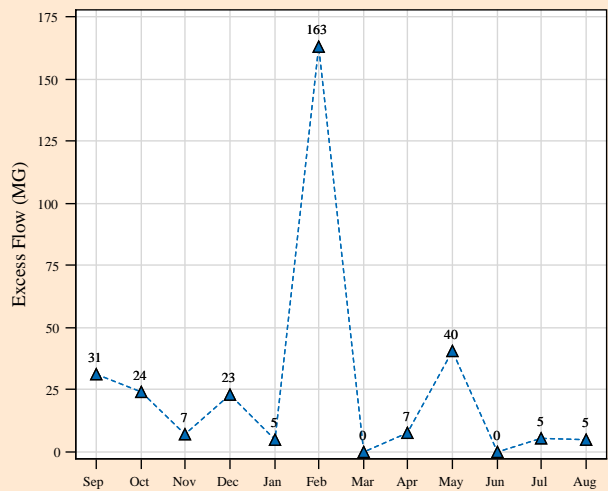
△ Effluent Flow
--- Design Average (370 mgd)



In August, Effluent flow was below design by 111 MGD

EXCESS FLOW

△ Excess Flow

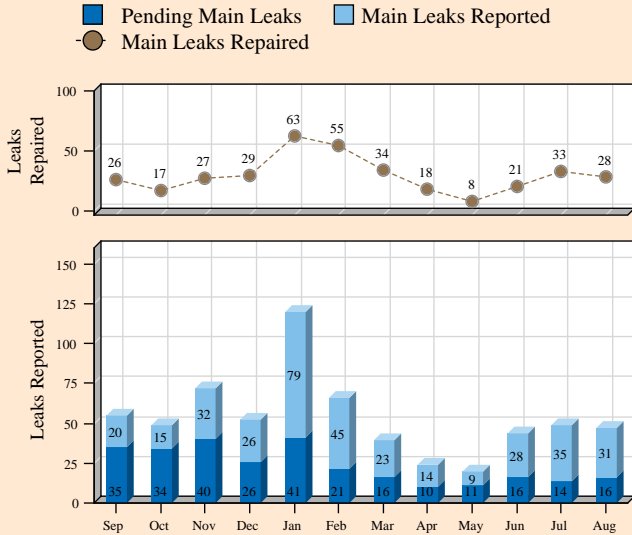


5 Million Gallons per day excess flow was recorded in August 2016

OPERATIONAL HIGHLIGHTS

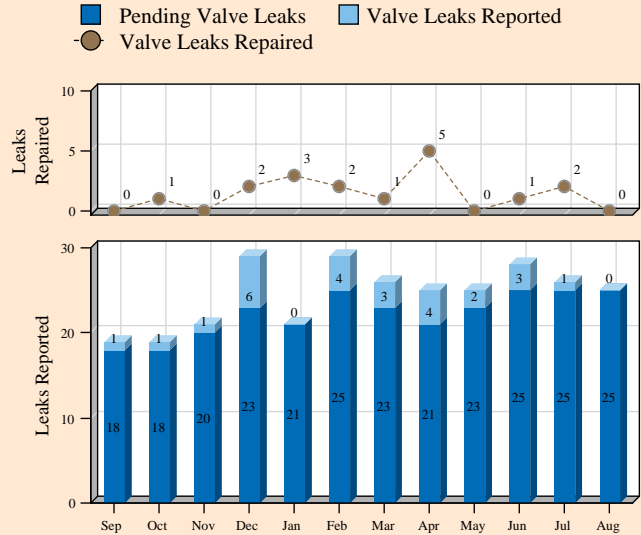
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 31 main leaks reported in August

WATER VALVE LEAKS



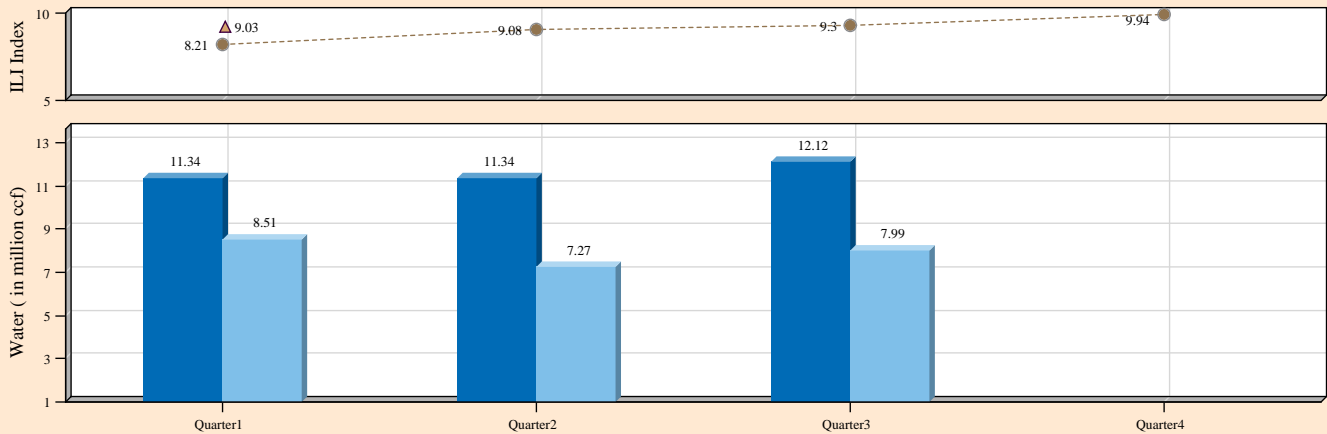
No leaks were resolved in August

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter

- FY-2016: Water Purchased
- FY-2016: Water Sold
- FY-2015: Infrastructure Leakage Index
- ▲ FY-2016: Infrastructure Leakage Index



In the 3rd quarter 8 out of 12.1 million cubic feet of water was sold

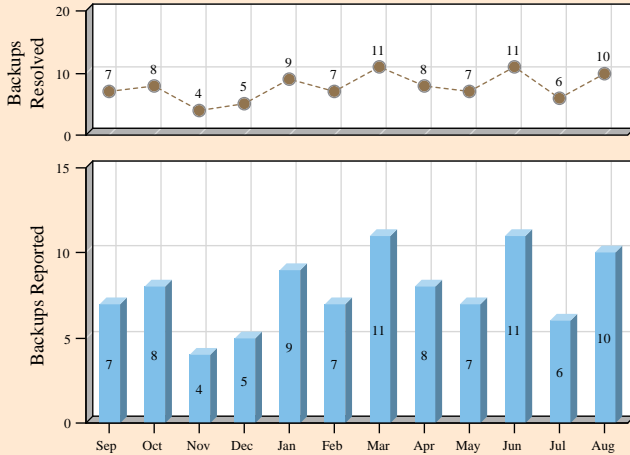
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

- Pending Main Backups
- Main Backups Reported
- Main Backups Resolved

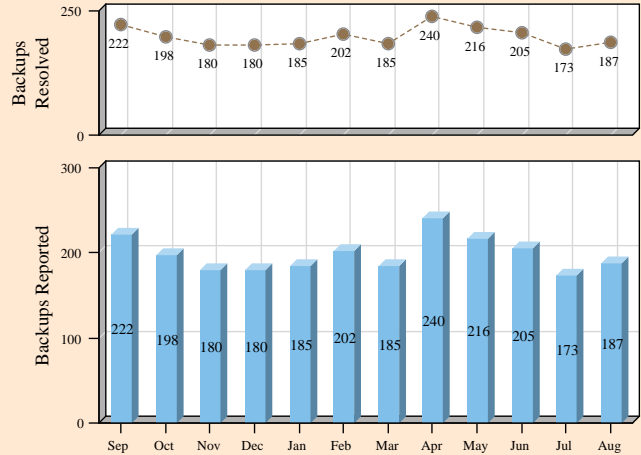


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

- Pending Lateral Backups
- Lateral Backups Reported
- Lateral Backups Resolved



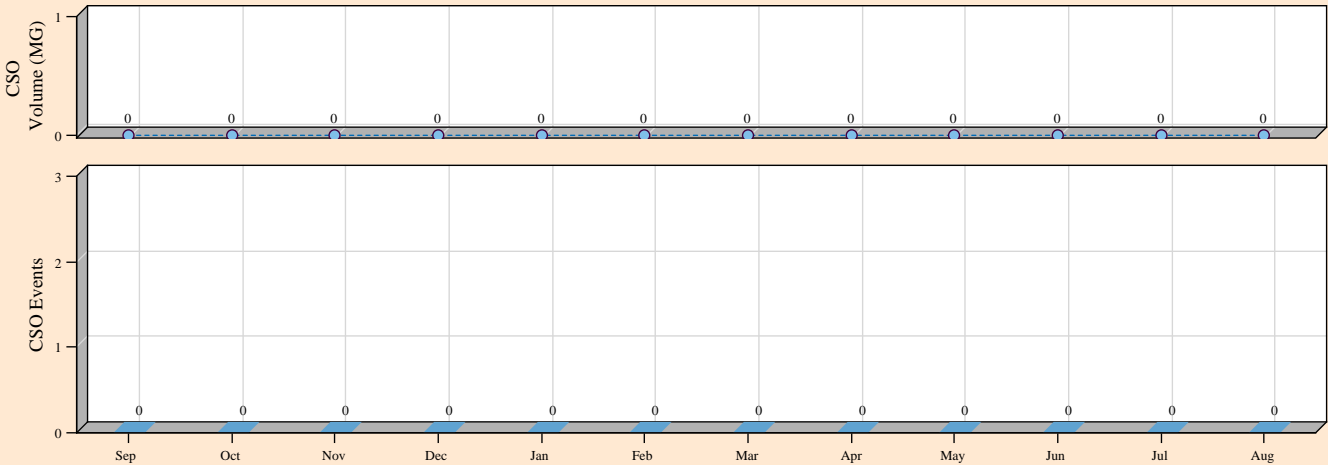
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Number of CSO Events
- Overflow Volume (MG)



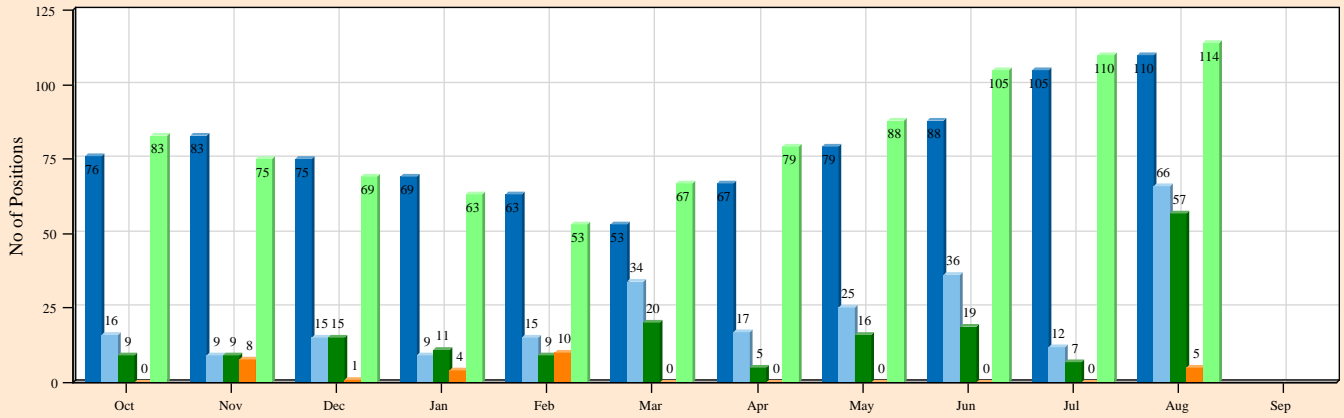
No dry weather Combined Sewer Overflow event was recorded in August 2016

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

- FY-2016:Rollover Open Positions
- FY-2016:New Positions Added
- FY-2016:Positions Filled
- FY-2016:Positions Canceled
- FY-2016:Net Remaining Open Positions



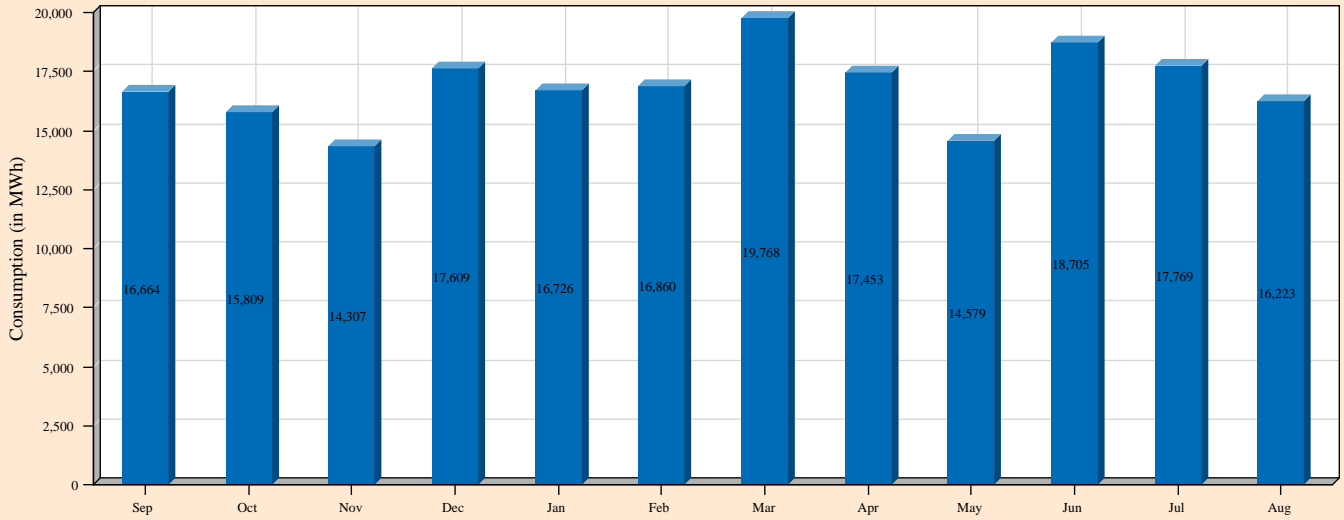
In August, we began the month with 110 positions, received 66 new positions, filled 57, 5 cancellations and ended the month with 114 positions

OPERATIONAL HIGHLIGHTS

ENERGY

ELECTRICITY USAGE SUMMARY

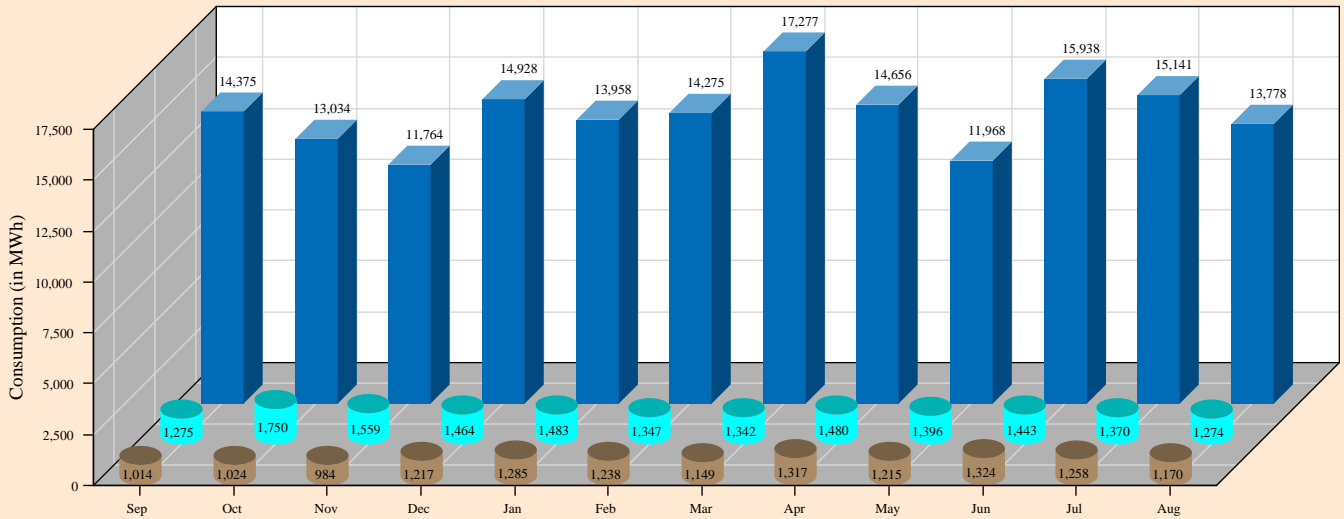
■ Total Consumption (MWh)



Electricity Consumption in August was 16,223 MWh

ELECTRICITY USAGE BY SERVICE AREA

■ Sewer Pumping ■ Water Pumping ■ Waste Water Treatment



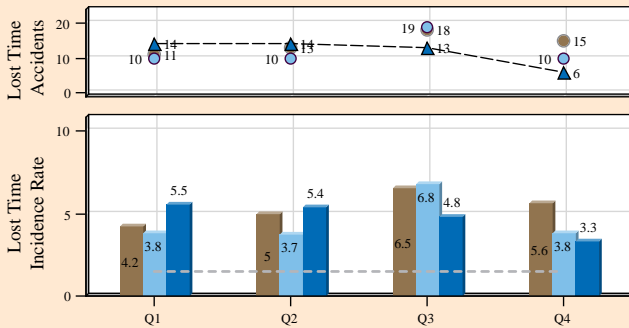
Wastewater treatment had the highest electricity consumption in August at 13,778 MWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

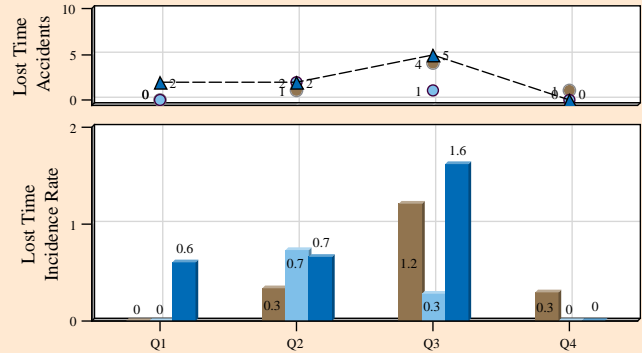
- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2016: LT Incidence Rate
- FY-2014: No of LT Accidents
- FY-2015: No of LT Accidents
- ▲ FY-2016: No of LT Accidents
- Target/National: LT Incidence Rate



Thru the 2nd Month of 4th quarter, 6 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2016: LT Incidence Rate
- FY-2014: No of LT Accidents
- FY-2015: No of LT Accidents
- ▲ FY-2016: No of LT Accidents

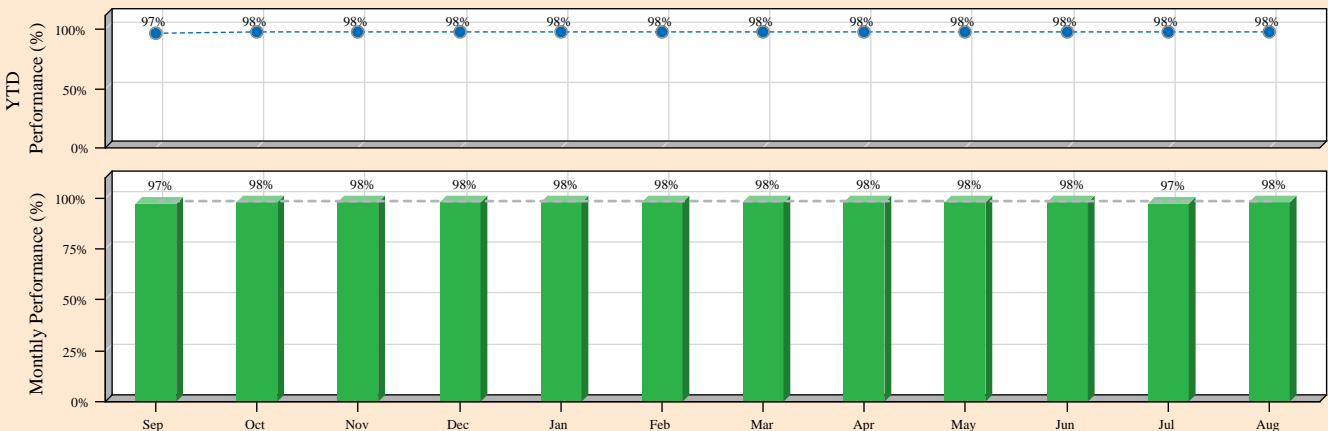


Thru the 2nd Month of 4th quarter, No lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE
Percentage of Invoices Paid within 30 days

- Monthly Performance (%)
- YTD Performance (%)
- Monthly Target - (97%)



Monthly performance for August was above Budget by 1%

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or higher than budget or target</p>	<p>Red - when the actual is higher than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded***

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
 - the number of permits processed per month(dark blue)
 - the number of permits processed within SLA per month(light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or higher than budget or target	Red- when the actual is higher than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)

- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)

- Line graph denoted by (Δ) shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or higher than budget or target	Red- when the actual is higher than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

Non Revenue Water

- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

E



Blue Drop

Board of Directors Meeting

October 6th 2016



District of Columbia Water And Sewer Authority

George S. Hawkins, CEO and General Manager





Objectives



1. Provide relief from rising rates to water and sewer customers in the District of Columbia and surrounding area



2. Commercialize products and services related to water



3. Improve the state of the water sector by sharing knowledge and expertise



Benefits

- Spinoff of DC Water – nonprofit LLC to support ratepayer relief
- Singular, focused umbrella for existing revenue generating activities
- Transparency of income and expenses
- Nimble entity because of size and scope
- Limited ratepayer risk and liability to DCW
- Better positioned to bring products and services to market and compete with the private sector
- Three-year timeframe for launch and proof of concept
- Use existing time and existing budgeted funds to launch



Precedent

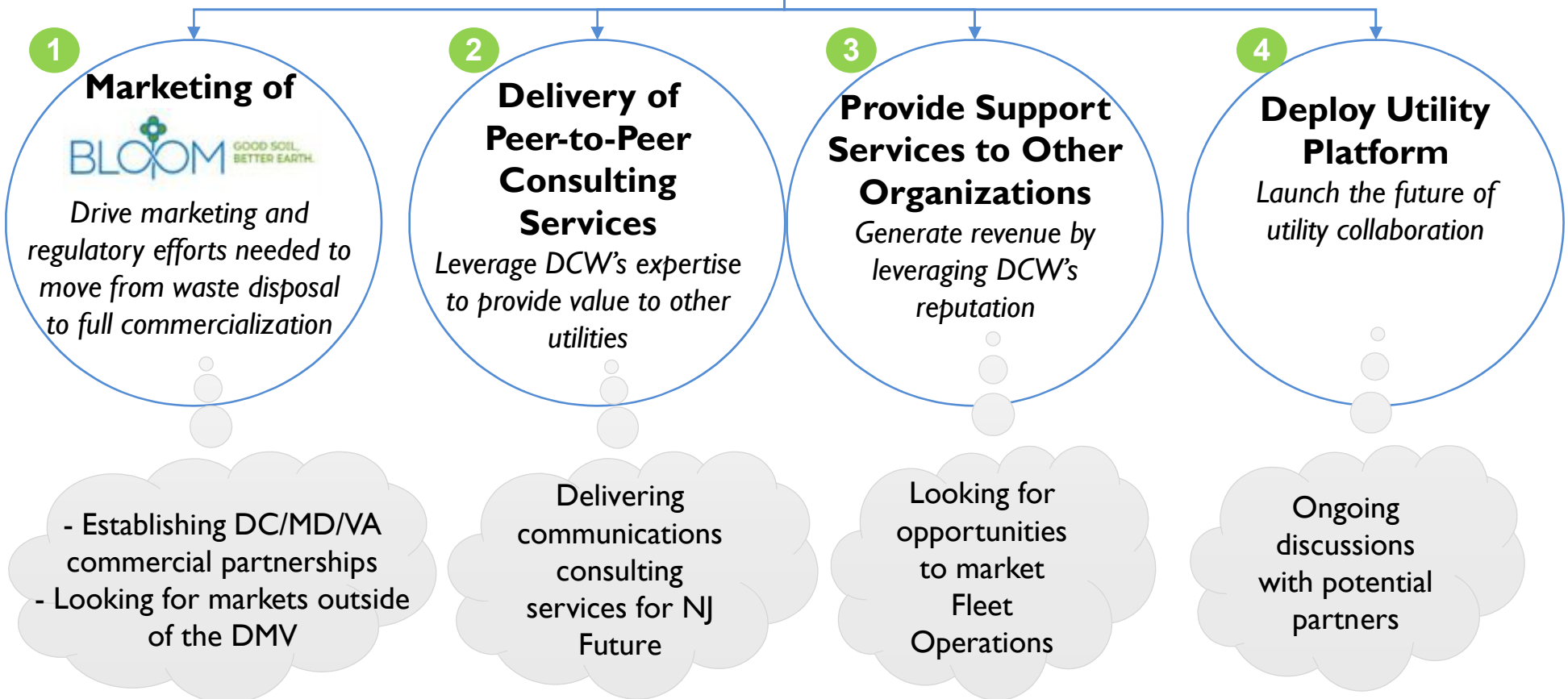
Other organizations have created similar entities to Blue Drop, including Clean Water Services (Oregon), Easton Utilities (Maryland), DC Public Library, DC Housing Authority, and the National Zoo.



Activities

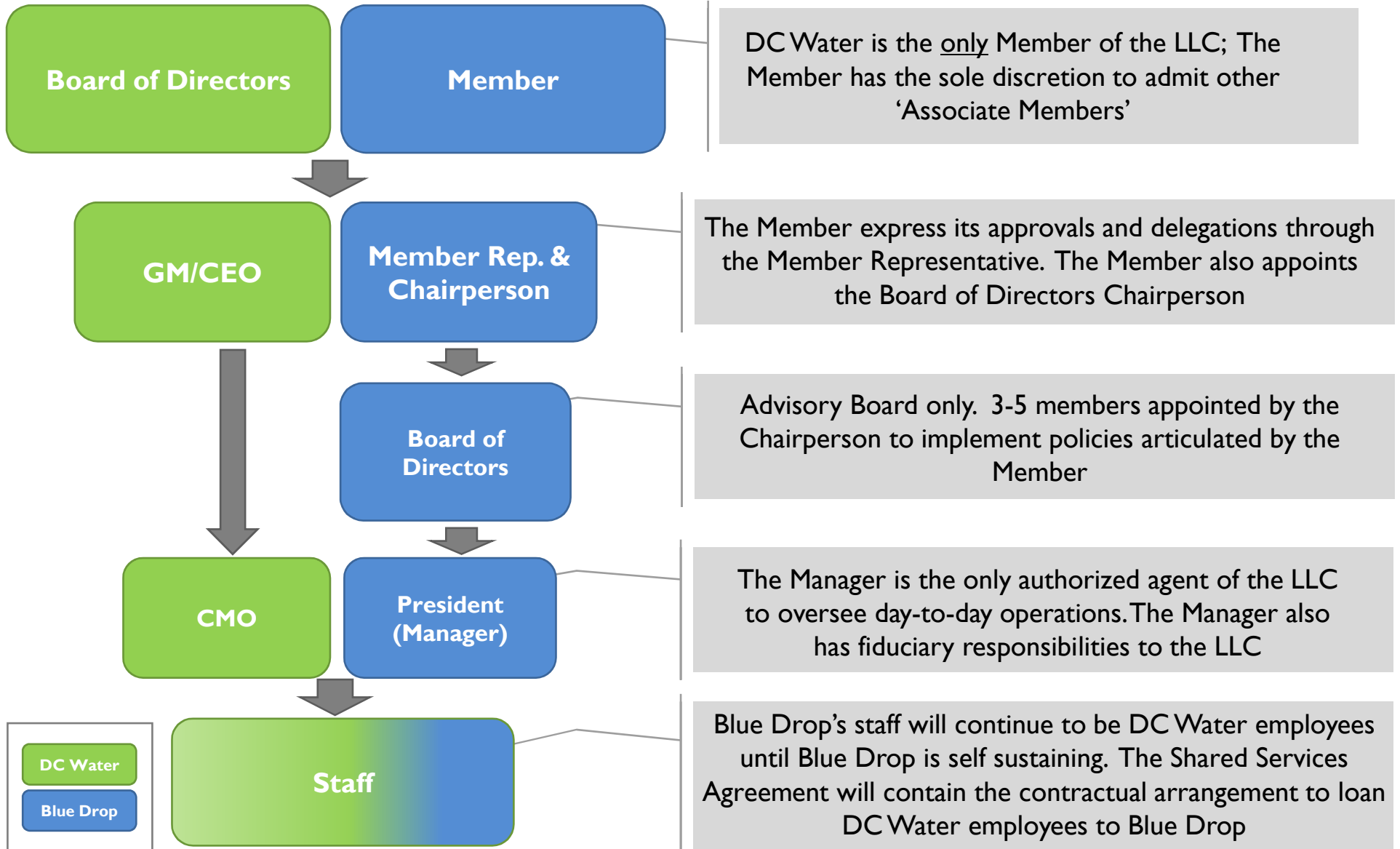


Bring focus and investment to generate non-ratepayer revenue





Proposed Governance Structure





Structural Boundaries

- Blue Drop derives its authority from the DCW BOD. It may not alter or exceed that authority.
- The Blue Drop BOD is appointed by the Chairman. It may not change the Chairman or the operating structure. The role of the Blue Drop BOD is limited to:
 - Advising staff
 - Directing day-to-day operations only
- As the sole member, DCW has control over the structure, nature of the operations, and legal authority of Blue Drop. Therefore, only the DCW BOD can change or revoke these at any time.



DRAFT Operating Agreement

9.5. Acts Approved or Specially Delegated by the Member.

Neither the Blue Drop Board nor the Manager shall perform any of the following acts unless the Member approves or specially delegates the authority to perform such acts to the Blue Drop Board:

- A. Borrow money in the LLC name or use LLC property as collateral on either a recourse or a non-recourse basis,
- B. Admit or purport to admit a new member,
- C. Merge into, acquire or be acquired by another entity,
- D. Create any subsidiary, affiliate, series or class of interests,
- E. Sale, lease or exchange of all or substantially all of the assets,
- F. Perform any act which is not a nonprofit purpose,
- G. Amend this Agreement or the Certificate of Organization.
- H. Dispose of the good will and reputation of the LLC,
- I. Dissolve or purport to dissolve the LLC, or
- J. File a voluntary petition in bankruptcy



Incorporation Activities

Legal

- Council oversight committee chair consulted
- Squire Patton Boggs memo received
- Operating agreement drafted
- Bylaws drafted
- Shared services agreement drafted



Sample Revenue Waterfall

DC Water project costs
(project staff time, equipment use)

Blue Drop project costs
(contractors, travel)

Blue Drop sustainability and growth
(business development, investments)

RATEPAYER RELIEF





**Summary of Contracts on Consent Agenda
224th Meeting of the DC Water Board of Directors
Thursday, October 6, 2016**

Joint-Use Contracts

Resolution No. 16-71 - Execute Option Year Three of Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Group Life). The purpose of the option is to continue providing DC Water employees with DC Water paid basic life insurance. The option amount is \$541,000. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-72 - Execute Option Year Three of Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability). The purpose of the option is to continue providing DC Water employees with the option to purchase Short-Term and Long-Term Disability coverage. The option amount is \$592,964.16. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-73 - Execute Option Year Two of Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. The purpose of the option is to continue providing the HMO medical plan to DC Water employees hired on/after October 1, 1987. The option amount is \$4,259,413. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-74 - Execute Option Year One of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria. The purpose of the option is to continue providing Industrial Cleaning Service to structures and equipment located at Blue Plains AWTP. The option amount is \$612,915.87. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-75 – Execute a modification to Contract No. WAS-11-017-AA-SC, Mobile Dredging and Pumping Company. Option Year Three was originally underfunded and there is a need for additional funding to pay for current and forecasted work through end of the contract option year. The modification

amount is \$250,000. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-76 - Execute a modification to Contract No. GS11T088BJD6001, Verizon. The purpose of the modification is to add funding to the contract for telecommunication services. The modification amount is \$1,232,969. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-77 - Execute Option Year Four of Contract No. WAS-12-063-AA-RA, Allied Barton Security Services LLC. The purpose of the option is to continue providing protective services for the District of Columbia Water and Sewer Authority (DC Water). The option amount is \$5,339,000. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-78 - Execute Option Year Four of Contract No. WAS-12-026-AA-JR, M.C. Dean, Inc. The purpose of the option is to continue providing DC Water with annual maintenance for electrical control equipment at the Blue Plains Advanced Wastewater Treatment Plant. The option amount is \$1,194,655.57. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-79 - Execute a contract with a Base Period of Two Years, Enterprise Security Solutions. The purpose of the contract is to provide on-going security systems integrations and management services in support of DC Water's designation by the Department of Homeland Security as a critical infrastructure national asset. The contract not-to-exceed amount is \$5,943,868. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Resolution No. 16-80 - Execute a modification to Contract No. GS-23F-0291N, SPS Consulting, LLC. The purpose of the contract is to provide financial services for the District of Columbia Water and Sewer Authority's (DC Water) Finance, Accounting and Budget Department. The contract modification amount is \$920,000. (Recommended by Finance and Budget Committee 09/27/16)

Resolution No. 16-81 – Execute Option Year One of Contract No. 15-PR-DWT-21, Kuehne Company. The purpose of the option is to continue providing Sodium Hypochlorite to the Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$3,804,300. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Non-Joint Use Contracts

Resolution No. 16-82 - Execute Contract No. 140220, Fort Myer Construction Corp. The purpose of the contract is to replace water mains that have experience failures, or have a history of low water pressure or water quality complaints. The contract amount is \$10,844,652. (Recommended by Water Quality and Water Services Committee 09/15/16)

Resolution No. 16-83 - Execute Contract No. 130140, Fort Myer Construction Corp. The purpose of the contract is to rehabilitate and replace water mains in Spring Valley, which was a former defense site in World War 1. The contract amount is \$4,688,208. (Recommended by Water Quality and Water Services Committee 09/15/16)

Resolution No. 16-84 - Execute Contract No. 16-PR-CFO-48, PFM Financial Advisors LLC (PFM). The purpose of the contract is to provide Financial and Investment Advisory Services to DC Water. The contract amount is \$2,565,275. (Recommended by Finance and Budget Committee 09/27/16)

Resolution No. 16-85 - Execute Contract No. 130230, Proshot Concrete, Inc. The purpose of the contract is to structurally repair 5,600 LF of sanitary sewers, combined sewers and stormwater pipes in Georgetown including internal sewer spot repairs of pipes ranging from 30-inch diameter to 103-inch diameter. The contract amount is \$2,874,250. (Recommended by Environmental Quality and Sewerage Services Committee 09/15/16)

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute Option Year Three of Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Group Life)

**#16-71
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year Three of Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Group Life)

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Group Life). The purpose of the option is to continue providing DC Water employees with DC Water paid basic life insurance. The option amount is \$541,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

GROUP LIFE INSURANCE SERVICES

(Joint Use)

Approval to exercise option year three (3) for Group Life Insurance Services contract in the amount of \$541,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Life Insurance Company of North America 10400 Little Patuxent Parkway, Suite 400 Columbia, MD 21044	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$737,718.00
Original Contract Dates:	01-01-2013 — 12-31-2014
No. of Option Years in Contract:	3
Option Year 1 Value:	\$484,222.00
Option Year 1 Dates:	01-01-2015 — 12-31-2015
Option Year 2 Value:	\$526,408.00
Option Year 2 Dates:	01-01-2016 — 12-31-2016
Option Year 3 Value:	\$541,000.00
Option Year 3 Dates:	01-01-2017 — 12-31-2017

Purpose of the Contract:

To provide the District of Columbia Water and Sewer Authority (DC Water) employees with DC Water paid basic life insurance. Employees have the option to purchase Supplemental Life Insurance, Accidental Death and Dismemberment Insurance and Dependent Life Insurance.

Contract Scope:

The contract provides for group life insurances both DC Water paid and employee optional Supplemental, Accidental and Dismemberment insurances. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuation in enrollment/volume and age band of the population.

Spending Previous Year:

Cumulative Contract Value:	01-01-2013 to 12-31-2016: \$1,748,348.00
Cumulative Contract Spending:	01-01-2013 to 07-31-2016: \$1,776,810.27

Contractor's Past Performance:

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	WAS-12-050-AA-MB
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Human Capital Management
Project Area:	DC Water Wide	Department Head:	Rick Green

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$445,568.00
Washington Suburban Sanitary Commission	12.98%	\$70,222.00
Fairfax County	3.21%	\$17,366.00
Loudoun Water	1.25%	\$6,762.00
Other (PI)	0.20%	\$1,082.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$541,000.00


 Gail Alexander-Reeves Date
 Director of Budget


 Dan Bae Date
 Director of Procurement


 Rosalind R. Inge Date
 Assistant General Manager


 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute Option Year Three of Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability)

**#16-72
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year Three of Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability).

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability). The purpose of the option is to continue providing DC Water employees with the option to purchase Short-Term and Long-Term Disability coverage. The option amount is \$592,964.16.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

GROUP DISABILITY INSURANCE SERVICES

(Joint Use)

Approval to exercise option year three (3) for Group Disability Insurance Services contract in the amount of \$592,964.16.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Life Insurance Company of North America 10400 Little Patuxent Parkway, Suite 400 Columbia, MD 21044	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$708,832.00
Original Contract Dates:	01-01-2013 — 12-31-2014
No. of Option Years in Contract:	3
Option Year 1 Value:	\$445,979.00
Option Year 1 Dates:	01-01-2015 — 12-31-2015
Option Year 2 Value:	\$492,978.00
Option Year 2 Dates:	01-01-2016 — 12-31-2016
Option Year 3 Value:	\$592,964.16
Option Year 3 Dates:	01-01-2017 — 12-31-2017

Purpose of the Contract:

To provide the District of Columbia Water and Sewer Authority (DC Water) employees with the option to purchase Short-Term and Long-Term Disability coverage.

Contract Scope:

The contract provides for group long and short term disability insurances. Long term disability rates increased by 20.4% in 2016 and short term disability remained unchanged. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuation in enrollment/volume and age band of the population and long term disability rate increases.

Spending Previous Year:

Cumulative Contract Value:	01-01-2013 to 12-31-2016: \$1,647,789.00
Cumulative Contract Spending:	01-01-2013 to 07-31-2016: \$1,673,651.03

Contractor's Past Performance:

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

No LBE/LSBE participation.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	WAS-12-045-AA-MB
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Human Capital Management
Project Area:	DC Water Wide	Department Head:	Rick Green

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$488,365.28
Washington Suburban Sanitary Commission	12.98%	\$76,966.75
Fairfax County	3.21%	\$19,034.15
Loudoun Water	1.25%	\$7,412.05
Other (PI)	0.20%	\$1,185.93
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$592,964.16


 Gail Alexander-Reeves Date
 Director of Budget


 Dan Bae Date
 Director of Procurement


 Rosalind R. Inge Date
 Assistant General Manager
 Support Services


 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute Option Year Two of Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.

**#16-73
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year Two of Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. The purpose of the option is to continue providing the HMO medical plan to DC Water employees hired on/after October 1, 1987. The option amount is \$4,259,413.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**STAFF MODEL HMO MEDICAL PLAN
(Joint Use)**

Approval to exercise option year two (2) for staff model Health Maintenance Organization (HMO) medical plan contract in the amount of \$4,259,413.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. 2101 East Jefferson Street Rockville, MD 20852	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$3,809,536.00
Original Contract Dates:	01-01-2015 — 12-31-2015
No. of Option Years in Contract:	4
Option Year 1 Value:	\$4,379,587.00
Option Year 1 Dates:	01-01-2016 — 12-31-2016
Option Year 2 Value:	\$4,259,413.00
Option Year 2 Dates:	01-01-2017 — 12-31-2017

Purpose of the Contract:

To provide the HMO medical plan to District of Columbia Water and Sewer Authority (DC Water) employees hired on/or after October 1, 1987.

Contract Scope:

The contract provides for HMO medical services to DC Water employees. Kaiser presented DC Water with a rate reduction of 2.7% for 2017. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuations in enrollment/volume and age band of the population.

Spending Previous Year:

Cumulative Contract Value:	01-01-2015 to 12-31-2016: \$8,189,123.00
Cumulative Contract Spending:	01-01-2015 to 07-31-2016: \$6,511,239.77

Contractor's Past Performance:

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Sole Source
Commodity:	Services	Contract Number:	14-PR-HCM-08
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Human Capital Management
Project Area:	DC Water Wide	Department Head:	Rick Green

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$3,508,053.00
Washington Suburban Sanitary Commission	12.98%	\$552,871.00
Fairfax County	3.21%	\$136,727.00
Loudoun Water	1.25%	\$53,243.00
Other (PI)	0.20%	\$8,519.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$4,259,413.00

 / 9/6/16
 Gail Alexander-Reeves Date
 Director of Budget

 / 9/1/16
 Dan Bae Date
 Director of Procurement

 / 9/6/2016
 Rosalind R. Inge Date
 Assistant General Manager
 Support Services

 / 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute Option Year One of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria

**#16-74
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year One of Contract No. 15-PR-DWT-02, Charmay, Inc., dba ServiceMaster of Alexandria.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria. The purpose of the option is to continue providing Industrial Cleaning Service to structures and equipment located at Blue Plains AWTP. The option amount is \$612,915.87.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Industrial Cleaning Service
(Joint Use)**

Approval to exercise option year one (1) for Industrial Cleaning Service contract in the amount of \$612,915.87.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Charmay, Inc. dba ServiceMaster of Alexandria 7551 Fordson Road Alexandria, VA 22306	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$520,690.34
Original Contract Dates:	10-19-2015 – 10-18-2016
No. of Option Years in Contract:	4
Modification Value:	\$74,349.04
Modification Dates:	02-15-2016 – 10-18-2016
Option Year 1 Value:	\$612,915.87
Option Year 1 Dates:	10-19-2016 – 10-18-2017

Purpose of the Contract:

To provide Industrial Cleaning Service to structures and equipment located at Blue Plains AWTP.

Contract Scope:

The areas of Industrial Cleaning Service are above and below ground. It covers many different areas of process stations, galleries, labeled piping systems, pumps and associated equipment, conveyance systems and stairwells throughout Blue Plains AWTP. If these areas are not serviced, the performance of the process units at Blue Plains will be impacted significantly, resulting in equipment damage and disruption of the wastewater treatment process.

Spending Previous Year:

Cumulative Contract Value:	10-19-2015 to 10-18-2016: \$595,039.38
Cumulative Contract Spending:	10-19-2015 to 08-25-2016: \$414,851.00

Contractor's Past Performance:

According to the COTR, the Contractor's quality of products and services, timeliness of deliverables; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations and requirements.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest-Ranking Score
Commodity:	Services	Contract Number:	15-PR-DWT-02
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$255,402.04
Washington Suburban Sanitary Commission	43.21%	\$264,840.95
Fairfax County	10.45%	\$64,049.71
Loudoun Water	4.02%	\$24,639.22
Other (PI)	0.65%	\$3,983.95
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$612,915.87


 Gail Alexander-Reeves, 9/9/16
 Director of Budget Date


 Dan Bae, 9/9/16
 Director of Procurement Date


 Akil Tesfaye, 9/12/16
 Assistant General Manager, Blue Plains Date


 George S. Hawkins, 9/29/2016
 General Manager Date

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute a Modification to Contract No. WAS-11-017-AA-SC, Mobile Dredging and Pumping Company

**#16-75
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute a modification to Contract No. WAS 11-017-AA-SC, Mobile Dredging and Pumping Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification to Contract No. WAS-11-017-AA-SC, Mobile Dredging and Pumping Company. Option Year Three was originally underfunded and there is a need for additional funding to pay for current and forecasted work through end of the contract option year. The modification amount is \$250,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

**High Vacuum High Pressure Cleaning Services
(Joint Use)**

Approval to execute a modification to add funding in the amount of \$250,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Mobile Dredging and Pumping Company 3100 Bethel Road Chester, PA 19013	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$554,000.00
Original Contract Dates:	10-01-2012 – 09-30-2013
No. of Option Years in Contract:	4
Option Year 1 Value:	\$639,000.00
Option Year 1 Dates:	10-01-2013 – 09-30-2014
Option Year 2 Value:	\$673,500.00
Option Year 2 Dates:	01-01-2015 – 12-31-2015
Option Year 3 Value:	\$420,000.00
Option Year 3 Dates:	01-01-2016 – 12-31-2016
Modification Value:	\$819,500.00
Modification Dates:	04-01-2013 – 08-19-2015
This Modification Value:	\$250,000.00
This Modification Dates:	07-25-2016 – 12-31-2016

Purpose of the Contract:

DC Water requires the continued services of a responsible contractor to remove sediments, debris, and other materials from drains, channels, runoff pump stations, sump pumps, centrifuges, conveyors, process tanks, storage tanks, catch basins, and pipes throughout the Blue Plains Advanced Wastewater Treatment Plant (AWTP).

Contract Scope:

The Contractors provides equipment (commercial vacuum trucks, high pressure jet blasting units, etc.) and personnel necessary to perform the high vacuum high pressure cleaning services for DC Water.

Reason for the Change:

Option Year Three was originally funded based on the estimated usage at the end of Option Year Two. Service at new Cambi reactors could not be accurately estimated at the time, and in addition, there were unanticipated outages that resulted in a need to high pressure vacuum major assets such as Grit Chambers. An additional \$250,000.00 is needed to pay for these additional needs through end of the contract option year.

Spending Previous Year:

Cumulative Contract Value:	10-01-2012 to 12-31-2016: \$3,106,000.00
Cumulative Contract Spending:	10-01-2012 to 08-22-2016: \$3,024,000.00

Contractor's Past Performance:

According to the COTR, the Contractor's quality of products and services, timeliness of deliverables; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations and requirements.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Highest-Ranking Score
Commodity:	Services	Contract Number:	WAS-11-017-AA-SC
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$104,175.00
Washington Suburban Sanitary Commission	43.21%	\$108,025.00
Fairfax County	10.45%	\$26,125.00
Loudoun Water	4.02%	\$10,050.00
Other (PI)	0.65%	\$1,625.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$250,000.00

 9/9/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/9/16
 Dan Bae Date
 Director of Procurement

 9/12/16
 Akile Tesfaye Date
 Assistant General Manager,
 Blue Plains

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016
SUBJECT: Approval to Execute a Modification to Contract No.
GS11T088BJD6001, Verizon

#16-76
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute a modification to Contract No. GS11T088BJD6001, Verizon.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification to Contract No. GS11T088BJD6001, Verizon. The purpose of the modification is to add funding to the contract for telecommunication services. The modification amount is \$1,232,969.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

TELECOMMUNICATION SERVICES

(Joint Use)

Approval to execute a modification to add funding to the contract for telecommunication services in the amount of \$1,232,969.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Verizon 22001 Loudoun County Parkway Ashburn, Virginia 20147	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$376,446.00
Original Contract Dates:	11-08-2007 — 11-07-2008
Contract Modification (#1- #5) Value:	\$6,397,812.82
Contract Modification Dates:	11-08-2008 — 11-07-2013
Contract Modification (#6 -#8) Value:	\$2,445,696.00
Contract Modification Dates:	11-08-2013 — 11-07-2015
Contract Modification (#9 -#10) Value:	\$1,280,150.00
Contract Modification Dates:	11-08-2015 — 11-07-2016
Contract Modification (#11) Value:	\$1,232,969.00
Contract Modification Date:	11-08-2016 — 11-07-2017

Purpose of the Contract:

To provide telecommunication services for the Supervisory Control and Data Acquisition (SCADA), MPLS Network, Data Network Circuits/TLS, Analog Lines, and Local Telephone Service throughout the Authority.

DC Water is riding the General Services Administration (GSA) Schedule contract #GS11T088BJD6001.

Reason for Change:

The modification will allow DC Water to continue using the GSA Schedule to fulfill the telecommunication service requirements. Procurement will conduct an analysis prior to next contract period to ensure that rates are competitive.

Spending Previous Year:

Cumulative Contract Value:	11-08-2007 to 11-07-2016: \$10,500,104.82
Cumulative Contract Spending:	11-08-2007 to 08-31-2016: \$ 9,619,042.30

Contractor's Past Performance:

According to the COTR, the Contractor's quality; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Firm Fixed Price	Award Based On:	Not Applicable
Commodity:	Services	Contract Number:	GS11T08BJD6001
Contractor Market:	General Services Administration (GSA) Schedule		

BUDGET INFORMATION

Funding:	Operating	Department:	Information Technology
Project Area:	DC Water Wide	Department Head:	Thomas Kuczynski

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$1,015,473.27
Washington Suburban Sanitary Commission	12.98%	\$160,039.38
Fairfax County	3.21%	\$39578.30
Loudoun Water	1.25%	\$15,412.11
Other (PI)	0.20%	\$2,465.94
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,232,969.00

 9/7/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/7/16
 Dan Bae Date
 Director of Procurement

 9/7/16
 Thomas Kuczynski Date
 Chief Information Officer

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

**SUBJECT: Approval to Execute Option Year Four of Contract No.
WAS-12-063-AA-RA, Allied Barton Security Services LLC**

**#16-77
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year Four of Contract No. WAS-12-063-AA-RA, Allied Barton Security Services LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. WAS-12-063-AA-RA, Allied Barton Security Services LLC. The purpose of the option is to continue providing protective services for the District of Columbia Water and Sewer Authority (DC Water). The option amount is \$5,339,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Protective Services
(Joint Use)**

Approval to exercise option year four (4) for Protective Service contract in the amount of \$5,339,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Allied Barton Security Services LLC 2934 Eisenhower Avenue, Suite 140 Alexandria, VA 22314	SUBS: Business Resources & Security Services, USA Inc. 517 Rhode Island Avenue, NW Washington, DC 20001	PARTICIPATION: 35%
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$4,934,348.12
Original Contract Dates:	12-16-2012 — 12-15-2013
No. of Option Years in Contract:	4
Contract Modification Value:	\$661,502.47
Contract Modification Dates:	12-16-2013 — 12-15-2016
Option Year 1 Value:	\$4,600,377.53
Option Year 1 Dates:	01-16-2014 — 12-15-2014
Option Year 2 Value:	\$4,852,254.72
Option Year 2 Dates:	12-16-2014 — 12-15-2015
Option Year 3 Value:	\$5,352,000.00
Option Year 3 Dates:	12-16-2015 — 12-15-2016
Option Year 4 Value:	\$5,339,000.00
Option Year 4 Dates:	12-16-2016 — 12-15-2017

Purpose of the Contract:

To provide protective services for the District of Columbia Water and Sewer Authority (DC Water).

Contract Scope:

This contract will provide highly trained and reliable commissioned Special Police Officers (SPOs) to safeguard DC Water's property and personnel, to prevent and deter unauthorized access or removal of property and to assist DC Water in all other security related matters. The significant increase in cost in option year three (3) was due to an increase in additional services, scheduled/normal rate escalation as provided in the contract and mandated union increases.

Spending Previous Year:

Cumulative Contract Value:	12-16-2013 to 12-15-2016: \$20,400,482.84
Cumulative Contract Spending:	12-16-2012 to 07-31-2016: \$19,142,959.48

Contractor's Past Performance:

According to the COTR, the Contractor's quality; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

PROCUREMENT INFORMATION


Contract Type:	Firm Fixed Price – Labor Hour	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	WAS-12-063-AA-RA
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Security
Project Area:	DC Water Wide	Department Head:	Steve Caldwell

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$4,397,200.00
Washington Suburban Sanitary Commission	12.98%	\$693,002.00
Fairfax County	3.21%	\$171,382.00
Loudoun Water	1.25%	\$66,738.00
Other (PI)	0.20%	\$10,678.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$5,339,000.00

 9/8/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/1/16
 Dan Bae Date
 Director of Procurement

 9/7/16
 Rosalind R. Inge Date
 Assistant General Manager
 Support Services

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

**SUBJECT: Approval to Execute Option Year Four of Contract No.
WAS-12-026-AA-JR, M.C. Dean, Inc.**

**#16-78
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year Four of Contract No. WAS-12-026-AA-JR, M.C. Dean, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. WAS-12-026-AA-JR, M.C. Dean, Inc. The purpose of the option is to continue providing DC Water with annual maintenance for electrical control equipment at the Blue Plains Advanced Wastewater Treatment Plant. The option amount is \$1,194,655.57.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Annual Maintenance for Electrical Control Equipment
(Joint Use)**

Approval to exercise option year four (4) for Annual Maintenance for Electrical Control Equipment contract in the amount of \$1,194,655.57.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: M. C. Dean, Inc. 22461 Shaw Road Dulles, VA 20166	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$1,030,000.00
Original Contract Dates:	11-01-2012—10-31-2013
No. of Option Years in Contract:	4
Option Year 1 Value:	\$1,093,279.08
Option Year 1 Dates:	11-01-2013—10-31-2014
Option Year 2 Value:	\$677,286.82
Option Year 2 Dates:	04-03-2015 – 10-31-2015
Option Year 3 Value:	\$500,000.00
Option Year 3 Dates:	11-01-2015—10-31-2016
Modification Value:	\$549,713.18
Modification Dates:	11-01-2014—03-31-2015
Option Year 4 Value:	\$1,194,655.57
Option Year 4 Dates:	11-01-2016—10-31-2017

Purpose of the Contract:

To provide the District of Columbia Water and Sewer Authority (DC Water) with annual maintenance for electrical control equipment at the Blue Plains Advanced Wastewater Treatment Plant.

Contract Scope:

To provide supervisory personnel and licensed technicians to perform corrective and preventive maintenance services on an array of electrical controls and associated equipment utilized by DC Water.

Spending Previous Year:

Actual spending in the base year, option year 1, and option year 2 were less than contract values.. Therefore, the option year 3 only required an incremental fund of \$500,000 on top of available contract balance. The requested fund for option year 4 is higher than previous annual average due to the anticipated increase in maintenance of electrical control equipment.

Cumulative Contract Value:	11-01-2012 to 10-31-2016: \$3,850,279.08
Cumulative Contract Spending:	11-01-2012 to 09-06-2016: \$3,719,894.37

Contractor's Past Performance:

According to the COTR, the Contractor's quality of product and services, timeliness of deliverables; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations and requirements.

No LBE/LSBE participation.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Services	Contract Number:	WAS-12-026-AA-JR
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Department of Maintenance Services
Project Area:	Blue Plains AWTP	Department Head:	Anthony Mack

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$497,812.98
Washington Suburban Sanitary Commission	43.21%	\$516,210.67
Fairfax County	10.45%	\$124,841.51
Loudoun Water	4.02%	\$48,025.15
Other (PI)	0.65%	\$7,765.26
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,194,655.57


 Gail Alexander-Reeves Date
 Director of Budget


 Dan Bae Date
 Director of Procurement


 Aklile Tesfaye Date
 Assistant General Manager,
 Blue Plains


 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute a Contract with a Base Period of Two Years, Enterprise Security Solutions

**#16-79
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed and upon consideration of a non-joint use matter by a vote of ___() in favor and ___() opposed to execute a contract with a Base Period of Two Years, Enterprise Security Solutions.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a contract with a Base Period of Two Years, Enterprise Security Solutions. The purpose of the contract is to provide on-going security systems integrations and management services in support of DC Water's designation by the Department of Homeland Security as a critical infrastructure national asset. The contract not-to-exceed amount is \$5,943,868.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT AWARD
Security Systems Integration and Management Services
(Joint Use and Non-Joint Use)**

Approval to execute a contract with a base period of two (2) years in the not to exceed amount of \$5,943,868.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Enterprise Security Solutions 40 East Henrietta Street Smithsburg, Maryland 21783	SUBS: Telecommunications Development Co.	PARTICIPATION: 30%
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$5,943,868.00
Base Year Contract Dates:	10-01-2016 – 09-30-2018
No. of Option Years in Contract:	3
Anticipated Contract Start Date:	10-01-2016
Anticipated Contract Completion Date:	09-30-2021
Proposal Closing Date:	03-09-2016
Proposals Received:	4
Proposal Range:	\$1,645,280.00 – \$2,540,512 (labor only)
Preference Points Received:	3.0

Purpose of the Contract:

The Department of Security has an on-going need for security systems integration and management services in support of DC Water’s designation by the Department of Homeland Security as a critical infrastructure national asset in the IAW DHS National Infrastructure Protection Plan - 2013, DHS Water and Wastewater Sector Specific Plan - 2015, and in accordance with Presidential Policy Directive/PPD-21, “Critical Infrastructure Security and Resilience” - 2013. This contract is to provide ongoing and new security related project installations, integration and management services for electronic security systems and devices located throughout all DC Water properties and facilities. This work is directly associated with physical security means and methods involving access control, perimeter monitoring, and monitoring of remote, isolated, and/or unmanned facilities via security technology.

- Capital Improvement Project (CIP) services include: customer interview, site assessment, preliminary design and validation, drawings, permits, construction, installation, system integration, testing and customer acceptance. Services also include one year warranty support for labor.
- Capital Equipment (CE) services include: infrastructure connectivity, cameras, card readers, door/window/hatch sensors, fence-line detection systems, automated entry/exit data capture and other elements plus all software support.
- Operating services include: routine maintenance and repairs of all pre-existing security systems.

The use of a single vendor for Capital Improvement Project (CIP), Capital Equipment (CE), and Operating needs maximizes information security and technical efficiencies.

Vendor Selection:

- 4 vendors have participated in the competitive selection process:
- Enterprise Security Solutions, eVigilant Security, Global Networks Inc., and Veritas Consulting Group

The procurement method utilized was a Request for Proposal (RFP) for the various service types mentioned above. An award will be made to one (1) firm and it has been determined Enterprise Security Solutions will provide the best overall value to DC Water.

The proposals submitted were for labor costs for design, project management, installation, integration, and maintenance but did not include the cost of materials. The vendor selected will source materials per DC Water requirements and DC Water Procurement Regulations which require a full and open competition. Then each project will be awarded as a task order.

BUDGET INFORMATION			
Funding:	Operating	Department	Security
Service Area:	DC Water Wide	Department Head:	Steve Caldwell

Joint Use	User - DC Water Wide	Share	Dollar Amount
	District of Columbia	82.36%	\$432,390.00
	Washington Suburban Sanitary Commission	12.98%	\$68,145.00
	Fairfax County	3.21%	\$16,852.50
	Loudoun Water	1.25%	\$6,562.50
	Other (PI)	0.20%	\$1,050.00
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$525,000.00

BUDGET INFORMATION			
Funding:	Capital	Department	Security
Service Area:	Blue Plains and DC Only	Department Head:	Steve Caldwell

Non-Joint Use	User: DC only (CAPM)	Funding: CIP		Funding: CE	
		Share	Dollar Amount	Share	Dollar Amount
	District of Columbia	100.00%	\$1,523,890.00	100.00%	\$747,177.00
	Washington Suburban Sanitary Commission	0.00%	\$0.00	0.00%	\$0.00
	Fairfax County	0.00%	\$0.00	0.00%	\$0.00
	Loudoun Water	0.00%	\$0.00	0.00%	\$0.00
Other (PI)	0.00%	\$0.00	0.00%	\$0.00	
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$1,523,890.00	100.00%	\$747,177.00

Joint Use	User: Blue Plains (GIBP)	Funding: CIP		Funding: CE	
		Share	Dollar Amount	Share	Dollar Amount
	District of Columbia	41.22%	\$997,869.01	41.54%	\$265,068.82
	Washington Suburban Sanitary Commission	45.84%	\$1,109,711.68	45.26%	\$288,806.32
	Fairfax County	8.38%	\$202,866.14	8.64%	\$55,132.27
	Loudoun Water	3.73%	\$90,297.22	3.75%	\$23,928.94
Other (PI)	0.83%	\$20,092.95	0.81%	\$5,168.65	
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$2,420,837.00	100.00%	\$638,105.00

Joint Use	User: EJ Potomac Pump Station (MJ14)	Funding: CIP		Funding: CE	
		Share	Dollar Amount	Share	Dollar Amount
	District of Columbia	49.80%	\$30,935.76	41.54%	\$11,107.38
	Washington Suburban Sanitary Commission	29.40%	\$18,263.28	45.26%	\$12,102.07
	Fairfax County	14.70%	\$9,131.64	8.64%	\$2,310.25
	Loudoun Water	5.50%	\$3,416.60	3.75%	\$1,002.71
Other (PI)	0.60%	\$372.72	0.81%	\$216.59	
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$62,120.00	100.00%	\$26,739.00

Combined Joint and Non-Joint Use	User - Combined Above	Funding: CIP Combined		Funding: CE Combined	
		Share	Dollar Amount	Share	Dollar Amount
	District of Columbia	63.71%	\$2,552,694.77	72.47%	\$1,023,353.20
	Washington Suburban Sanitary Commission	28.15%	\$1,127,974.96	21.31%	\$300,908.39
	Fairfax County	5.29%	\$211,997.78	4.07%	\$57,442.52
	Loudoun Water	2.34%	\$93,713.82	1.77%	\$24,931.65
Other (PI)	0.51%	\$20,465.67	0.38%	\$5,385.24	
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$4,006,847.00	100.00%	\$1,412,021.00

BUDGET INFORMATION			
Funding:	Capital and Operating Combined	Department	Security
Service Area:	DC Water Wide	Department Head:	Steve Caldwell

Combined Joint and Non-Joint Use	User - All	Share	Dollar Amount
	District of Columbia	67.44%	\$4,008,437.97
	Washington Suburban Sanitary Commission	25.19%	\$1,497,028.36
	Fairfax County	4.82%	\$286,292.80
	Loudoun Water	2.11%	\$125,207.97
	Other (PI)	0.45%	\$26,900.90
TOTAL ESTIMATED DOLLAR AMOUNT		100.00%	\$5,943,868.00

Under the terms of the IMA, the capital costs associated with each joint use facility are to be split among the users in proportion to the peak flow each user is allocated. It is not possible, at this time, to allocate costs by individual facility. It is anticipated that as projects are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed accordingly.

 9/6/16
Date
Dan Bae
Director of Procurement

 9/6/16
Date
Gail Alexander-Reeves
Director of Budget

 9/7/16
Date
Rosalind R. Inge
Assistant General Manager,
Support Services

 9/6/16
Date
Leonard R. Benson
Chief Engineer

 9/29/2016
Date
George S. Hawkins
General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute a Modification to Contract No. GS-23F-0291N, SPS Consulting, LLC

**#16-80
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute a modification to Contract No. GS-23F-0291N, SPS Consulting, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification to Contract No. GS-23F-0291N, SPS Consulting, LLC. The purpose of the contract is to provide financial services for the District of Columbia Water and Sewer Authority's (DC Water) Finance, Accounting and Budget Department. The contract modification amount is \$920,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT MODIFICATION
FINANCIAL SERVICES
(JOINT USE)**

Approval to execute a contract modification to add funding to the contract for financial services in the amount of \$920,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: SPS Consulting, LLC 1901 Research Blvd., Suite 320 Rockville, MD 20850 LSBE	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$295,862.00
Base Contract Period:	10-01-2005 – 09-30-2006
Number of Option Years:	N/A
Contract Modification (#1-#3) Value:	\$854,387.60
Contract Modification Dates:	10-01-2006 – 09-30-2009
Contract Modification (#4-#6) Value:	\$810,669.81
Contract Modification Dates:	10-01-2009 – 09-30-2012
Contract Modification (#7-#8) Value:	\$1,471,480.16
Contract Modification Dates:	10-01-2012 – 09-30-2015
Contract Modification (#9) Value:	\$554,880.10
Contract Modification Dates:	10-01-2015 – 09-30-2016
This Contract Modification (#10) Value:	\$920,000.00
This Contract Modification Dates:	10-01-2016 – 09-30-2017

Purpose of the Contract:

The purpose of this contract is to provide financial services for the District of Columbia Water and Sewer Authority's (DC Water) Finance, Accounting and Budget Department.

DC Water is riding General Services Administration (GSA) contract GS-23F-0291N.

Reason for Modification:

This contract modification will allow SPS Consulting to provide experienced financial analysts supporting DC Water in the following areas: implementation of Dayforce Payroll/HCM/Recruiting, the quarterly financials, the Annual Comprehensive Financial Report and external audit and the ROCIP program. In addition, increased funding is needed to support new and upcoming projects such as Blue Drop, IMA Billing, CIS implementation, Primavera Contract Management (P6), Automated Meter Reading (AMR), and Automated Meter Installation (AMI). Procurement will conduct the competitive process prior to next contract period.

Spending Previous Year:

Cumulative Contract Value:	10-01-2005 to 09-30-2016: \$3,987,279.67
Cumulative Contract Spending:	10-01-2005 to 08-31-2016: \$3,966,830.17

Contractor's Past Performance:

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures, contract terms, and invoicing all meet expectations.

PROCUREMENT INFORMATION

Contract Type:	Fixed Fee	Award Based On:	Not Applicable
Commodity:	Financial Services	Contract Number:	GS-23F-0291N
Contractor Market:	GSA Schedule		

BUDGET INFORMATION

Funding:	Operating	Department:	Finance, Accounting and Budget
Service Area:	DC Water Wide	Department Head:	John Madrid

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	82.36%	\$757,712.00
Washington Suburban Sanitary Commission	12.98%	\$119,416.00
Fairfax County	3.21%	\$29,532.00
Loudoun Water	1.25%	\$11,500.00
Other (PI)	0.20%	\$1,840.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$920,000.00

 9/20/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/20/16
 Dan Bae Date
 Director of Procurement

for  9/20/16
 Mark Kim Date
 Chief Financial Officer

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016
SUBJECT: Approval to Execute Option Year One of Contract No. 15-PR-DWT-21, Kuehne Company

#16-81
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Option Year One of Contract No. 15-PR-DWT-21, Kuehne Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 15-PR-DWT-21, Kuehne Company. The purpose of the option is to continue providing Sodium Hypochlorite to the Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$3,804,300.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Supply and Delivery of Sodium Hypochlorite
(Joint Use)**

Approval to exercise option year one (1) for the sodium hypochlorite supply and delivery contract in the amount of \$3,804,300.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Kuehne Company 86 N. Hackensack Ave. S. Kearny, NJ 07032	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$3,696,900.00
Original Contract Dates:	10-16-2015 – 10-15-2016
No. of Option Years in Contract:	4
Option Year 1 Value:	\$3,804,300.00
Option Year 1 Dates:	10-16-2016 – 10-15-2017

Purpose of the Contract:

To purchase and have delivered sodium hypochlorite.

Contract Scope:

DC Water has an on-going need for sodium hypochlorite. It has several applications at the Blue Plains Advanced Wastewater Treatment Facility. It is primarily used for outfall disinfection, but also to control biological growth control on multimedia filters, and for odor control in the scrubbers. Sodium hypochlorite is also used to disinfect water managed by the Department of Distribution and Conveyance Systems. Exercising option year one (1) will provide uninterrupted service by the supplier.

Option Year One contract value is increased from the Base Year due to the expected increase in plant flow, requiring increased demand for effluent disinfection as well as an increased demand for sodium hypochlorite to aid in odor control.

Savings:

Kuehne and DC Water have negotiated a new market-based price change formula using indices representative of sodium hypochlorite cost drivers. As a result, DC Water will benefit from a 2.15% reduction in unit price, and up to \$81,600 savings during Option Year 1.

Spending Previous Year:

Cumulative Contract Value:	10-16-2015 to 10-15-2016: \$3,696,900.00
Cumulative Contract Spending:	10-16-2015 to 08-23-2016: \$2,848,680.58

Contractor's Past Performance:

According to the COTR, the Contractor's quality of products and services, timeliness of deliverables; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations and requirements.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest Bid
Commodity:	Services	Contract Number:	15-PR-DWT-21
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$1,585,251.82
Washington Suburban Sanitary Commission	43.21%	\$1,643,838.04
Fairfax County	10.45%	\$397,549.36
Loudoun Water	4.02%	\$152,932.86
Other (PI)	0.65%	\$24,727.96
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,804,300.00

 9/9/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/7/16
 Dan Bae Date
 Director of Procurement

 9/7/16
 Akile Tesfaye Date
 Assistant General Manager,
 Blue Plains

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

**SUBJECT: Approval to Execute Contract No. 140220, Fort Myer
Construction Corp.**

**#16-82
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 140220, Fort Myer Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 140220, Fort Myer Construction Corp. The purpose of the contract is to replace water mains that have experience failures, or have a history of low water pressure or water quality complaints. The contract amount is \$10,844,652.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Small Diameter Water Main Replacement 11b
(Non-Joint Use)**

Approval to execute a construction contract for \$10,844,652.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corp. 2237 33 rd Street, NE Washington, D.C. 20018	V. Fernandes Construction Co., Inc. Silver Spring, MD. MBE	32.0%
	Hybrid Construction & Engineering Washington, D.C. WBE	6.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$ 10,844,652.00
Contract Time:	555 Days (1 Year, 6 Months)
Anticipated Contract Start Date:	12-08-2016
Anticipated Contract Completion Date:	06-16-2018
Bid Opening Date:	07-20-2016
Bids Received:	5
Other Bids Received	
Sagres Construction Corp.	\$11,455,765.00
Capitol Paving of D.C., Inc.	\$11,719,150.00
J. Fletcher Creamer & Son	\$12,166,550.00
Anchor Construction Corp.	\$12,425,566.00

Purpose of the Contract:

Replace water mains that have experienced failures, or have a history of low water pressure or water quality complaints.

Contract Scope:

- Replace approximately 3.0 miles of water mains and associated valves and appurtenances.
- Install copper water services 2 inch and smaller in public and private space.
- Install curb stops /curb stop boxes, meter boxes and penetration through building walls and connection to first fitting inside the building including installation of a shut-off valves and pressure reducing valves.
- Complete permanent pavement and surface restoration.

Federal Grant Status:

- Construction contract is funded in part by Federal grant.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	140220
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Liliana Maldonado
Project:	O3		

***ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	26.85%	\$ 2,911,789.00
Federal Funds *	73.15%	\$ 7,932,863.00
Washington Suburban Sanitary Commission	0.00%	\$ 0.00
Fairfax County	0.00%	\$ 0.00
Loudoun County & Potomac Interceptor	0.00%	\$ 0.00
Total Estimated Dollar Amount	100.00%	\$ 10,844,652.00

* Eligible for Federal Grant Funding at 80% of the District of Columbia share. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.

 , 9/8/16
 _____ Date
 Gail Alexander-Reeves
 Director of Budget

 , 9/7/16
 _____ Date
 Dan Bae
 Director of Procurement

 , 9/6/16
 _____ Date
 Leonard R. Benson
 Chief Engineer

 , 9/29/2016
 _____ Date
 George S. Hawkins
 General Manager

Presented and Adopted: October 6, 2016

**SUBJECT: Approval to Execute Contract No. 130140, Fort Myer
Construction Corp.**

**#16-83
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 130140, Fort Myer Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 130140, Fort Myer Construction Corp. The purpose of the contract is to rehabilitate and replace water mains in Spring Valley, which was a former defense site in World War 1. The contract amount is \$4,688,208.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Spring Valley Water Main Rehabilitation and Replacement
(Non-Joint Use)**

Approval to execute a construction contract for \$4,688,208.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corp. 2237 33 rd Street, Northeast Washington, DC 20018	V. Fernandes Construction Silver Spring, MD MBE	32.0%
	Hybrid Construction & Engineering Washington, DC WBE	6.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$4,688,208.00
Contract Time:	730 Days (2 Years, 0 Months)
Anticipated Contract Start Date (NTP):	12-17-2016
Anticipated Contract Completion Date:	12-16-2018
Bid Opening Date:	06-29-2016
Bids Received:	2
Other Bids Received	
Flippo Construction Co., Inc.	\$7,223,270.00

Purpose of the Contract:

To rehabilitate and replace water mains in Spring Valley, which was a former defense site in World War I. Affected streets include 49th Street NW, Woodway Lane NW, Hillbrook Lane NW, Glenbrook Road NW, Rockwood Parkway NW, and Nebraska Avenue NW, Washington DC.

Contract Scope:

- Structural (Class IV) cured-in-place lining of approximately 3,400 linear feet (LF) of 8-inch through 12-inch water main,
- Installation of approximately 205 LF of new 12-inch water main interconnection between existing 12-inch and 16-inch water main,
- Replacement in same trench of approximately 1,300 LF of 8-inch water main with 12-inch water main,
- Providing temporary water system of approximately 10,700 LF of 4-inch pipe and appurtenances, and
- Associated paving and replacement of sidewalk and curb and gutter.

Federal Grant Status:

- Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130140
Contractor Market:	Open Market		

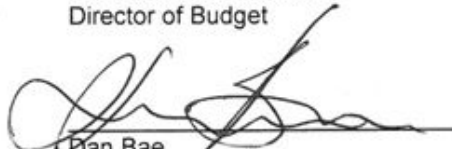
BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Liliana Maldonado
Project:	O2		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$4,688,208.00
Federal Funds	0.00%	\$0
Washington Suburban Sanitary Commission	0.00%	\$0
Fairfax County	0.00%	\$0
Loudoun County & Potomac Interceptor	0.00%	\$0
Total Estimated Dollar Amount	100.00%	\$4,688,208.00

 9/6/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/7/16
 Dan Bae Date
 Director of Procurement

 8-6-16
 Leonard R. Benson Date
 Chief Engineer

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

**SUBJECT: Approval to Execute Contract No. 16-PR-CFO-48, PFM
Financial Advisors LLC (PFM)**

**#16-84
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 16-PR-CFO-48, PFM Financial Advisors LLC (PFM).

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 16-PR-CFO-48, PFM Financial Advisors LLC (PFM). The purpose of the contract is to provide Financial and Investment Advisory Services to DC Water. The contract amount is \$2,565,275.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT AWARD
FINANCIAL AND INVESTMENT ADVISORY SERVICES
(NON-JOINT USE)**

Approval to execute a new contract award for financial and investment advisory services for a base period of one (1) year with up to four (4) one (1) year options in the amount of \$2,565,275.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: PFM Financial Advisors LLC (PFM) 4350 North Fairfax Drive, Suite 580 Arlington, VA 22203	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$500,500.00
Base Contract Period:	1 Year
Number of Option Years:	4
Anticipated Contract Start Date:	12-20-2016
Anticipated Base Period Completion Date:	12-19-2017
Proposal Closing Date:	06-01-2016
Proposals Received (Financial):	8
Proposals Range (Financial):	\$1,125,000.00 - \$1,925,000.00 (Five (5) years)
Proposals Received (Investment):	2
Proposals Range (Investment):	3.5 – 6.0 Basis Points

Purpose of the Contract:

The purpose of this contract is to provide Financial and Investment Advisory Services.

Contract Scope:

DC Water has a continuing need for Financial and Investment Advisory Services. This contract will allow the Chief Financial Officer’s staff to seek Financial and Investment Advisory Services on an as-needed basis. There are two (2) main services to be provided under this contract:

- The Financial Advisory Services section of the contract includes 500 hours each of a highly qualified Managing Director and Senior Consultant, respectively. The contract also includes a pre-determined flat fee for Revenue Bond transactions which will be deducted from the bond proceeds. The proposed fee for a revenue bond transaction is \$95,000.00 for transactions less than \$100 million and \$145,000.00 for transactions of \$100 million or more.
- The Investment Advisory section of the contract proposes an average fee of 6.0 basis points for assets under management. The proposed fee structure is 7.5 basis points on the first \$150 million of assets under management and 5.2 basis points for asset over \$150 million. The award amount above is inclusive of the estimated fees based upon an average assets under management of \$410,000,000.00.

Evaluated Companies:

PFM Financial Advisors LLC was the highest ranked firm in both areas.

Investment Advisory Services: PFM was the highest ranked overall.

First Southwest
PFM

Financial Advisory Services: PFM was highest ranked overall.
 Acacia Financial Group, Inc.
 Estrada Hinojosa & Company, Inc.
 First Southwest
 Lamont Financial Services Corp.
 Phoenix Capital Partners
 PFM
 Public Resources Advisory Group, Inc.
 Wye River Group, Inc.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest Ranked Offeror
Commodity:	Financial Services	Contract Number:	16-PR-CFO-48
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Treasury
Service Area:	DC Water Wide	Department Head:	Robert Hunt

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$2,565,275.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,565,275.00

 9/20/16
 Gail Alexander-Reeves Date
 Director of Budget

 9/20/16
 Dan Bae Date
 Director of Procurement

for  9/20/16
 Mark Kim Date
 Chief Financial Officer

 9/29/2016
 George S. Hawkins Date
 General Manager

Presented and Adopted: October 6, 2016

SUBJECT: Approval to Execute Contract No. 130230, Proshot Concrete, Inc.

**#16-85
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on October 6, 2016 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 130230, Proshot Concrete, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 130230, Proshot Concrete, Inc. The purpose of the contract is to structurally repair 5,600 LF of sanitary sewers, combined sewers and stormwater pipes in Georgetown including internal sewer spot repairs of pipes ranging from 30-inch diameter to 103-inch diameter. The contract amount is \$2,874,250.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Georgetown Combined Sewer Rehabilitation
(Non-Joint Use)**

Approval to execute a construction contract for \$2,874,250.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Proshot Concrete, Inc. 308 West Farmington Virginia Beach, VA 23454	Molea, LLC Florence, AL MBE	18.2%
	Hybrid Construction & Engineering Washington, DC MBE	15.9%
	Reviera Enterprises, Inc. Forestville, MD MBE	1.0%
	TFE Resources, LTD Owings Mills, MD WBE	6.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$2,874,250.00
Contract Time:	426 Days (1 Years, 2 Months)
Anticipated Contract Start Date (NTP):	11-16-2016
Anticipated Contract Completion Date:	01-16-2018
Bid Opening Date:	06-29-2016
Bids Received:	3
Other Bids Received	
Fort Myer Construction	\$ 3,340,611.00
Coastal Gunitite Construction	\$ 3,659,380.00

Purpose of the Contract:

To structurally repair 5,600 LF of sanitary sewers, combined sewers and stormwater pipes in Georgetown including internal sewer spot repairs of pipes ranging from 30-inch diameter to 103-inch diameter.

Contract Scope:

- CCTV inspection and cleaning of approx. 5,600 LF of sewer pipes.
- Flow monitoring and flow control including plug and release and bypass pumping.
- Maintenance and control of traffic.
- Structurally repair sanitary sewers, combined sewers and stormwater pipes in Georgetown including internal sewer spot repairs of approx. 5,600 LF of pipes ranging from 30 to 103 - inches in height.

Federal Grant Status:

Construction Contract is eligible for Federal grant funding assistance: inclusion in grant is pending availability of grant funds.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130230
Contractor Market:	Open Market		

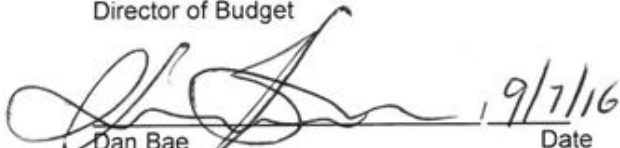
BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary	Department Head:	Liliana Maldonado
Project:	G1		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100%	\$ 2,874,250.00
Federal Funds	0%	\$
Washington Suburban Sanitary Commission	0%	\$
Fairfax County	0%	\$
Loudoun County & Potomac Interceptor	0%	\$
Total Estimated Dollar Amount	100.00%	\$ 2,874,250.00


 Gail Alexander-Reeves
 Director of Budget
 Date 9/6/16


 Dan Bae
 Director of Procurement
 Date 9/7/16


 Leonard B. Benson
 Chief Engineer
 Date 9/6/16


 George S. Hawkins
 General Manager
 Date 9/29/2016