

Presented and Adopted: May 6, 2004

SUBJECT: Approval of Extended Discovery Insurance Coverage

**#04-37
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, (the "Authority") at its meeting on May 6, 2004, decided by a vote of nine (9) in favor and none (0) opposed, to take the following action with respect to approval of extended discovery insurance coverage for the Authority:

WHEREAS, WASA's third party administrator agreement (for workers' compensation and tort claims) and the following five insurance policies expired on April 7, 2004: two excess general liability policies (a \$35 million umbrella general liability policy and a \$65 million excess general liability policy), public officials' liability, excess workers compensation insurance, and equipment damage; and

WHEREAS, the Authority procured new policies to replace each of the existing policies at comparable levels of coverage except for exclusions for lead related damages occurring after April 7, 2004 for the two general liability policies, and lead and pollution coverage exclusions for the public officials' liability policy; and

WHEREAS, one-year extended discovery periods for the \$65 million excess liability policy and the public officials' policy can be purchased by May 7, 2004 to help ensure that the Authority has coverage for future potential lead-related claims during a one-year period, through April 7, 2005; and

WHEREAS, an automatic one-year extended discovery period is already a part of the \$35 million general liability policy, and an additional two-year extended discovery period can be purchased by June 7, 2004 for an additional premium cost; and

WHEREAS, the Finance and Budget Committee met on April 26, 2004 and recommended that the Board authorize the General Manager to purchase the two discovery period insurance coverages for the \$65 million general liability and the public officials' liability policy, for a total cost of approximately \$335,000;

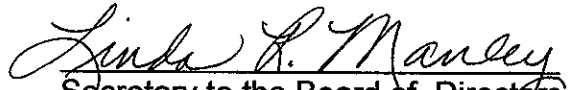
NOW THEREFORE BE IT RESOLVED THAT:

1. The General Manager is hereby directed to procure the one-year extended discovery period insurance coverages available under the \$65

million general liability and the public officials' liability policies that expired on April 7, 2004.

2. The General Manager shall report back to the Finance and Budget Committee at its May meeting with his analysis of, and recommendation for, procuring the extended discovery option available under the expired \$35 million general liability policy.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: May 6, 2004
**SUBJECT: Approval of Expansion of the Customer Assistance
Program to Tenants**

#04-38
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors of the District of Columbia Water and Sewer Authority ("the Authority,") at its meeting on May 6, 2004, upon consideration of a non-joint use matter, decided by a vote of four (4) in favor and none (0) opposed to approve expansion of the Customer Assistance Program to tenants (a matter not affecting the general management of joint-use sewerage facilities).

WHEREAS, in Resolution 00-38 the Board authorized the General Manager to implement a Customer Assistance Program (CAP) to assist low income customers in paying their water bills, which is comprised of two components based upon household income, one funded by voluntary contributions from ratepayers and others, and the other based upon exemptions from service charges; and

WHEREAS, the Board in Resolution 04-10 authorized publication for public comments, expansion of the CAP, based upon exemptions from service charges, to tenants; and

WHEREAS, proposed amendments to the CAP program were published in the February 6, 2004 edition of the D.C. Register (51 DCR 1450); and

WHEREAS, the Retail Rates Committee also held a hearing on April 1, 2004 to receive comments on the proposed amendments to the Customer Assistance Program and extended the comment period through April 16, 2004; and

WHEREAS, the comment period ended on April 16, 2004; and

WHEREAS, the Retail Rates Committee met on April 22, 2004 and after consideration of the comments received, recommended that the Board adopt as final, the amendments as proposed.

NOW THEREFORE BE IT RESOLVED:

- 1) The Board adopts as final, without change, the regulations which were proposed and published in the February 6, 2004 edition of the D.C. Register.
- 2) The General Manager shall publish a Notice of Final Rulemaking in the District of Columbia Register and may make such changes to the Notice as may be needed to insure that the final regulations further the intentions expressed in this resolution and otherwise conform to the publication requirements of the Office of Documents.

This resolution shall become effective June 1, 2004.


Secretary to the Board of Directors

'Presented and Adopted: May 6, 2004
Subject: Approval of Financing Options for Private Lead
Service Line Replacement

#04-39
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 May 6, 2004, upon consideration of a non-joint use matter decided by a vote of four (4) in favor and none (0) opposed, to take the following action with respect to financing options for private lead service line replacement.

WHEREAS, the Board desires to facilitate and assist its customers with private lead water service line replacements in conjunction with the Authority's overall plan to replace lead water service lines; and

WHEREAS, the Budget and Finance and Retail Rates Committees met on April 22, 2004 and recommended that the Board support the following options for private lead water service line replacements:

1. Collaborating with WASA's primary commercial bank, and other banks, to provide access to below-market financing for qualified District homeowners;
2. Collaborating with appropriate District of Columbia agencies to obtain access to Federal, District, or other grant funding that may be available to assist customers with the costs or replacing their portion of lead water service lines; and
3. Establishing a simple rate structure for private lead water service line replacements performed by WASA to allow the costs of each project to be quickly calculated and easily administered, and to recover the costs of this work.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board of Director's authorizes the General Manager to take all steps necessary to support private lead water service replacements by collaborating with commercial banks to provide access to below-market financing for qualified District homeowners.

NOW THEREFORE, BE IT FURTHER RESOLVED THAT:

The Board of Director's authorizes the General Manager to take all steps necessary to collaborate with appropriate District of Columbia agencies to obtain access to Federal, District, or other grant funding that may be available.

NOW THEREFORE, BE IT FURTHER RESOLVED THAT:

The General Manager shall publish a notice of Proposed Rulemaking in the District of Columbia Register, and may make such changes to the Notice as may be needed to insure that the proposed regulations further the intentions expressed in this resolution to establish a simple rate structure for private lead water service lines, and otherwise conform to the publication requirements of the Office of Documents:

1. The fee for replacing the portion of the customer's lead water service line outside the home shall be \$100 per linear foot;
2. The fee for replacing the customer portion of the lead water service line from the point of entry outside the house to the first threaded connection inside the house will be \$500;
3. If the homeowner elects to have WASA complete this private line replacement, the homeowner would pay WASA in advance of the work being performed; and
4. The above rates shall be evaluated and revised as necessary within one year to continue to reflect the cost of the customer portion of the lead water service line replacements.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: May 6, 2004
SUBJECT: Approval to Rescind Resolution #04-33,
Norair Engineering Corporation

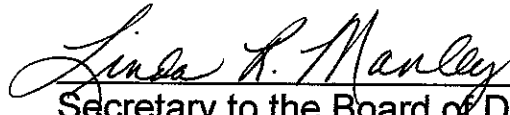
#04-40
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority"), at the Board meeting held on May 6, 2004 upon consideration of a non-joint-use matter, decided by a vote of four (4) in favor and none (0) opposed, to approve the following action with respect to Norair Engineering Corporation.

Be it resolved that:

The Board of Directors hereby rescinds the approval of Resolution #04-33, Norair Engineering Corporation. The Board of Directors approved the resolution on April 2, 2004. Since that time, Norair Engineering Corporation has advised that they are unable to perform the work of replacing 500 lead service lines with copper piping for the price bid because of their misunderstanding of the scope of work.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: May 6, 2004
SUBJECT: Approval of Contract No. 040070
Capitol Paving of D.C., Inc.

#04-41
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 May 6, 2004 upon consideration of a non-joint-use matter, decided by a vote of four (4) in favor and none (0) opposed, to approve the following action with respect to Contract No. 040070, Capitol Paving of D.C., Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 040070, Capitol Paving of D.C., Inc. The purpose of this contract 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. The contract amount is \$6,341,300.00

This resolution is effective immediately.


Secretary to the Board of Directors