

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Change Order No. 4 of Contract No.
040140 Ulliman Schutte

#07-79
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 November 1, 2007, upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed, to approve Change Order No. 4 of Contract No. 040140, Ulliman Schutte.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 4 of Contract No. 040140, Ulliman Schutte. The purpose of the contract is to replace and upgrade existing pumping equipment and improve station performance. The change amount is \$76,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Option Year One of Contract No. WAS-06-012-AA-JW, First Vehicle Services

#07-80
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 November 1, 2007, upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed, to approve Option Year One of Contract No. WAS-06-012-AA-JW, First Vehicle Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. WAS-06-012-AA-JW, First Vehicle Services. The purpose of the contract is to provide fleet management, maintenance and repair services. The option amount is \$1,366,737.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Option Year Three of Contract No.
WAS-04-024-AA-VW, Topflite Building Services

#07-81
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 November 1, 2007, upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed, to approve Option Year Three of Contract No. WAS-04-024-AA-VW, Topflite Building Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. WAS-04-024-AA-VW, Topflite Building Services. The purpose of the contract is to provide janitorial services at the designated authority facilities. The option amount is \$461,575.12.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Option Year Two of Contract No. WAS-05-027-AA-VW, Alpine Trading Company.

#07-82
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 November 1, 2007, upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed, to approve Option Year Two of Contract No. WAS-05-027-AA-VW. Alpine Trading Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. WAS-05-027-AA-VW, Alpine Trading Company. The purpose of the contract is to furnish and deliver uniforms to WASA employees. The option amount is \$490,549.77.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Option Year One of Contract No. WAS-06-020-AA-MB, CIGNA Health Care

#07-83
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 November 1, 2007, upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed, to approve Option Year One of Contract No. WAS-06-020-AA-MB, CIGNA Health Care.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. WAS-06-020-AA-MB, CIGNA Health Care. The purpose of the contract is to provide DCWASA employees two (2) medical plans: Health Maintenance Organization (HMO) as well as a Preferred Provider Organization (PPO). The option amount is \$3,318,182.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007

**Subject: Ratification of MOU with the District of Columbia Fire and
Emergency Medical Services Department**

**#07-84
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 November 1, 2007, upon consideration of a non-joint use matter decided by a vote of six (6) in favor and none (0) opposed to take the following action with respect to Ratification of an MOU with the District of Columbia Fire and Emergency Medical Services Department (DC FEMS).

WHEREAS, it is essential for the residents and visitors of the District of Columbia to have reliable fire suppression facilities inspected and maintained in accordance with fire hydrant manufacturers' recommendations and national standards such as those of the National Fire Protection Association Guidelines, the American Water Works Association (AWWA) and the Insurance Services Office (ISO); and

WHEREAS, there exists a need for greater internal and public collaboration between WASA and DC FEMS to promote confidence by the public in the responsiveness and effectiveness of both; and

WHEREAS, WASA and DC FEMS acknowledge the need for regular and continuing inspections of fire hydrants. WASA and DC FEMS acknowledge the need for repairs, and annual maintenance along with record keeping based on the AWWA Standards, NFPA Guidelines and ISO Fire Suppression Rating Schedule; and

WHEREAS, WASA and DC FEMS have been meeting in joint sessions over the past 18 months relative to the Fire Hydrant Upgrade Program (Upgrade Program) and Annual Fire Hydrant Inspection Program (Inspection Program); and

WHEREAS, WASA and DC FEMS have memorialized their commitments with regards to the Upgrade and Inspection Programs through the execution of the attached Memorandum of Understanding (MOU) which has been signed by the General Manager on behalf of the Authority; and

WHEREAS, under the MOU, WASA has been identified as the managing authority of all public fire hydrants in the District, responsible for determining protocols for inspection and inspection data collection and management, as well as for appropriate fire hydrant use and maintenance standards to ensure that they are maintained and fully operational; and

WHEREAS, DC FEMS has been identified as the primary end user of all fire hydrants, public and private, in the District; and

WHEREAS, under the MOU, the DC FEMS Department has also been identified as the responsible agency for the inspection of all public fire hydrants in the District; and

WHEREAS, the MOU addresses the upgrade, inspection, maintenance, repair and replacement of public fire hydrants; and

WHEREAS, WASA and DC FEMS will work together to efficiently and effectively implement the Upgrade and Inspection Programs; and

WHEREAS, the Board recognizes the urgent need expressed in the MOU and fully supports the intent expressed in the MOU.

NOW THEREFORE BE IT RESOLVED THAT:

The Board ratifies the attached MOU and the commitments expressed therein, and authorizes the General Manager to take all actions necessary to implement the intentions expressed in this Resolution and the MOU.

This resolution is effective immediately.


Secretary to the Board

**Memorandum of Understanding
Between
The District of Columbia Water and Sewer Authority and the
District of Columbia through the District of Columbia Fire and Emergency Medical
Services Department**

This Memorandum of Understanding (MOU) is entered into and shall be effective as of October 25, 2007, by and between the District of Columbia Water and Sewer Authority an independent authority of the District of Columbia, (WASA) and the District of Columbia, a body politic and corporate duly created and organized and validly existing for municipal purposes under the Constitution of the United States of America and the Home Rule Act (District) acting through the District of Columbia Fire and Emergency Medical Services Department (Fire and EMS) together the Parties.

RECITALS

Whereas, WASA and Fire and EMS have been meeting in joint sessions over the past 18 months relative to the Fire Hydrant Upgrade Program (Upgrade Program) and Annual Fire Hydrant Inspection Program (Inspection Program); and

Whereas, under this Memorandum of Understanding, the Fire and EMS Department has been identified as the responsible agency for the inspection of all public fire hydrants in the District; and

Whereas, this Upgrade Program also modifies all public fire hydrants in the District of Columbia by changing the DC-4 inch threaded nozzle connection to a 4.5 inch National Standard Thread (NST) specification compliant with the National Fire Protection Association (NFPA) colorization standard (requested in a letter by then Fire and EMS Chief Adrian H. Thompson dated November 16, 2006 and reaffirmed by Fire and EMS Chief Dennis L. Rubin, in a letter dated April 26, 2007); and

Whereas, Fire and EMS and WASA understand that the NFPA colorization standard identifies available flow from a fire hydrant based upon a flow test under the NFPA Guidelines and ISO Fire Suppression Rating Schedule, and that an ISO representative is present for one flow test per year to ensure that the testing is being done in accordance with established guidelines; and

Whereas, Fire and EMS and WASA agree to use reflective bands consistent with the NFPA colorization standard to indicate the available flow of water in gallons per minute (GPM), and WASA shall flow test all public fire hydrants in the District; and

Whereas, WASA shall identify and install new standard fire hydrants (using the 4 ½" NST pumper connection) with dual (same color) reflective bands that identify the GPM; and

Whereas, an analysis of the flow capability of the entire water distribution system shall be completed, and using the results every fire hydrant shall be color coded consistent with the NFPA colorization recommendations within two years; and

Whereas, WASA and Fire and EMS recognize the urgency of the exchange of current information between WASA and Fire and EMS to ensure the fastest possible notification of and response to fire hydrant outages; and

Whereas, there exists a need for greater internal and public collaboration between WASA and Fire and EMS to promote confidence by the public in the responsiveness and effectiveness of both; and

Whereas, WASA and Fire and EMS acknowledge the need for regular and continuing inspections of fire hydrants. WASA and Fire and EMS acknowledge the need for repairs, and annual maintenance along with record keeping based on the AWWA Standards, NFPA Guidelines and ISO Fire Suppression Rating Schedule; and

Whereas, the initial phase of the Upgrade Program will focus on upgrading approximately 3,500 fire hydrants through replacement of fire hydrants. The initial phase of the Upgrade Program shall be completed within 5 years; and

Whereas, the initial phase of the Upgrade Program shall also include 1,050 fire hydrants to be retrofitted with the 4.5 inch NST connection; and

Whereas, WASA and Fire and EMS acknowledge and are prepared to address the operational challenges arising from a fire hydrant inventory with two different sized nozzle connections; and

Whereas, Fire and EMS has identified over 10,000 public and private fire hydrants that will need to be inspected, maintained, repaired and/or replaced on a continuing basis; and

Whereas, under this MOU, WASA has been identified as the managing authority of all public fire hydrants in the District responsible for determining protocols for inspection and inspection data collection and management, as well as for appropriate fire hydrant use and maintenance standards to ensure that they are maintained and fully operational; and

Whereas, Fire and EMS has been identified as the primary end user of all fire hydrants, public and private, in the District; and

Whereas, it is essential for the residents and visitors of the District to have reliable fire suppression facilities inspected and maintained in accordance with fire hydrant manufacturers' recommendations and national standards such as those of the National Fire Protection Association Guidelines, American Water Works Association (AWWA) and ISO; and

Whereas, WASA and Fire and EMS wish to work together to efficiently and effectively implement the Upgrade and Inspection Programs; and

Whereas, WASA and Fire and EMS wish to memorialize their commitments with regards to the Upgrade and Inspection Programs through the execution of a Memorandum of Understanding (MOU); and

Whereas, WASA and Fire and EMS wish to work together to efficiently and effectively implement the Upgrade and Inspection Programs; and

Whereas, WASA and Fire and EMS wish to memorialize their commitments with regards to the Upgrade and Inspection Programs through the execution of a Memorandum of Understanding (MOU); and

Whereas, this MOU addresses the upgrade, inspection, maintenance, repair and replacement of public fire hydrants.

Now therefore, in consideration of the promises contained herein, and other consideration the receipt and sufficiency of which are mutually acknowledged, the Parties hereto agree as follows:

1.00 Inclusion of Recitals

The Parties agree to the inclusion of the recitals as part of this MOU as though the recitals were stated in full herein.

2.00 Obligations of Fire and EMS

2.01

Fire and EMS Department shall inspect all public and private fire hydrants in the District of Columbia twice per year between March 1st and December 1st. The Parties agree that the first year (of inspections) shall be considered completed by the beginning of December, 2008.

2.02

Fire and EMS shall conduct inspections following the steps outlined in WASA's Fire Hydrant Inspection Program Manual (Manual). The inspections shall be approved by both parties within ninety (90) days from the date of implementation of the MOU and annually thereafter as needed prior to March 1st of each calendar year. The steps outlined in the manual are fully compliant with AWWA manual M-17, Installation, Field Testing and Maintenance of Fire Hydrants.

2.03

Fire and EMS shall immediately notify WASA's Emergency Operations Center (EOC) of any out-of-service or damaged public fire hydrants detected during the course of its inspections.

2.04

Fire and EMS shall identify all fire hydrants determined to be out-of-service or requiring maintenance through the use of a ring attached to that fire hydrant.

2.05

Fire and EMS shall provide to WASA electronically, on at least a weekly basis, a complete file of all fire hydrant survey data collected during inspections. The information will be collected and transmitted to WASA electronically and by telephone notification to WASA's EOC.

2.06

Fire and EMS shall work diligently with WASA and the Metropolitan Police Department (MPD) to identify those fire hydrants Fire and EMS deems to be in high risk areas in order to assess the need for custodial locks to prevent theft of service, unauthorized use and vandalism to the fire hydrants.

2.07

Fire and EMS shall appoint a principal contact to help coordinate the Fire Hydrant Upgrade and Inspection Programs.

2.08

Fire and EMS and WASA to the extent not addressed in the Fire Hydrant Upgrade Program Guide Book and the Fire Hydrant Inspection Manual will continue to develop protocols through an operating MOU with WASA that would cover such topics as inspection; reporting and response standards and definitions; data entry and transfer; communication with public officials, the press and the public; coordination between WASA and Fire and EMS during WASA flushing operations; and other similar issues requiring close cooperation.

2.09

Fire and EMS will not release reports showing the status of fire hydrant inspections, out-of-service fire hydrants, and returned to service fire hydrants.

3.00 Obligations of WASA

3.01

WASA shall share all public fire hydrant data with Fire and EMS which is collected during the course of WASA's flushing program, infrastructure contract work, and distribution main and repair work as well as information reported by other sources that has been verified by WASA.

3.02

WASA shall investigate each Fire and EMS fire hydrant out-of-service report within 24-hours. WASA shall strive to repair an out-of-service fire hydrant within five (5) business days or replace the out-of-service fire hydrant within ten (10) business days (a business day is defined as Monday through Friday excluding holidays.)

3.03

WASA shall repair or replace an out-of-service fire hydrant that has an operational impact on Fire and EMS within forty-eight (48) hours. An example of an operational

impact would be the detection of more than one out-of-service fire hydrant within the same block.

3.04

WASA's command center shall immediately upon notification by Fire and EMS report out-of service fire hydrants to the Office of Unified Communications.

3.05

WASA shall distribute a report showing the status of fire hydrant inspections, out-of-service fire hydrants, and returned to service fire hydrants in a format agreed to by WASA and Fire and EMS. The fire hydrant assessment numbers shall be reported based on actual information collected in the field and this information shall be shared between both Parties. WASA shall report the information on its website, keep the information current, and make it available to the general public in the format and reporting period agreed upon by the Parties. Monthly, the parties shall review the data for purposes of verification; any changes will be posted on WASA's website.

3.06

WASA shall flow test fire hydrants replaced or retrofitted during this Upgrade Program and affix color coded bands to the fire hydrants indicating flow rate; and

3.07

WASA shall work diligently with Fire and EMS and the Metropolitan Police Department (MPD) to identify those fire hydrants in high risk areas in order to assess the need for custodial locks to prevent theft of services, unauthorized use and vandalism of fire hydrants.

3.08

WASA shall propose a Phase II capital Upgrade Program to replace any remaining fire hydrants that are not NFPA compliant and cannot be retrofitted with the 4.5 inch nozzle after the assessments to be undertaken pursuant to this Upgrade Program are completed and those fire hydrants are identified. The Phase II Upgrade Program will begin immediately at the conclusion of the Phase I Upgrade Program.

3.09

Based on the submission of an annual budget and a record of auditable expenditures by Fire and EMS, WASA shall pay half the personnel operating costs for Fire and EMS to conduct the inspections.

3.10

WASA agrees to acquire the reasonable capital equipment required by Fire and EMS to support the inspection program and loan it to FEMS on a permanent basis for the life of the program. Any vehicles would display both the WASA and FEMS logos (such equipment to be specifically defined on an annual basis in the Fire Hydrant Inspection Program Manual).

3.11

WASA shall assess all fire hydrants reported to be out-of-service or requiring maintenance, and shall identify all fire hydrants determined to be out-of-service or requiring maintenance through the use of a ring attached to the defective fire hydrant until repaired or replaced and put back in service. Out of service and maintenance required rings will be supplied in quantity by WASA to Fire and EMS when requested.

3.12

WASA shall appoint a principal contact to help coordinate the Fire Hydrant Upgrade and Inspection Programs.

3.13

WASA shall perform or cause to be performed a cost of service study on the provision of fire hydrant inspection and repair services, including capital and operating expenses, and such other expenses that may be incurred as the result of the use of WASA owned vehicles, beginning with a prospective study of the costs for the first year of the joint program, FY 2008. This study will also include an analysis of the actions taken by WASA prior to FY2008 in maintaining the District's fire suppression system, including a detailed audit of expenditures paid for by the Fire Protection Service fee. The cost of service study would become the basis for reimbursement by the District to WASA for its cost under the program and to FEMS for its cost under the program as part of the Fire Protection Service Fee, pursuant to 21 DCMR §4103.1.

3.14

WASA and Fire and EMS to the extent not addressed in the Fire Hydrant Upgrade Program Guide Book and the Fire Hydrant Inspection Manual will continue to develop protocols through an operating MOU that would cover such topics as inspection; reporting and response standards and definitions; data entry and transfer; communication with public officials, the press and the public; coordination between WASA and Fire and EMS during WASA flushing operations; and other similar issues requiring close cooperation.

3.15

WASA shall provide to Fire and EMS hand held devices meeting WASA specifications for collection of inspection data.

4.00 Importance of Employee and Public Safety

Both Parties recognize that Fire and EMS, MPD and WASA employees as well as the general public are at greater risk of injury when fire hydrants are equipped with the plastic sprinkler devices that are installed during the summer months for cooling purposes, especially if they are glued to the fire hydrant. Therefore, the Parties hereby agree that such plastic devices shall not be used under the Program. A sample of the fire hydrant sprinkler needs to be approved by Fire and EMS on an annual basis.

5.00 Authority for MOU

D.C. Official Code § 1-301.01 (k)

6.00 Funding Provisions

A. Cost of Services

Total cost for services under this MOU shall not exceed \$488,654.50 for Fiscal Year 2008. Funding for the services shall not exceed the actual cost of the goods or services, including labor, materials, fringe benefits, direct and indirect costs as detailed in the Fire and EMS Budget and WASA Budget attached as Attachment A. Thirty (30) days prior to the end of each fiscal year Fire and EMS will provide an updated Attachment A with their estimated costs for the coming fiscal year to WASA.

B. Payment

1. Within thirty (30) days after receiving a proper invoice from Fire and EMS, WASA will make payments to the D.C. Treasurer for services performed under this Agreement. Fire and EMS shall submit proper monthly invoices to:

WASA
5000 Overlook Avenue, S.W.
Washington, D.C. 20032
Attn: Chief Financial Officer

2. Fire and EMS shall submit monthly itemized invoices for services rendered, which shall explain the amounts billed for that period. The invoices shall include: (1) List of materials and their costs; (2) Labor costs including hourly rates for all laborers and (3) reasonable overhead.

3. The Parties' Directors or their designees shall resolve all adjustments and disputes arising from services performed under this MOU. In the event that the Parties are unable to resolve a financial issue, the matter shall be referred to a mutually agreed upon third party.

C. Anti-Deficiency Act Considerations

The Parties acknowledge and agree that their respective obligations to fulfill financial obligations of any kind pursuant to any and all provisions of this MOU, or any subsequent agreement entered into by the Parties pursuant to this MOU, are and shall remain subject to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§1341, 1342, 1349, 1351, (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01-355.08 (2001), (iii) D.C. Official Code § 47-105 (2001), and (iv) D.C. Official Code § 1-204.46 (2006 Supp.), as the foregoing statutes may be amended from time to time, regardless of whether a particular obligation has been expressly so conditioned.

7.00. Compliance and Monitoring

Both Parties shall be subject to scheduled and unscheduled monitoring reviews to ensure compliance with all applicable requirements.

8.00 Records and Reports

Each Party to this agreement shall maintain records and receipts for the expenditure of all funds provided for a period of no less than three years from the date of expiration or termination of the MOU and, upon the request of either party, make these documents available for inspection by duly authorized representatives of either party and other officials as may be specified by the Parties at their sole discretion.

9.00 Confidential Information

The Parties to this MOU will use, restrict, safeguard and dispose of all information related to services provided by this MOU, in accordance with all relevant federal and local statutes, regulations and policies. Information received by either Party in the performance of responsibilities associated with the performance of this MOU shall remain the property of the respective Parties.

10.00 Duration and Termination

This MOU shall be effective until terminated upon six (6) months written notice by either party.

11.00 Notice

The following individuals are the contact points for each Party under this MOU:

Name of Contact person for Fire and EMS:	Dennis L. Rubin
Title of contact person:	Fire and EMS Chief
Name of Fire and EMS	D.C. Fire and Emergency Medical Services Department
Address:	1923 Vermont Avenue N.W. Washington, DC 20001
Phone:	202-673-3127
Fax:	202-673-3187

Contact person for WASA:	Jerry N. Johnson
Title of contact person:	WASA General Manager
Name of WASA:	District of Columbia Water and Sewer Department
Address of WASA :	5000 Overlook Avenue, SW Washington, D.C. 20032
Phone:	202-787-2609

Fax:

202-787-2333

With a copy to both Parties' General Counsel.

12.00 Miscellaneous

12.01

This MOU contains the entire agreement between the Parties. Except that there shall be two operational manuals entitled Fire Hydrant Upgrade Program Guide Book and Fire Hydrant Inspection Manual which provide details and specifications for the Upgrade and Inspection Programs. These manuals shall be revised annually as needed and redistributed to all Parties prior to March 1st each calendar year. No change or modification to this MOU can be made unless the same is in writing and signed by the Parties.

12.02

This MOU can not be assigned by either Party.

12.03

This MOU may be executed in two (2) or more counterparts all of which shall have the same force and effect.

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12.04

This MOU and any information furnished to Fire and EMS or WASA under this instrument is subject to the District of Columbia Freedom of Information Act.

IN WITNESS WHEREOF, the Parties hereto have caused this Memorandum of Agreement to be effective as of the date first written above.

**District of Columbia Fire and
Emergency Medical Services Department**

D.C. Water and Sewer Authority

By: Dennis L. Rubin
Dennis L. Rubin
Fire Chief

By: Jerry N. Johnson
Jerry N. Johnson
General Manager

By: Shelly Robinson-Smith
Shelly Robinson-Smith
Agency Fiscal Officer

By: Olu Adebo
Olu Adebo
Acting Chief Financial Officer

By: Marceline D. Alexander
Marceline Alexander
General Counsel

By: Avis Russell
Avis Russell
General Counsel

Office of Contracting and Procurement

By: David P. Gragan
David P. Gragan
Acting Chief Procurement Officer

Date 10/25/07

Attachment A

Salary Calculation for WASA/DC FEMS MOU

Avg. F/F Salary \$60,563 x 6 = \$363,378

Avg. Sgt. Salary \$71,272 x 6 = \$427,632

Avg. Lt. Salary \$81,587

Total: \$872,597 + Fringe Benefits calculated @ 12% = \$977,308.64 / 2 = \$488,654.50

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Contract Modification No. 4 of Contract
No. WAS-06-014-AA-VW, Wachs Utility Services

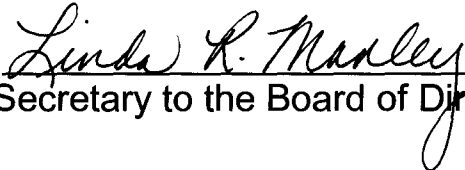
#07-85
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on November 1, 2007, upon consideration of a non-joint use matter decided by a vote of six (6) in favor and none (0) opposed, to approve Contract Modification No. 4 of Contract No. WAS-06-014-AA-VW, Wachs Utility Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract Modification No. 4 of Contract No. WAS-06-014-AA-VW, Wachs Utility Services. The purpose of the contract is to provide manpower, equipment and vehicles necessary to identify and operate valves in support of the Capital Improvement Program relative to the water distribution system. The contract modification amount is \$842,180.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: November 1, 2007
Subject: Policy on Impervious Surface Rates

#07-86
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 November 1, 2007, upon consideration of a non-joint use matter decided by a vote of six (6) in favor and none (0) opposed to take the following action with respect to adoption of a Policy on Impervious Surface Rates.

WHEREAS, in 2001 the Council of the District of Columbia (in the context of storm water fee legislation) identified the issue of whether to create "a storm water fee based on the relationship between impervious surface and the amount of storm water discharged into the District storm water system" ["Storm Water Permit Compliance Amendment Act of 2000", D.C. Law 13-311 (effective June 9, 2001), §2(b), adding §206c(c)(2) to the Authority's enabling legislation, "Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996", D.C. Law 11-111 as amended]; and

WHEREAS, D.C. Law 13-311, §2(d) added to D.C. Law 11-111 a new subsection 216(d-1) providing that: "Within 90 days of the effective date of the Storm Water Permit Compliance Amendment Act of 2000, the Authority shall collect a storm water fee from each District of Columbia retail water or sewer customer as follows:

- "(1) For single family homes, the fee shall be \$7.00 per year;
- "(2) For multi-family residential buildings, the fee shall be equal to 1.4% of the charge for water and sewer services; or
- "(3) For all other properties, the fee shall be equal to 2% of the charge for water and sewage services"; and

WHEREAS, for years the General Manager of the Authority and the Retail Rates Committee of the Board have studied the concepts and practical issues for developing impervious surface rates in the context of recovering costs of the Combined Sewer Overflow Long-Term Control Plan ("CSO LTCP"); and

WHEREAS, the General Manager of the Authority has entered into a contract, as discussed and approved by the Board at its meeting on September 6, 2007 (Res. #07-70 and meeting minutes), to develop the ingredients of a system of impervious surface rates including a complete data base with detailed billing parameters and mailing list, property by property, for each of the properties within the District of Columbia; and

WHEREAS, the Retail Rates Committee developed and discussed the impervious surface rates policies, to set forth guidelines consistent with the Authority's rate making policies, at its meeting on October 23, 2007, and

WHEREAS, the Board of Directors of the Authority anticipates that it will adopt a series of policy statements to guide development of impervious rates for review by District of Columbia members of the Board; and

WHEREAS, the Chair of the Committee on Public Works and the Environment of the Council of the District of Columbia has announced establishment of a Storm Water Management Task Force convened by the Director of the District of Columbia Department of the Environment (DDOE) that will examine issues left open by the 2001 DC legislation.

NOW THEREFORE BE IT RESOLVED THAT:

The Board adopts the attached Policy No. 1 on Impervious Surface Rates (the "Policy") and authorizes the General Manager to take all actions necessary to implement the Policy.

NOW THEREFORE BE IT FURTHER RESOLVED THAT:

1. The General Manager shall ensure that the impervious surface rates are developed consistent with the adopted policies.
2. The General Manager shall, within 30 days, formally advise the Council of the District of Columbia, the Mayor, and the Director of the District of Columbia Department of the Environment, that the Authority is preparing the data base referred to above in the context of setting rates and charges to recover costs of the CSO LTCP.

This resolution is effective immediately.


Secretary to the Board

WASA Board of Directors Policy on Impervious Surface Rates Policy #1

The Policy of the District of Columbia Water and Sewer Authority (WASA) is to develop rates and charges based on impervious surface areas owned or otherwise controlled by existing customers of WASA or by others (not now customers) and use impervious surface rates, rather than rates based on gallons of water purchased by customers, to recover objectively-determined portions of WASA's costs, including debt service costs and operating expenses.

1. Impervious surface rates shall be based on objective criteria that both WASA staff and WASA customers can readily understand and apply.
2. Impervious surface rates shall be efficient and efficacious to recover intended portions of WASA's cost pools or, where appropriate, accrue to the Rate Stabilization Fund.
3. Impervious surface rates shall be applied to all lots, parcels, properties and private streets throughout the District of Columbia (but not City or federally-owned rights of way).
4. Billing parameters for impervious surface rates shall be simple to implement and understandable.
5. The current process for customer billings appeals will also cover appeals from impervious surface rates.
6. Once impervious surface rates are fully implemented, changes shall be gradual and predictable.
7. Impervious surface rates shall be reviewed regularly by the Retail Rates Committee and the Board of Directors and adjusted as objectively appropriate, following statutory ratemaking / rulemaking procedures as with per-gallon rates and charges.

Initially, the policy will be to shift costs of the Combined Sewer Overflow Long-Term Control Plan from per-gallon to impervious surface rates. Later, other costs may be considered.

The Board may also consider whether to expand its Customer Assistance Program (CAP) to impervious surface rates.

Presented and Adopted: November 1, 2007
SUBJECT: Approval of Rate Stabilization Fund Policy

#07-87
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 November 1, 2007, upon consideration of a non-joint use matter decided by a vote of six (6) in favor and none (0) opposed to take the following action with respect to the approval of the Rate Stabilization Fund Policy.

WHEREAS, on December 4, 1997 the Board of Directors, in Resolution, 97-124, approved Rate Setting Policies ("Policies") (a matter not affecting the general management of joint-use sewerage facilities) for the District of Columbia Water and Sewer Authority which state that as cash reserves and/or revenues permit, WASA will establish a rate stabilization fund or other innovative approaches to assist in mitigating annual rate increases; and

WHEREAS, on March 26, 1998 the Board of Directors approved the Authority's Master Indenture of Trust; and

WHEREAS, Section 603 and Section 604 of the Master Indenture of Trust formalized certain requirements of the Rate Stabilization Fund; and

WHEREAS, on October 23, 2007, the General Manager recommended the attached "Rate Stabilization Fund Policy" to the Retail Rates Committee; and

WHEREAS, upon consideration the Retail Rates Committee finds the revised "Rate Stabilization Fund Policy" to be consistent with the principles expressed in Resolution 97-124, and therefore recommends adoption; and

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves the attached "Rate Stabilization Fund Policy" and authorizes the General Manager to implement the policy.

This resolution is effective immediately.


Secretary to the Board of Directors

RATE STABILIZATION FUND POLICY

The District of Columbia Water & Sewer Authority (the "Authority") has established a Rate Stabilization Fund (RSF), consistent with Board of Directors' Resolution #97-124 and the Authority's Master Indenture of Trust (the "Indenture"). The purpose of the RSF is to help mitigate rate spikes and allow smoothing of annual rate increases.

The following policies will govern the management of the RSF:

1. The RSF will be held as a separate account of the Authority and segregated from other Authority funds.
2. The RSF will be invested in a manner consistent with the Authority's cash management and investment policies.
3. The RSF will be managed in a manner consistent with the Authority's Indenture and in a manner consistent with maintaining the highest bond ratings possible.
4. The General Manager [or designee] will prepare a ten-year financial plan as part of the annual operating budget process which will be delivered to the Board of Directors each fall. The ten year financial plan will include the planned utilization of the RSF over the ten years
5. The planned utilization (transfers out) of the RSF will be formally approved by the WASA Board of Directors' as part of its annual approval of the operating and capital budgets.
6. At any time during the fiscal year, the General Manager may transfer the approved amounts from the RSF to the Authority General Fund.
7. Transfers into the RSF would be determined annually based on financial performance, and at other times at the direction of the Board and must be approved by the WASA Board of Directors.
 - a. During the fourth quarter of each fiscal year, the General Manager [or designee] will conduct an analysis of the Authority's financial performance, including operating revenues, operating expenditures, capital disbursements and reserves.
 - b. The General Manager will report the results of this analysis and his recommendations to the Finance & Budget Committee no later than its regularly scheduled meeting in September, for recommendation of Board action at its October meeting.
8. Interest earned in the RSF account will be accounted for as general revenues and may be transferred out of the RSF anytime to the Authority Revenue Fund.