

Presented and Adopted: January 5, 2006
Subject: Approval of Fiscal Year 2006 Revised Operating Budget

#06-00
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 January 5, 2006, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2006 Revised Operating Budget:

WHEREAS, in October 2005 the General Manager presented a Revised Fiscal Year 2006 Operating Budget to the Board that totaled \$290,876,000, approximately \$4,834,000 less than the Fiscal Year 2006 Operating Budget approved by the Board in January 2005 due to lower debt service costs resulting from lower than projected capital spending; and

WHEREAS, on December 22, 2005, the Finance and Budget Committee recommended that the Board adopt a Revised FY 2006 Operating Budget that totals \$290,876,000 as presented by the General Manager as further detailed in the General Manager's Proposed FY 2007 Operating Budget dated October 20, 2005 and in materials presented to the Retail Rates and Finance and Budget Committees which met on December 16, 2005 and December 22, 2005, respectively. .

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2006 Revised Operating Budget totaling \$290,876,000 as directed by the Finance and Budget Committee on December 22, 2005.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006

Subject: Approval of Fiscal Year 2007 Proposed Operating Budget

**#06-01
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 January 5, 2006, decided by a vote of ten (10) in favor and one (1) opposed, to take the following action with respect to the Fiscal Year 2007 Proposed Operating Budget:

WHEREAS, in October 2005, the General Manager presented the FY 2007 Proposed Operating Budget to the Board that totaled \$311,642,000; and

WHEREAS, on December 22, 2005, the Finance and Budget Committee recommended that the Board adopt a FY 2007 budget that totals \$311,642,000.

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 2007 Proposed Operating Budget totaling \$311,642,000 as further detailed in the General Manager's Proposed FY 2007 Operating Budget dated October 20, 2005 and in materials presented to the Retail Rates and Finance and Budget Committees which met on December 16, 2005 and December 22, 2005, respectively.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
Subject: Approval of Fiscal Year 2007 Capital Authority Request

#06-02
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 January 5, 2006, decided by a vote of ten (10) in favor and one (1) abstention, to take the following action with respect to the Fiscal Year 2007 Capital Authority request which is to be submitted to the United States Congress:

WHEREAS, in October 2005, the General Manager presented the FY 2007 Proposed Capital Authority request of \$285,791,000; and

WHEREAS, the request is to be submitted to the United States Congress; and

WHEREAS, on December 13 and 15, 2005, the Environmental Quality & Operations and Finance and Budget Committees respectively met on December 22, 2005 the Finance and Budget Committee met and recommended that the Board adopt the Proposed Capital Authority request of \$285,791,000.

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 2007 Capital Authority request totaling \$285,791,000 which is to be submitted to the United States Congress as shown in the Authority's proposed Fiscal Year 2007 Operating and Capital Budgets and as further set forth in Attachment A to this resolution.

This resolution is effective immediately.


Secretary to the Board of Directors

**Fiscal Year 2007 Capital Authority Request
(\$000's)**

<u>Program Areas</u>	<u>Fiscal Year 2007 Capital Authority Request</u>
Blue Plains Wastewater Treatment	136,424
Sanitary Sewer System	18,834
Combined Sewer Projects	50,000
Stormwater ¹	0
Water System	37,524
Washington Aqueduct (WASA share)	41,252
Capital Equipment	<u>1,757</u>
Total	<u><u>285,791</u></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: January 5, 2006
SUBJECT: Approval of Fiscal Year 2005-2014 Ten Year Financial Plan

#06-03
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 January 6, 2005 decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2005 – 2014 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 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

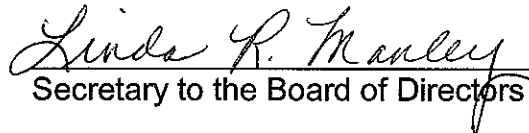
WHEREAS, consistent with Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2007 operating and capital budgets; and

WHEREAS, the Fiscal Year 2005 – 2014 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 Retail Rates and Finance and Budget Committees which met on December 16, 2005 and December 22, 2005, respectively.

NOW THEREFORE BE IT RESOLVED THAT:

The Board of Directors hereby approves and adopts the proposed Fiscal Year 2005 – 2014 Financial Plan as expressed in the proposed Fiscal Year 2007 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 2005 - 2014 FINANCIAL PLAN
 (In 000's)

OPERATING	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Operating Receipts (1)	\$ 285,075	\$ 289,792	\$ 305,673	\$ 325,434	\$ 345,521	\$ 361,064	\$ 377,635	\$ 400,309	\$ 421,891	\$ 441,420
Operating Expenses	\$ 206,052	\$ 223,567	\$ 229,202	\$ 235,013	\$ 240,819	\$ 244,788	\$ 249,410	\$ 258,424	\$ 267,629	\$ 271,318
Debt Service	\$ 47,513	\$ 47,095	\$ 61,203	\$ 77,872	\$ 94,662	\$ 103,827	\$ 116,393	\$ 129,761	\$ 143,750	\$ 156,772
Net Revenues After Debt Service	\$ 31,510	\$ 19,130	\$ 15,268	\$ 12,550	\$ 10,040	\$ 12,449	\$ 11,831	\$ 12,123	\$ 10,512	\$ 13,330
Operating Reserve	\$ 116,268	\$ 102,422	\$ 104,826	\$ 107,225	\$ 109,582	\$ 110,976	\$ 112,650	\$ 116,425	\$ 120,327	\$ 123,919
Rate Stabilization Fund (2)	\$ 4,000	\$ -	\$ (4,000)	\$ (6,500)	\$ (9,000)	\$ (6,000)	\$ (3,000)	\$ (2,000)	\$ (1,000)	\$ -
Senior Debt Service Coverage	562%	476%	326%	233%	194%	193%	179%	170%	161%	154%
Proposed Rate Increases	5.0%	5.5%	7.0%	8.0%	8.0%	8.0%	8.0%	8.5%	7.5%	8.0%

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund
 (2) FY2005 contribution of \$4 million to Rate Stabilization Fund brought the total fund balance to \$31.5 million

Presented and Adopted: January 5, 2006
Subject: Approval of Fiscal Year 2005-2014 Capital Improvement Program

#06-04
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 January 5, 2005, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2005 – 2014 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 December 13 and 15, 2005, the Environmental Quality & Operations Committee and Finance & Budget Committee respectively met and recommended that the Board adopt the FY 2005 – 2014 Capital Improvement Program.

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 2005 – 2014 Capital Improvement Plan with a lifetime budget totaling \$4,947,473,000 (Attachment A) and related disbursements budget of \$2,222,351,000 (Attachment B) and as further detailed in the General Manager's Proposed Fiscal Year 2007 Operating and Capital Budgets dated October 20, 2005 and accompanying materials.

This resolution is effective immediately.


Secretary to the Board of Directors

FY 2005 - FY 2014 Capital Improvement Plan

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

	<u>FY 2006 Revised</u>	<u>FY 2007 Proposed</u>	<u>Variance</u>
<u>Wastewater Treatment</u>			
Liquid Processing Projects	521,907	507,289	(14,618)
Plantwide Projects	275,634	293,617	17,983
Solids Processing Projects	515,197	562,414	47,217
Sub-total	1,312,738	1,363,320	50,582
<u>Sanitary Sewer</u>			
Sanitary Collection Sewers	12,024	12,824	800
Sanitary On-Going Projects	65,361	63,540	(1,821)
Sanitary Pumping Facilities	21,977	22,577	600
Sanitary Sewer Projects Program Management	14,930	14,930	-
Sanitary Interceptor/Trunk Force Sewers	79,754	82,225	2,471
Sub-total	194,046	196,096	2,050
<u>Combined Sewer Overflow</u>			
CSO Program Management	17,254	17,254	-
Combined Sewer Projects	149,034	159,034	10,000
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	2,064,721	2,074,721	10,000
<u>Stormwater</u>			
Stormwater Extensions/Local Drainage	2,270	2,488	218
Stormwater On-Going Program	6,241	6,840	599
Stormwater Pumping Facilities	3,108	1,173	(1,935)
DDOT Stormwater Program	14,648	4,739	(9,909)
Stormwater Projects Program Management	5,830	5,830	-
Stormwater Trunk/Force Sewers	13,580	22,048	8,468
Sub-total	45,677	43,118	(2,559)

FY 2005 - FY 2014 Capital Improvement Plan

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

	<u>FY 2006</u>	<u>FY 2007</u>	<u>Variance</u>
	<u>Revised</u>	<u>Proposed</u>	
<u>Water</u>			
Water Distribution Systems	181,613	257,955	76,342
Water Lead Program	300,750	438,486	137,736
Water On-Going Projects	59,985	63,776	3,791
Water Pumping Facilities	85,488	90,003	4,515
DDOT Water Projects	31,772	33,360	1,588
Water Storage Facilities	14,140	36,970	22,830
Water Projects Program Management	24,480	31,603	7,123
Meter Replacement /AMR Installation	46,500	47,336	836
Sub-total	744,728	999,489	254,761
Washington Aqueduct	154,498	180,693	26,195
Capital Equipment	90,589	90,037	(552)
Total WASA CIP Lifetime (see notes)	4,606,997	4,947,474	340,477

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 2005 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 primarily to time charged to capital projects by employees in the Departments of Engineering, Sewer Services, and Water Services.

FY 2005 - FY 2014 PROJECTED CAPITAL IMPROVEMENT PLAN - DISBURSEMENTS BASIS (\$ in 000's)

	FY 2007 Proposed	FY 2006 Actual	FY 2006 Revised	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Total FY 05-'14
Wastewater Treatment											
Liquid Processing Projects	47,943	57,597	44,747	45,828	16,288	3,238	902	1,785	2,229	3,416	223,974
Plantwide Projects	17,976	16,688	16,885	13,066	16,288	10,606	4,341	956	796	2,185	99,186
Solids Processing Projects	37,860	18,405	24,706	66,733	87,777	58,325	41,074	8,420	638	1,055	345,013
Sub-total	103,779	92,690	86,338	125,627	120,353	72,168	46,318	11,161	3,664	6,655	688,173
Sanitary Sewer											
Sanitary Collection Sewers	1,007	1,744	1,291	95	-	-	-	-	-	-	4,137
Sanitary On-Going Projects	4,364	1,787	6,800	3,499	2,535	3,829	4,128	4,052	4,551	4,924	40,469
Sanitary Pumping Facilities	8,920	551	3,577	3,093	246	2	2	2	2	3	15,808
Sanitary Sewer Projects Program Management	2,463	2,346	3,893	592	357	445	367	307	-	-	10,770
Sanitary Interceptor/Trunk Force Sewers	12,488	2,339	2,414	12,753	4,036	1,865	1,526	1,651	1,698	1,712	42,482
Sub-total	28,651	8,767	17,974	20,032	7,173	6,142	6,024	6,012	6,252	6,638	113,666
Combined Sewer Overflow / Long Term Control Plan											
CSO Program Management	51	1,434	524	57	-	-	-	-	-	-	2,066
Combined Sewer Projects	22,018	12,187	20,689	27,047	3,374	70	36	-	-	-	87,421
Long-Term Control Plan-											
Blue Plains	300	850	850	300	800	1,000	1,500	1,500	2,088	7,030	15,348
Anacostia Tunnel	14,760	8,900	8,900	16,240	18,490	15,520	73,620	81,820	84,842	71,610	385,802
Polomac Tunnel	-	-	-	-	-	-	-	-	-	-	-
Rock Creek Tunnel	-	-	-	-	-	-	-	-	-	-	-
Sub-total	39,129	13,621	30,963	43,644	22,664	16,590	75,156	83,320	86,910	78,640	490,637
Stormwater											
Stormwater Extensions/Local Drainage	247	201	209	-	-	-	-	-	-	-	656
Stormwater On-Going Program	380	170	400	225	226	256	299	332	350	367	3,004
Stormwater Pumping Facilities	6	6	46	-	-	-	-	-	-	-	52
DDOT Stormwater Program	52	388	51	81	84	90	95	107	112	117	1,178
Stormwater Projects Program Management	590	964	688	246	155	102	48	36	10	-	2,840
Stormwater Trunk/Force Sewers	3,212	330	406	2,176	-	-	-	1,253	1,090	1,068	9,536
Sub-total	4,481	2,059	1,800	2,728	465	449	442	1,728	1,562	1,552	17,266
Water											
Water Distribution Systems	24,795	10,833	14,324	17,118	9,288	7,128	10,061	17,704	13,776	14,549	136,576
Water On-Going Projects	5,379	5,260	3,590	3,757	3,357	3,486	3,597	3,824	4,091	4,377	40,718
Water Pumping Facilities	8,937	16,714	9,548	10,015	1,657	-	-	-	-	-	46,870
DDOT Water Projects	552	2,044	1,892	1,200	1,000	960	1,279	1,421	1,463	1,537	13,350
Water Storage Facilities	781	88	189	2,581	492	203	676	1,088	7,869	3,055	17,022
Water Projects Program Management	2,262	3,761	2,486	2,364	2,355	2,359	3,249	2,917	2,995	3,023	27,771
Water Lead Program	31,706	31,260	38,310	33,214	39,838	41,912	43,451	45,253	46,974	48,749	400,668
Meter Replacement/AMR Installation	2,156	4,270	4,466	251	275	275	291	491	865	1,366	15,306
Sub-total	74,168	74,230	74,805	70,500	58,263	56,323	62,604	72,699	78,033	76,656	698,281
Washington Aqueduct	32,183	1,992	13,391	28,111	29,707	10,315	7,045	7,661	7,114	6,772	144,291
Capital Equipment	13,097	9,360	14,543	11,942	8,353	6,508	6,398	6,305	5,853	7,678	90,037
Total FY 2007 WASA Capital Improvement Program	234,909	202,719	239,814	302,584	246,978	168,495	203,986	188,886	189,387	184,592	2,222,351

Presented and Adopted: January 5, 2006
**SUBJECT: Approval of the Fiscal Year 2007 Stormwater Permit
Compliance Enterprise Fund Budget**

#06-05
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 January 6, 2005 decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2007 Proposed Stormwater Permit Compliance Enterprise Fund Operating Budget:

WHEREAS, on December 13 and 15, 2005, the Environmental Quality and Operations and Finance and Budget Committees respectively 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 2007 Stormwater Permit Compliance Enterprise Fund budget totaling \$7,000,000 expressed in the attached Schedule A.

This resolution is effective immediately.


Secretary to the Board of Directors

SCHEDULE A

**STORMWATER ENTERPRISE FUND
SOURCES AND USES OF FUNDS
Proposed FY 2007**

Revenue

Projected Stormwater Rate Revenue	\$3,100,000
Unspent Prior Year Funds & Rate Increase	<u>3,900,000</u>
Total	\$7,000,000

Expenditures

WASA	\$2,242,999
Department of Health	1,950,001
Department of Public Works	1,270,000
Department of Transportation	<u>1,537,000</u>
Total	\$7,000,000

Presented and Adopted: January 5, 2006
SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing

#06-06
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 January 5, 2006, upon consideration of a joint-use matter, decided by a vote of ten (10) 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 \$245,500,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 05-06 of the Board adopted on January 6, 2005 plus amounts projected to be reimbursed during Fiscal Year 2006 and through January 2007.
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 before 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: January 5, 2006
SUBJECT: Approval of DCFA #401-WSA
Metcalf & Eddy Management, P.C.

#06-07
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 the Board meeting held on January 5, 2006, upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to approve DCFA #401-WSA, Metcalf & Eddy Management, P.C.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute DCFA #401-WSA, Metcalf & Eddy Management, P.C. The purpose of this contract is to provide engineering, technical and managerial services to manage the design of projects to upgrade the Blue Plains AWTP ensuring compliance with NPDES permit limits. The contract amount is \$7,200,000.00.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Approval of Change Order No. 26 of Contract No.
020020, Ulliman Schutte Construction, LLC

#06-08
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 the Board meeting held on January 5, 2006, upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to approve Change Order No. 26 of Contract No. 020020, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 26 of Contract No. 020020, Ulliman Schutte Construction, LLC. The purpose of the change order is to replace outdated and worn equipment, and increase plant performance by providing fine screens and automated grit removal systems. The change order amount is \$208,620.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Approval of Modification No. 2
Contract No. FCWA-05-01, Eaglebrook (Kemiron),
Inc. Inc.

#06-09
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 the Board meeting held on January 5, 2006, upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to approve Modification No. 2 of Contract No. FCWA-05-01, Eaglebrook (Kemiron), Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Modification No. 2 of Contract No. FCWA-05-01, Eaglebrook (Kemiron), Inc. The purpose of the contract is to provide Ferric Chloride at a unit price of \$0.1415 per pound. The modification amount is \$200,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Approval of Option Year One (1)
Contract No. WAS-04-053-AA-MB
J. Givoo Consultants, Inc.

#06-10
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 the Board meeting held on January 5, 2006, upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to approve Option Year One (1) of Contract No. WAS-04-053-AA-MB, J. Givoo Consultants, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One (1) of Contract No. WAS-04-053-AA-MB, J. Givoo Consultants, Inc. The purpose of this option is to provide services to maintain instrumentation equipment and other related work throughout the Authority's facilities. The option amount is not-to-exceed \$1,345,040.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Approval of Change Order No. 35
Contract No. 010050, Whiting-Turner Contracting Co.

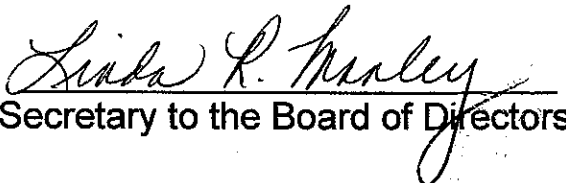
#06-11
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 5, 2006, upon consideration of a non-joint-use matter decided by a vote of five (5) in favor and none (0) opposed, to approve Change Order No. 35 of Whiting-Turner Contracting Co.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 35 of Whiting-Turner Contracting Co. The purpose of this change order is to replace outdated and worn equipment, and improve station performance. The change amount is \$11,971.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Approval of Contract No. WAS-06-002-AA-VW,
Business Promotion Consultants, Inc.

#06-12
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 the Board meeting held on January 5, 2006, upon consideration of a non-joint-use matter decided by a vote of five (5) in favor and none (0) opposed, to approve Contract No. WAS-06-002-AA-VW, Business Promotion Consultants, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-06-002-AAVW, Business Promotion Consultants, Inc. The purpose of this contract is to provide water meters for the lead replacement project. The contract amount is \$1,020,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 5, 2006
SUBJECT: Proposed Water and Sewer Service Rates and Right of Way / PILOT Fee For Fiscal Year 2007

#06-13
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 January 5, 2006 decided by a vote of three (3) in favor and one (1) opposed, to take the following action with respect to the proposed retail rates for water and sewer service and the right of way / payment in lieu of taxes (PILOT) fee (a matter not affecting the general management of joint-use sewerage facilities):

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 December 16, 2005 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 seven 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 2007 reflect an approximate \$10 million increase due to the proposed seven percent increase in retail rates and an approximate \$0.8 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 \$1.93 per One Hundred Cubic Feet ("Ccf"), to \$2.07 per Ccf, effective October 1, 2006.

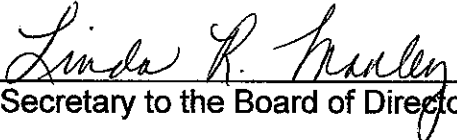
Sewer Service Rates

- a. An increase in the rate for retail sanitary sewer service from \$2.91 per Ccf to \$3.11 per Ccf, effective October 1, 2006.

Right of Way / PILOT Fee

- a. An increase in the Right of Way / PILOT fee from \$0.42 per Ccf to \$0.44 per Ccf, effective October 1, 2006.
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