

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. WAS-04-035-AA-JS
BTS Laboratories, Inc.

#04-27
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 April 2, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and one (1) opposed, to approve the following action with respect to Contract No. WAS-04-035-AA-JS, BTS Laboratories, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-04-035-AA-JS, BTS Laboratories, Inc. for the first year and the extension of the contract would require further action from the Board. The contractor is to perform emergency lead test analysis on the drinking water for the District of Columbia residents. The estimated contract amount for the contract period is \$3,240,000.

This resolution is effective immediately.


Linda L. Manley
Secretary to the Board of Directors

Presented and Adopted: April 2, 2004

Subject: Proposal to Adopt Policy on the Replacement of Lead Service Lines

**#04-28
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 April 2, 2004, upon consideration of a non-joint use matter decided by a vote of five (5) in favor and none (0) opposed, to take the following action with respect to a proposed policy on the replacement of lead service lines.

WHEREAS, the Customer and Community Services Committee on March 22, 2004, recommended that the Board establish a policy on replacement of lead service lines; and

WHEREAS, these recommendations were considered on March 24, 2004, by the Environmental Quality and Operations Committee and on March 25, 2004, by the Finance and Budget Committee and by the Retail Rates Committee; and

WHEREAS, the Retail Rates Committee has recommended that the Board adopt a policy promptly, with the benefit of public participation through oral and written comments, and that the policy address City-owned service lines within the public space, for which the Authority has responsibility under current law, while recognizing also the importance of the service line on the homeowner's side of the property line.

NOW THEREFORE BE IT RESOLVED THAT:

1) The Board of Directors proposes to adopt the following policy:


- (a) It is the policy of DC-WASA to have no lead service lines in the public space portion of its water supply system. Therefore, the Authority will remove all known lead service lines from the public space no later than September 30, 2010, and replace these lines with EPA-approved service lines. In the future, if a lead service line is discovered that was not previously identified and replaced prior to September 30, 2010, the Authority will replace the public space portion of that service line within 90 days of knowing of its existence.

- (b) Recognizing the significance of privately-owned portions of the lead service lines which are outside its present legal responsibility, the Authority will also encourage homeowners to eliminate lead service lines on their properties, and will coordinate with and facilitate private and public efforts to that end, including offering homeowners an opportunity to replace the private portion of lead service lines with EPA-approved service lines at the Authority's actual cost.
- 2) The Board of Directors directs the General Manager and the Secretary of the Board to:
- (a) give public notice of the text of the proposed policy in the D.C. Register and other publications;
 - (b) mail copies of the proposed public policy to all Advisory Neighborhood Commissions in the District of Columbia, to all individual ANC commissioners, and to civic associations;
 - (c) schedule at least two public, community meetings in April and early May during which members of the public may secure information and offer comments;
 - (d) invite written comments from members of the public to the Board of Directors up to and including Friday, May 28, 2004.
- 3) The Board of Directors plans to reach a decision on a lead line removal policy that is consistent with the Board's financial policies during June, 2004.

NOW THEREFORE BE IT FURTHER RESOLVED THAT:

The Board of Directors hereby authorizes the General Manager to seek public comment on the text of the proposed policy and authorizes the General Manager to take all steps necessary to carry out the intentions expressed in this resolution.

This resolution is effective immediately.


Linda R. Manley
Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. 020020
Ulliman Schutte Construction, LLC

#04-29
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 April 2, 2004, 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 with respect to 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. 4 of Contract No. 020020, Ulliman Schutte Construction, LLC. The purpose of this change is to revise the HVAC design to limit NOx emissions that would have resulted from the original design and to meet a stricter interpretation of NFPA air change requirements for certain wastewater treatment process facilities. The change amount is \$413,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
Subject: Approval of Changes to
Financial Policies

#04-30
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. 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 April 2, 2004, upon consideration of a joint use matter decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to changes to the Authority's financial policies.

WHEREAS, the Board adopted Resolution 97-121 dated December 4, 1997 that outlined several financing policies including strong debt service reserves and strong cash reserves;

WHEREAS, the Finance and Budget Committee met on March 25, 2004, and recommended that the Board adopt the attached revised financial policy.

BE IT RESOLVED:

1. The Board hereby approves the attached revised financial policy which provides that:
 - a) WASA will maintain strong levels of operating cash reserves, equivalent to approximately six months of budgeted operations and maintenance costs, calculated on an average daily balance basis.
 - b) The annual reserve amount will be formally approved by the Board as part of its annual approval of the operating and capital budgets.
 - c) The operating reserve will, at a minimum, include any reserve requirements contained in WASA's Master Indenture of Trust (the "Indenture"), excluding any debt service reserve funds and the rate stabilization fund, as follows:
 - an operating reserve equivalent to sixty days' operating costs;
 - a Renewal and Replacement Reserve of \$35 million, which will be evaluated every four years by WASA's independent rate consultant in conjunction with the Indenture-required system assessment;
 - a District of Columbia General Obligation Debt Reserve equivalent to 10 percent of WASA's share of subsequent

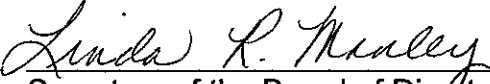
years District of Columbia general obligation bond debt service.

- d) The Authority maintain senior debt service coverage of 140 percent, in excess of WASA's indenture requirement of 120 percent, with senior debt service calculated in accordance with WASA's Indenture.

NOW THEREFORE BE IT FURTHER RESOLVED THAT:

The Board hereby authorizes the General Manager to take all steps necessary to carry out the intentions expressed in this resolution.

This resolution is effective immediately.


Secretary of the Board of Directors

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. 03-0090, C&F
Construction Company

#04-31
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 April 2, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to Contract No. 03-0090, C&F Construction Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 03-0090, C&F Construction Company. The purpose of this project is to replace 257 defective small valves (including valve casings) at 186 different locations in the water distribution system throughout the city. The contract amount is \$2,986,986.

This resolution is effective immediately.



Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. 02-0140
Fort Myer Construction Company

#04-32
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 April 2, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to Contract No. 02-0140, Fort Myer Construction Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 02-0140, Fort Myer Construction Company. The purpose is to exercise an option year contained within the original contract, extending the contract period for 365 calendar days commencing on May 7, 2004, and to allocate additional monies from the approved budget into this contract. The option amount is \$3,619,799.85.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. 04-0070
Norair Engineering Corporation

#04-33
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 April 2, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to Contract No. 04-0070, Norair Engineering Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 04-0070, Norair Engineering Corporation. The purpose of this project is to replace 500 lead service lines with copper piping at locations that have been found to have high lead concentrations and/or the presence of a high risk permanent resident in the house such as pregnant women, nursing women, or children under the age of six. These priority replacements will be determined based upon criteria approved by the District of Columbia Department of Health. The contract amount is \$4,085,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
SUBJECT: Approval of Contract No. WAS-02-021-AA-LW, Steinway Auto Parts, Inc.

#04-34
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 April 2, 2004, upon consideration of a non-joint-use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to Contract No. WAS-02-021-AA-LW, Steinway Auto Parts, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-02-021-AA-LW, Steinway Auto Parts, Inc. Exercising the first option year of this contract will allow the Authority to continue the fleet management, maintenance and repair operation for the Authority's fleet. The option amount is \$586,240.40.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 2, 2004
Subject: Approval of Fiscal Year 2004 Revised Operating Budget

#04-35
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 April 2, 2004, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2004 Revised Operating Budget.

WHEREAS, the Authority's Congressionally approved budget for FY 2004 is \$259,095,000; and

WHEREAS, the Board on January 6, 2004 reduced the Authority's Congressional approved budget to \$258,886,000; and

WHEREAS, increased spending related to lead testing, increased staffing of the Lead Service Hotline and other unexpected lead related spending will cost the Authority an additional \$13,296,000 for FY 2004; and

WHEREAS, on April 2, 2004, the Finance and Budget Committee recommended that due to the increased spending related to lead, that the Board increase the Authority's Operating Budget to include an additional \$13,296,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board approves a budget increase of \$13,296,000 and directs the GM to take all necessary measures to submit the budget increase to the District of Columbia for their required reviews and on to Congress for their consideration.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 02, 2004
Subject: Approval of Fiscal Year 2004 Revised Capital Authority Request

#04-36
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 April 2, 2004, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2004 Revised Capital Authority request which is to be submitted to the United States Congress.

WHEREAS, on January 10, 2003 the Board approved the Authority's FY 2004 Capital Authority request for \$199,807,000; and

WHEREAS, on April 2, 2004, the Finance and Budget Committee recommended that due to the increased spending related to work associated with additional lead service line replacements, that the Board submit a supplemental Capital Authority request to Congress to include \$7,200,000, in the water service area making the revised request \$207,007,000; and.

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 2004 Revised Capital Authority request totaling \$207,007,000 which is to be submitted to the United States Congress as further set forth in Attachment A to this resolution.

This resolution is effective immediately.


Secretary to the Board of Directors

**Fiscal Year 2004 Capital Authority Request
(\$000's)**

<u>Program Areas</u>	<u>Fiscal Year 2004 Capital Authority Request</u>
Blue Plains Wastewater Treatment Sewer Collection System	99,449
Combined Sewer Overflow Stormwater	16,739
Water System	42,047
Washington Aqueduct (WASA share) Capital Equipment	5,993
	31,631
	0
	<u>11,148</u>
Total	<u><u>207,007</u></u>