

Presented and Adopted: February 8, 2007

SUBJECT: Approval to Execute Option Year Two

Contract No. FCWA-05-01(E), Kuehne Chemical
Company, Inc.

#07-06
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(E), Kuehne Chemical Company, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(E), Kuehne Chemical Company, Inc. The purpose of this contract is to provide sodium hypochlorite to the Blue Plains Wastewater Treatment Plant used for disinfection and odor control. The option amount is not-to-exceed \$3,970,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year One
Contract No. WAS-06-008-AA-ND
Carter & Carter Enterprises, Inc.

#07-07
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year One of Contract No. WAS-06-008-AA-ND, Carter & Carter Enterprises, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. WAS-06-008-AA-ND, Carter & Carter Enterprises, Inc. The purpose of this contract is to provide Ferric Chloride to Blue Plains Wastewater Treatment Plant used for phosphorus removal and enhancing settling. The option amount is not-to-exceed \$4,200,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(C)
Colonial Chemical Solutions, Inc.

#07-08
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(C), Colonial Chemical Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(C), Colonial Chemical Solutions, Inc. The purpose of this contract is to provide methanol to Blue Plains Wastewater Treatment Plant. The option amount is not-to-exceed \$6,429,600.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(F)
J&K Distributors

#07-09
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(F), J&K Distributors.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(F), J&K Distributors. The purpose of this contract is to provide dry cationic polymer to Blue Plains Wastewater Treatment Plant used for solids dewatering. The option amount is not-to-exceed \$2,400,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(G)
J&K Distributors

#07-10
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(G), J&K Distributors.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(G), J&K Distributors. The purpose of this contract is to provide dry cationic polymer to Blue Plains Wastewater Treatment Plant used for secondary and nitrification/de-nitrification settling. The option amount is not-to-exceed \$714,138.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(K)
J&K Distributors

#07-11
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(K), J&K Distributors.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(K), J&K Distributors. The purpose of this contract is to provide dry cationic polymer to Blue Plains Wastewater Treatment plant used for floatation thickening. The option amount is not-to-exceed \$720,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(L)
J&K Distributors

#07-12
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(L), J&K Distributors.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(L), J&K Distributors. The purpose of this contract is to provide dry cationic polymer to Blue Plains Wastewater Treatment plant used for primary treatment settling. The option amount is not-to-exceed \$330,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(I)
Hardy & Son Trucking, Inc.

#07-13
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(I), Hardy & Son Trucking, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(I), Hardy & Son Trucking, Inc. The purpose of this contract is to provide emulsion polymer to Blue Plains Wastewater Treatment Plant. The option amount is not-to-exceed \$360,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(B)
Tricon of Washington, D.C.

#07-14
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(B), Tricon of Washington, D.C.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(B), Tricon of Washington, D.C. The purpose of this contract is to provide pebble quicklime to Blue Plains Wastewater Treatment Plant used for biosolids stabilization. The option amount is not-to-exceed \$2,328,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01(J)
PVS Chemical Solutions, Inc.

#07-15
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01(J), PVS Chemical Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01(J), PVS Chemical Solutions, Inc. The purpose of this contract is to provide sodium bisulfite to DCWASA's Blue Plains Wastewater Treatment Plant used for dechlorination. The option amount is not-to-exceed \$504,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute Option Year Two
Contract No. FCWA-05-01
Allegiance Chemicals, LLC

#07-16
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve Option Year Two of Contract No. FCWA-05-01, Allegiance Chemicals, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. FCWA-05-01, Allegiance Chemicals, LLC. The purpose of this contract is to provide sodium hydroxide to Blue Plains Wastewater Treatment Plant used to control wastewater pH and alkalinity. The option amount is not-to-exceed \$780,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007

Subject: Approval of Fiscal Year 2007 Revised Operating Budget

**#07-17
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on February 8, 2007, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2007 Revised Operating Budget:

WHEREAS, in October 2006 the General Manager presented a Revised Fiscal Year 2007 Operating Budget to the Board that totaled \$311,150,000, approximately \$493,000 less than the Operating Budget approved by the Board in January 2006 due to lower debt service costs resulting from lower than projected capital spending; and

WHEREAS, on January 25, 2007, the Finance and Budget Committee recommended that the Board adopt a Revised FY 2007 Operating Budget that totals \$312,400,000, or approximately \$757,000 higher than the Operating Budget approved by the Board in January 2006.

WHEREAS, the Revised FY 2007 Operating Budget is detailed in the General Manager's Proposed FY 2008 Operating Budget dated October 26, 2006 and in materials presented to the Finance and Budget and Retail Rates Committees on January 25 and February 8, 2007 respectively; and

WHEREAS, on January 25, 2007, the Finance and Budget Committee also recommended that management provide to the Board for approval, a comprehensive plan for the Low Impact Development Grant initiative; and

WHEREAS, the Board directed management to include additional funding required to accommodate the Board's Low Impact Development Grant initiative (\$1 million) and for the development of New Revenue-Producing Products and Services (\$0.25 million); and

WHEREAS, the additional funding required to accommodate the Board's Low Impact Development, Grant initiative will remain available for expenditure, beyond FY 2007, unless rescinded by action of the Board.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2007 Revised Operating Budget totaling \$312,400,000 as directed by the Finance and Budget Committee on January 25, 2007.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
Subject: Approval of Fiscal Year 2008 Proposed Operating Budget

#07-18
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on February 8, 2007, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2008 Proposed Operating Budget:

WHEREAS, in October 2006, the General Manager presented the FY 2008 Proposed Operating Budget to the Board that totaled \$341,186,000; and

WHEREAS, on January 25, the Finance and Budget Committee recommended that the Board adopt a FY 2008 budget that totals \$341,186,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2008 Proposed Operating Budget totaling \$341,186,000 as further detailed in the General Manager's Proposed FY 2008 Operating Budget dated October 26, 2006 and in materials presented to the Finance and Budget and Retail Rates Committees which met on January 25, 2007 and February 8, 2007 respectively.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
Subject: Approval of Fiscal Year 2008 Capital Authority Request

#07-19
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors, (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on February 8, 2007, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2008 Capital Authority request which is to be submitted to the United States Congress:

WHEREAS, in October 2006, the General Manager presented the FY 2008 Proposed Capital Authority request of \$446,584,000; and

WHEREAS, on January 18, the Environmental Quality and Operations Committee recommended that the Board adopt a Capital Authority request of \$466,584,000, an increase of \$20,000,000 above the budget proposals submitted by the General Manager in October 2006, to provide WASA with additional flexibility in managing the capital improvement program; and

WHEREAS, on January 25, 2007, the Finance and Budget Committee met and recommended that the Board adopt the Proposed Capital Authority request of \$446,584,000; and

WHEREAS, the request is to be submitted to the United States Congress.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2008 Capital Authority request totaling \$446,584,000 which is to be submitted to the United States Congress as shown in Attachment A to this resolution.

This resolution is effective immediately.


Secretary to the Board of Directors

**Fiscal Year 2008 Capital Authority Request
(\$000's)**

| <u>Program Areas</u> | <u>Fiscal Year 2008 Capital Authority Request</u> |
|----------------------------------|--|
| Blue Plains Wastewater Treatment | 13,781 |
| Sanitary Sewer System | 110,503 |
| Combined Sewer Projects | 78,675 |
| Stormwater ¹ | 0 |
| Water System | 193,782 |
| Washington Aqueduct (WASA share) | 19,175 |
| Capital Equipment | <u>30,668</u> |
| Total | <u>446,584</u> |

¹ The Stormwater projects' authority request is zero, as, existing (currently available) capital authority in this service area is in excess of projected commitments in FY 2006, FY 2007, FY 2008 and FY2009.

Presented and Adopted: February 8, 2007
SUBJECT: Approval of Fiscal Year 2006-2015 Ten Year Financial Plan

#07-20
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting held on February 8, 2007 decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2006 – 2015 Financial Plan:

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

WHEREAS, the Board in Resolutions 97-121 and 97-124 has adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of the Authority; and

WHEREAS, these policies include:

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

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

WHEREAS, consistent with Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2008 operating and capital budgets; and

WHEREAS, the Fiscal Year 2006 – 2015 Ten Year Financial Plan is expressed in numerical goals that are summarized in the attached Schedule A, which reflects the most recent recommendations of the Finance and Budget and Retail Rates Committees which met on January 25, 2007 and February 8, 2007, respectively.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the proposed Fiscal Year 2006 – 2015 Financial Plan as expressed in the proposed Fiscal Year 2008 Operating and Capital Budgets, and as modified by the attached Schedule A. The Board further directs the General Manager to employ best efforts to achieve the results projected on the attached Schedule A.

This resolution is effective immediately.


Secretary to the Board of Directors

SCHEDULE A

**DISTRICT OF COLUMBIA WATER & SEWER AUTHORITY
FY 2006 - 2015 FINANCIAL PLAN
(In 000's)**

| OPERATING | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | TOTAL |
|--|-------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Operating Receipts (1) | \$ 296,238 | \$ 305,010 | \$ 336,356 | \$ 357,861 | \$ 373,769 | \$ 385,094 | \$ 411,574 | \$ 435,528 | \$ 457,049 | \$ 485,587 | \$ 3,844,064 |
| Operating Expenses | \$ 209,598 | \$ 243,196 | \$ 251,093 | \$ 257,299 | \$ 263,821 | \$ 268,930 | \$ 278,624 | \$ 288,635 | \$ 292,978 | \$ 302,786 | \$ 2,656,960 |
| Debt Service | \$ 43,587 | \$ 58,732 | \$ 74,167 | \$ 94,402 | \$ 105,454 | \$ 113,182 | \$ 125,326 | \$ 139,462 | \$ 155,702 | \$ 170,912 | \$ 1,080,925 |
| Net Revenues After Debt Service | \$ 43,053 | \$ 3,081 | \$ 11,095 | \$ 6,160 | \$ 4,494 | \$ 2,982 | \$ 7,624 | \$ 7,431 | \$ 8,369 | \$ 11,890 | \$ 106,179 |
| Operating Reserve | \$ 128,424 | \$ 111,941 | \$ 115,424 | \$ 117,960 | \$ 120,533 | \$ 122,334 | \$ 126,400 | \$ 130,601 | \$ 134,501 | \$ 138,518 | \$ 1,246,636 |
| Rate Stabilization Fund (2) | \$ 27,000 | \$ (2,500) | \$ (17,800) | \$ (20,000) | \$ (14,000) | \$ (1,700) | \$ (2,500) | \$ - | \$ - | \$ - | \$ - |
| Senior Debt Service Coverage | 624% | 277% | 235% | 187% | 177% | 171% | 168% | 161% | 151% | 149% | |
| Proposed Rate Increases | 5.5% | 5.0% | 7.5% | 8.5% | 9.5% | 9.5% | 9.0% | 8.5% | 8.0% | 8.0% | 79.0% |

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund

(2) FY2006 contribution of \$27 million to Rate Stabilization Fund brought the total fund balance to \$58.5 million

Presented and Adopted: February 8, 2007
Subject: Approval of Fiscal Year 2006-2015 Capital Improvement Program

#07-21
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors, (the "Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on February 8, 2007, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2006 – 2015 Ten-Year Capital Improvement Program:

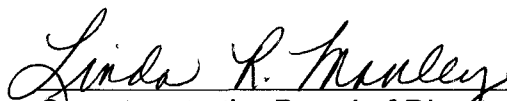
WHEREAS, the Board's financial policies require an annually updated Ten-Year Financial Plan, which includes a Ten-Year Capital Improvement Program.

WHEREAS, on January 18, 2007, the Environmental Quality and Operations Committee met and on January 25, 2007, the Finance and Budget Committee met and recommended that the Board adopt the FY 2006 – 2015 Capital Improvement Program with the addition of \$2 million to accommodate initial work associated with building a new WASA Headquarters.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2006 – 2015 Capital Improvement Plan with a lifetime budget totaling \$5,143,955,000 (Attachment A) and related disbursements budget of \$2,203,222 (Attachment B) and as further detailed in the General Manager's Proposed Fiscal Year 2008 Operating and Capital Budgets dated October 26, 2006 and accompanying materials.

This resolution is effective immediately.


Secretary to the Board of Directors

ATTACHMENT A

FY 2006 - FY 2015 Capital Improvement Plan

Project Lifetime Budgets by Program Area (\$ 000's)

| | <u>FY 2007 Approved</u> | <u>FY 2007 Revised / FY 2008 Proposed</u> | <u>Variance</u> |
|--|-----------------------------|---|-----------------|
| <u>Wastewater Treatment</u> | | | |
| Liquid Processing Projects | 507,289 | 541,207 | 33,918 |
| Plantwide Projects | 293,617 | 295,594 | 1,977 |
| Solids Processing Projects | 562,414 | 562,747 | 333 |
| Sub-total | 1,363,320 | 1,399,548 | 36,228 |
| <u>Sanitary Sewer</u> | | | |
| Sanitary Collection Sewers | 12,824 | 10,966 | (1,858) |
| Sanitary On-Going Projects | 63,540 | 65,827 | 2,287 |
| Sanitary Pumping Facilities | 22,577 | 22,882 | 305 |
| Sanitary Sewer Projects Program Management | 14,930 | 38,530 | 23,600 |
| Sanitary Interceptor/Trunk Force Sewers | 82,225 | 110,791 | 28,566 |
| Sub-total | 196,096 | 248,996 | 52,900 |
| <u>Combined Sewer Overflow</u> | | | |
| CSO Program Management | 17,254 | 17,754 | 500 |
| Combined Sewer Projects | 159,034 | 222,959 | 63,925 |
| Long-Term Control Plan- Total | | | |
| Blue Plains | 36,846 | 36,846 | - |
| Anacostia Tunnel | 1,372,545 | 1,372,545 | - |
| Potomac Tunnel | 418,700 | 418,700 | - |
| Rock Creek Tunnel | 70,342 | 70,342 | - |
| Sub-total | 2,074,721 | 2,139,146 | 64,425 |
| <u>Stormwater</u> | | | |
| Stormwater Extensions/Local Drainage | 2,488 | 2,333 | (155) |
| Stormwater On-Going Program | 6,840 | 7,125 | 285 |
| Stormwater Pumping Facilities | 1,173 | 1,173 | 0 |
| DDOT Stormwater Program | 4,739 | 4,230 | (509) |
| Stormwater Projects Program Management | 5,830 | 9,630 | 3,800 |
| Stormwater Trunk/Force Sewers | 22,048 | 19,850 | (2,198) |
| Sub-total | 43,118 | 44,341 | 1,223 |

ATTACHMENT A

FY 2006 - FY 2015 Capital Improvement Plan

Project Lifetime Budgets by Program Area (\$ 000's)

| | FY 2007 Approved | FY 2007 Revised / FY 2008 Proposed | Variance |
|--|-----------------------------|---|--------------------|
| <u>Water</u> | | | |
| Water Distribution Systems | 257,955 | 289,447 | 31,492 |
| Water Lead Program | 438,486 | 438,486 | 0 |
| Water On-Going Projects | 63,776 | 71,090 | 7,314 |
| Water Pumping Facilities | 90,003 | 100,263 | 10,260 |
| DDOT Water Projects | 33,360 | 33,691 | 331 |
| Water Storage Facilities | 36,970 | 32,112 | (4,858) |
| Water Projects Program Management | 31,603 | 28,179 | (3,424) |
| Meter Replacement /AMR Installation | 47,336 | 47,336 | - |
| Sub-total | 999,489 | 1,040,604 | 41,115 |
| Washington Aqueduct | 180,693 | 175,475 | (5,218) |
| Capital Equipment | 90,037 | 95,845 | 5,808 |
| Total WASA CIP Lifetime (see notes) | 4,947,474 | 5,143,955 | 196,481 |

Notes:

- 1 Lifetime budgets shown here represent total budgets for projects that are active during the current 10-year CIP. Lifetime budgets include historical spending prior to the beginning of the current 10-year plan, spending during the 10-year plan, and projected spending beyond the current 10-year plan. Projects completed in FY 2006 will be dropped from the CIP next year.
- 2 These budgets do not include inhouse labor costs, which historically have averaged \$7 to \$8 million annually and are applicable to, primarily, the time charged to capital projects by employees in the Departments of Engineering, Sewer Services, and Water Services.

FY 2006 - FY 2015 PROJECTED CAPITAL IMPROVEMENT PLAN - DISBURSEMENTS BASIS (\$ in 000's)

| | FY 2006 Actuals | FY 2007 Revised | FY 2008 Proposed | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | Total FY '06 - '15 |
|--|--------------------|--------------------|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------------|
| <u>Wastewater Treatment</u> | | | | | | | | | | | |
| Liquid Processing Projects | 41,254 | 28,028 | 39,221 | 41,981 | 26,318 | 10,748 | 1,579 | 1,860 | 2,816 | 5,686 | 199,491 |
| Plantwide Projects | 12,440 | 13,189 | 17,949 | 11,585 | 16,567 | 6,442 | 1,095 | 681 | 1,801 | 1,878 | 83,627 |
| Solids Processing Projects | 11,083 | 9,761 | 6,702 | 13,748 | 17,508 | 35,352 | 61,426 | 69,631 | 45,869 | 31,326 | 302,406 |
| Sub-total | 64,777 | 50,978 | 63,872 | 67,314 | 60,393 | 52,542 | 64,100 | 72,172 | 50,486 | 38,890 | 585,524 |
| <u>Sanitary Sewer</u> | | | | | | | | | | | |
| Sanitary Collection Sewers | 391 | 561 | 629 | - | - | - | - | - | - | - | 1,581 |
| Sanitary On-Going Projects | 3,123 | 4,073 | 3,527 | 3,155 | 3,155 | 3,896 | 3,500 | 3,796 | 4,059 | 4,193 | 36,477 |
| Sanitary Pumping Facilities | 1,436 | 1,081 | 3,948 | 2,099 | - | - | - | - | - | - | 8,564 |
| Sanitary Sewer Projects Program Management | 2,607 | 2,142 | 2,668 | 3,078 | 3,427 | 3,050 | 2,668 | 1,458 | 1,454 | 1,449 | 24,001 |
| Sanitary Interceptor/Trunk Force Sewers | 2,703 | 3,180 | 11,163 | 18,286 | 7,215 | 2,588 | 1,623 | 1,612 | 1,608 | 1,194 | 51,172 |
| Sub-total | 10,260 | 11,037 | 21,935 | 26,618 | 13,797 | 9,534 | 7,791 | 6,866 | 7,121 | 6,836 | 121,795 |
| <u>Combined Sewer Overflow / Long Term Control Plan</u> | | | | | | | | | | | |
| CSO Program Management | 1,257 | 779 | 113 | 139 | 93 | 89 | - | - | - | - | 2,470 |
| Combined Sewer Projects | 29,808 | 22,524 | 28,458 | 34,414 | 6,467 | 27 | - | - | - | - | 121,698 |
| New WASA Headquarters | - | 2,000 | - | - | - | - | - | - | - | - | 2,000 |
| Long-Term Control Plan- | | | | | | | | | | | |
| Blue Plains | 316 | 324 | 414 | 570 | 982 | 1,021 | 2,080 | 6,894 | 12,192 | 7,098 | 31,891 |
| Anacostia Tunnel ⁽¹⁾ | 2,864 | 16,611 | 16,147 | 12,733 | 20,705 | 21,125 | 39,099 | 54,577 | 89,566 | 126,396 | 399,823 |
| Potomac Tunnel | - | - | - | - | - | - | - | - | - | 2,064 | 2,064 |
| Rock Creek Tunnel | - | - | - | - | - | - | - | - | - | - | - |
| Sub-total | 34,245 | 42,238 | 45,132 | 47,856 | 28,247 | 22,262 | 41,179 | 61,471 | 101,758 | 135,558 | 559,946 |
| <u>Stormwater</u> | | | | | | | | | | | |
| Stormwater Extensions/Local Drainage | 532 | 80 | 172 | - | - | - | - | - | - | - | 784 |
| Stormwater On-Going Program | 606 | 286 | 311 | 224 | 248 | 281 | 287 | 291 | 302 | 312 | 3,148 |
| Stormwater Pumping Facilities | 52 | 5 | - | - | - | - | - | - | - | - | 57 |
| DDOT Stormwater Program | 17 | 23 | 11 | 83 | 87 | 90 | 92 | 94 | 96 | 99 | 692 |
| Stormwater Projects Program Management | 499 | 548 | 713 | 729 | 808 | 653 | 455 | 113 | - | - | 4,518 |
| Stormwater Trunk/Force Sewers | 281 | 2,335 | 3,333 | 17 | - | - | 1,082 | 908 | 880 | 5 | 8,841 |
| Sub-total | 1,987 | 3,277 | 4,540 | 1,053 | 1,143 | 1,024 | 1,916 | 1,406 | 1,278 | 416 | 18,040 |
| <u>Water</u> | | | | | | | | | | | |
| Water Distribution Systems | 12,152 | 15,508 | 25,339 | 23,728 | 10,983 | 13,334 | 17,737 | 11,361 | 11,632 | 10,316 | 152,090 |
| Water On-Going Projects | 4,431 | 6,364 | 6,218 | 3,661 | 3,375 | 3,268 | 3,336 | 3,555 | 3,606 | 3,719 | 41,533 |
| Water Pumping Facilities | 7,219 | 13,440 | 16,499 | 4,696 | - | - | - | - | - | - | 41,854 |
| DDOT Water Projects | 698 | 1,571 | 1,772 | 1,041 | 1,012 | 1,208 | 1,228 | 1,220 | 1,267 | 1,308 | 12,325 |
| Water Storage Facilities | 11 | 45 | 155 | 272 | 2,810 | 1,778 | 939 | 6,563 | 2,519 | 675 | 15,767 |
| Water Projects Program Management | 2,325 | 2,343 | 2,322 | 2,320 | 2,349 | 2,423 | 2,522 | 2,499 | 2,493 | 2,499 | 24,095 |
| Water Lead Program | 28,378 | 32,537 | 37,619 | 34,571 | 39,775 | 42,604 | 44,132 | 45,454 | 42,908 | 12,371 | 360,349 |
| Meter Replacement /AMR Installation | 2,666 | 3,423 | 3,223 | 1,914 | 423 | 573 | 423 | 423 | 1,007 | 957 | 15,032 |
| Sub-total | 57,880 | 75,231 | 93,147 | 72,203 | 60,727 | 65,188 | 70,317 | 71,075 | 65,432 | 31,845 | 663,045 |
| Washington Aqueduct | 11,096 | 24,509 | 76,762 | 6,557 | 5,265 | 6,953 | 7,635 | 7,020 | 6,683 | 6,548 | 159,027 |
| Capital Equipment | 11,038 | 18,659 | 14,163 | 10,751 | 7,913 | 6,348 | 6,378 | 6,240 | 8,168 | 6,188 | 95,846 |
| Total FY 2008 WASA Capital Improvement Program | 191,283 | 225,929 | 319,551 | 232,352 | 177,485 | 163,851 | 199,316 | 226,250 | 240,926 | 226,281 | 2,203,222 |

(1) Disbursements for the Anacostia Tunnel are subject to review by the Board-Committees (due to ongoing discussions with EPA), and, therefore, may potentially be reduced, or put on hold.

Presented and Adopted: February 8, 2007
**SUBJECT: Approval of the Fiscal Year 2007 Stormwater Permit
Compliance Enterprise Fund Budget**

#07-22
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on February 8, 2007 decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2008 Proposed Stormwater Permit Compliance Enterprise Fund Operating Budget:

WHEREAS, on January 18, 2007, the Environmental Quality and Operations Committee met, and on January 25, 2007, the Finance and Budget Committee met and reviewed the proposed Stormwater Permit Compliance Enterprise Fund budget and recommended that it be approved by the Board.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the Fiscal Year 2008 Stormwater Permit Compliance Enterprise Fund budget totaling \$8,863,326 as set forth in the attached Schedule A.

This resolution is effective immediately.


Secretary to the Board of Directors

STORMWATER ENTERPRISE FUND
SOURCES AND USES OF FUNDS
Proposed FY 2008

Revenue

| | |
|---|--------------------|
| Projected Stormwater Rate Revenue | \$3,270,000 |
| Unspent Prior Year Funds and/or Rate Increase | <u>5,593,326</u> |
| Total | \$8,863,326 |

Expenditures

| | |
|-------------------------------|--------------------|
| WASA | \$2,975,000 |
| Department of the Environment | 2,087,326 |
| Department of Public Works | 1,365,000 |
| Department of Transportation | <u>2,436,000</u> |
| Total | \$8,863,326 |

Presented and Adopted: February 8, 2007
SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing

#07-23
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority (the "Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter, decided by a vote of nine (9) in favor and none (0) opposed to approve the following action.

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

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

NOW THEREFORE BE IT RESOLVED THAT:

1. The Borrower intends to utilize the proceeds of tax-exempt bonds or notes (the "Bonds") or other debt in an amount not currently expected to exceed \$265,300,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 06-06 of the Board adopted on January 5, 2006 plus amounts projected to be reimbursed during Fiscal Year 2007 and through January 2008.
2. The Borrower intends that the proceeds of the Bonds be used to reimburse the Borrower for Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a

grant to a party that is not related to or an agent of the Borrower so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Borrower.

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

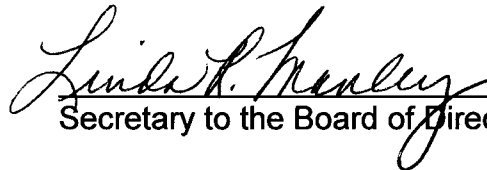

Secretary to the Board of Directors

EXHIBIT A — LIST OF PROJECTS

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

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute a Modification
of Contract No. WAS-01-023-AA-DW
ERCO, Inc.

#07-24
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve a modification of Contract No. WAS-01-023-AA-DW, ERCO, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification of Contract No. WAS-01-023-AA-DW, ERCO, Inc. This contract extension will allow the Authority to address and respond to a protest of the Biosolids RFP. The contract modification completion date is March 30, 2007. The extension amount is not-to-exceed \$108,100.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Approval to Execute a Modification
of Contract No. WAS-01-023-AB-DW
JABB II, LLC

#07-25
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on February 8, 2007, upon consideration of a joint-use matter decided by a vote of nine (9) in favor and none (0) opposed, to approve a modification of Contract No. WAS-01-023-AB-DW, JABB II, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification of Contract No. WAS-01-023-AB-DW, JABBB II, LLC. This contract modification will allow the Authority to address and respond to a protest of the Biosolids RFP. The contract modification completion date is March 30, 2007. The extension amount is not-to-exceed \$1,453,851.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: February 8, 2007
SUBJECT: Proposed Water and Sewer Service Rates, Right of
Way / PILOT Fee for Fiscal Year 2008

#07-26
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on February 8, 2007 decided by a vote of five (5) in favor and none (0) opposed, to take the following action with respect to the proposed retail rates for water and sewer service, the right of way / payment in lieu of taxes (PILOT) fee.

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

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

WHEREAS, the Retail Rates Committee met on February 8, 2007 to consider the proposed rate and fee changes; and

WHEREAS, the Retail Rates Committee recommended that the Board consider for public comment a retail rate increase of approximately 7.5 percent; and

WHEREAS, the Retail Rates Committee recommended that the Board consider for public comment an increase in the right of way / PILOT fee to recover the full cost of the Authority's right of way and PILOT payment to the District of Columbia government; and

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

WHEREAS, the Authority's revenue projections for Fiscal Year 2008 reflect an approximate \$12.9 million increase due to the proposed 7.5 percent increase in

retail rates and an approximate \$1 million due to the proposed right of way/ PILOT fee increase.

NOW THEREFORE BE IT RESOLVED THAT:

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

Water Service Rates

- a. An increase in the rate for retail metered water service from \$2.03 per One Hundred Cubic Feet ("Ccf"), to \$2.18 per Ccf, effective October 1, 2007.

Sewer Service Rates

- a. An increase in the rate for retail sanitary sewer service from \$3.06 per Ccf to \$3.29 per Ccf, effective October 1, 2007.

Right of Way / PILOT Fee

- a. An increase in the Right of Way / PILOT fee from \$0.44 per Ccf to \$0.47 per Ccf, effective October 1, 2007.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed rate adjustments in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution is effective immediately.


Secretary to the Board of Directors