DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
197th MEETING OF THE BOARD OF DIRECTORS
Thursday, April 3, 2014
9:30 a.m.
5000 Overlook Avenue, SW
Room 407

AGENDA

I. Call to Order (Chairman Allen Lew)

II. Roll Call (Board Secretary)

III. Approval of March 6, 2014 Minutes (Chairman Allen Lew)

IV. Chairman's Overview

V. Committee Reports

1. Governance Committee **(Alan Roth)**
2. Environmental Quality and Sewerage Services Committee **(Robert Hoyt)**
3. Water Quality and Water Services Committee **(Rachna Butani)**
4. DC Retail Water and Sewer Rates Committee **(Alan Roth)**

VI. General Manager's Report (George S. Hawkins, General Manager)

VII. Summary of Contracts

VIII. Consent Items (Joint-use)

1. Approval to Execute Option Year One (1) of Contract No. DCFA #457-WSA, Belstar, Inc. – Resolution No. 14-11 (Recommended by the Environmental Quality and Sewerage Services Committee 03/20/14)

IX. Consent Items (Non-Joint Use)

1. Approval to Execute Change Order No. 04 of Contract No. 110210, Corman Construction, Inc. - Resolution No. 14-12 (Recommended by the Environmental Quality and Sewerage Services Committee 03/20/14)
2. Approval to Execute Change Order No. 01 of Contract No. 120240, PC Construction, - Resolution No. 14-13 (Recommended by the Environmental Quality and Sewerage Services Committee 03/20/14)
3. Approval to Execute Contract No. DCFA #460-WSA, Hatch Mott MacDonald I&E, LLC – Resolution No. 14-14 (Recommended by the Water Quality and Water Services Committee 03/20/14)
4. Approval to Execute Contract No. 130110, J. Fletcher Creamer & Sons, Inc. – Resolution No. 14-15 (Recommended by the Water Quality and Water Services Committee 03/20/14)

X. Executive Session – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b) of the D.C. Official Code[1]

XI. Adjournment

[1] The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10);proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

Upcoming Committee Meetings (5000 Overlook Avenue SW (Blue Plains – 4th Floor)

- Human Resources and Labor Relations Committee- Thursday, April 10th @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Water Quality and Water Services Committee – Thursday, April 10th @ 11:00 a.m. (5000 Overlook Avenue, SW)
- Environmental Quality and Sewerage Services Committee – Thursday, April 17th @ 9:30 a.m. (5000 Overlook Avenue, SW)
- DC Water and Sewer Rates Committee – Tuesday, April 22nd @ 9:30 a.m. (5000 Overlook Avenue, SW)**(CANCELLED)**
- Audit Committee – Thursday, April 24th @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Finance and Budget Committee – Thursday, April 24th @ 11:00 a.m. (5000 Overlook Avenue, SW)

DISTRICT OF COLUMBIA
WATER AND SEWER
AUTHORITY

BOARD OF DIRECTORS
Governance Committee
March 12, 2014
9:00 a.m.

MEETING MINUTES

Committee Members
Ellen Boardman, Chairperson
Terry Bellamy
Shirley Branch
Rachna Butani
Alan Roth

DC Water Staff
George Hawkins, General Manager
Randy Hayman, General Counsel
Linda Manley, Board Secretary
Katrina Wiggins, Chief of Staff

Chairperson Ellen Boardman called the meeting to order at 9:02 a.m. The Chairperson took up Agenda Item # 2 – Government Affairs: Update. William Pickering, Government Relations Manager briefed the Committee on federal legislative issues. Specifically, Mr. Pickering stated that the President had released his FY 2015 budget which includes a $16 million request for the Clean Rivers Project. This is the largest payment request from the President since the payment was established in FY 2003. In Fiscal Year 2014, Congress appropriated $14 million for the project. Mr. Pickering also pointed out that, in less positive news, the President's FY 2015 request includes reduced amounts for the Clean Water and Safe Drinking Water revolving fund grants. Mr. Pickering noted that this was the third year in a row that the President's budget has proposed reducing this funding source compared to the previous year's appropriated amounts. However, Mr. Pickering emphasized that in each instance, Congress had restored the President's cuts.

Mr. Pickering then briefed the Committee on District of Columbia legislative matters. Mr. Pickering stated that on March 4, 2014 the DC Council unanimously approved a "sense of the Council" resolution in support of the use of green infrastructure in the Potomac and Rock Creek portions of the Clean Rivers Project. The resolution was the product of significant outreach to the DC Council regarding the proposal.

Mr. Pickering further informed the Committee that on February 25, 2014 the General Manager presented testimony before the DC Council Committee on Transportation and the Environment. The hearing covered FY 2013 and 2014 performance, and DC Water's FY 2015 budget proposal. A copy of the General Manager's testimony can be found on the DC Water website and video of the hearing can be found on the DC Council website. Mr. Pickering concluded his presentation by informing the Committee that three public witnesses provided testimony in support of DC Water's efforts to include green infrastructure in the Clean Rivers Project. The hearing was attended by the Chair of the Committee Councilmember Mary Cheh, and Councilmember David Grosso.

Chairperson Boardman requested that Loretta Caldwell address Item # 3 on the Agenda-Update on the Compliance Monitoring Program. Ms. Caldwell gave the Committee a brief overview of the Compliance Program and the responsibilities of the Compliance Officer. Ms. Caldwell also briefly reviewed the major DC Projects covered by the Compliance Program and their contract values.

Ms. Caldwell then addressed the MBE and WBE fair share objectives in relation to the design costs for the major projects. Ms. Caldwell noted that from January to February 2014 there had been increases across the board for both MBE and WBE and design costs planned and design costs awarded. Ms. Caldwell noted that the fair share percentages had fallen slightly short for this period, She expects improvement in the coming months.

Ms. Caldwell then turned the Committee's attention to MBE and WBE fair share objectives with regard to construction dollars. The total construction dollars subject to

MBE fair share objectives increased between January 2014 and February 2014. The amount of construction dollars awarded subject to MBE and WBE fair share objectives increased for this period as well.

Ms. Caldwell then turned the Committee's attention to the employment statistics for major projects. The cumulative total for contractor employees on major projects showed that from January 2014 to February 2014 there was little or no change between the number of jobs filled for District of Columbia residents and User Jurisdiction residents. Ms. Caldwell noted that, historically, little hiring occurs during the winter months. The employee statistics by Ward also showed no changes during the period January 2014 - February 2014. She then reviewed employment statistics by job category for February 2014. The majority of the employees were classified as laborers; managers showed a slight increase over professionals.

Ms. Caldwell then discussed the applicant and new hire statistics for both DC Water's onsite and satellite job centers. The statistics showed that, while the on-site job center still showed more applicant and hiring activity, the newly operational satellite job centers continued to generate much interest and traffic.

Ms. Caldwell concluded her briefing with a DC Water Works! Job Center success story. Ms. Caldwell noted that Mr. Maurice Burden, a District of Columbia Ward 8 resident, applied for the Ulliman Schutte Construction Skilled Laborer position at the Greater Washington Urban League Satellite Job Center located at 2901 14 Street, NW Washington, DC. Mr. Burden successfully completed his employment application and interview and was hired on January 2, 2014. Mr. Burden is currently assigned to the DC Water Blue Plains Sediment Basin Project.

The Chairperson then turned the Committee's attention to Agenda Item # 4 – Update on the Workforce Development Program. Ms. Katrina Wiggins, Chief of Staff, gave the Committee an update on DC Water's Permanent Workforce Employment Program (PEP) entitled DC Water Works! Ms Wiggins gave a brief update to the Committee on the PEP activities undertaken to date. These activities included the PEP

team conducting more than twenty interviews with PEP's Advisory Task Force members as well as non-members to get feedback regarding employment program insights, recommendations and challenges. Ms. Wiggins informed the Committee that certain themes were repeated throughout the interviews: (i) apprenticeship/training; (ii) communications; (iii) contractor employment requirements; (iv) employment services; (v) hiring challenges; (vi) policy recommendations; and (vii) vendor engagement. Ms. Wiggins noted that research and best practices throughout the country are currently being gathered by the PEP team.

The Committee also received an update on the current workplace training and hiring pilot programs from Ms. Wiggins. The foremen on the two pilot projects noted that the four candidates showed initiative, were timely, prepared and quick learners. The training is being coordinated with LIUNA and Local 657. Ms. Wiggins stated that while Capitol Paving has a steady hiring percentage of 20%-25%, Fort Myer is not presently meeting its hiring percentages due to the specialty skills required and the fact that the workers presently on the job do not reside in the District. The Committee asked why the company chose to participate as these concerns must have been apparent at the time they agreed to participate. The General Manager will look into this and report back.

Ms. Wiggins then turned the presentation over to Mr. Seth Charde, the Green Infrastructure Planning Coordinator for the DC Clean Rivers Project. Mr. Charde first briefed the Committee on DC Water's Long Term Control Plan Modification Proposal. Mr. Charde informed the Committee about plans for the use of green infrastructure for the Rock Creek and Potomac River discharge areas. The use of green infrastructure would eliminate the need for a Rock Creek Tunnel and reduce the size of the Potomac River Tunnel. Mr. Charde gave the Committee examples of green infrastructure such as bioretention/rain gardens, permeable pavement, and green roofs. The Committee was then briefed on DC Water's efforts to create local green infrastructure jobs. The challenge was an insufficient base of trained entry level green infrastructure workers. This challenge would be met with the green infrastructure investment for the Long Term Control Plan and the development of training standards

and certifications.

Mr. Charde identified some of DC Water's partners/stakeholders in this effort: the District Department of the Environment, the District Department of Transportation, the University of the District of Columbia, the Anacostia Economic Development Corporation, Washington Parks and People – District of Columbia Green Corps and DC Green Works. DC Water along with the other stakeholders would develop training standards across District green infrastructure practices which would include soft skills, technical skills and practical, hands-on skills. The certification standards are to be developed in partnership with the University of the District of Columbia, the District Department of the Environment and others. Mr. Charde then briefed the Committee on the DC Water/ DC Greenworks training pilot for green roof maintenance training. The Committee thought highly of these efforts. A Committee member suggested that DC Water and the stakeholders train workers not only in the maintenance of green infrastructure but also the installation of such infrastructure and asked whether this effort could be strengthened by partnering with private firms. The General Manager discussed his successful interaction with the Washington Interfaith Network (WIN) and compared the collaborative spirit of the latest meeting with DC Water's earlier contentious meeting with the WIN. The Chairperson underscored the importance of undertaking initiatives with WIN.

The Chairperson noted that there were no Emerging Issues under Agenda Item # 6The Chairperson stated that the Agenda for the Upcoming Meeting (Item # 7) would be determined after further consultation with DC Water staff. The Chairperson asked the General Counsel if he needed to call an executive session (Item #8). The General Counsel stated that an executive session was not necessary.

The Chairperson adjourned the meeting at 10:11 a.m.

5

6

District of Columbia
Water and Sewer Authority

Board of Directors

Environmental Quality and
Sewerage Services Committee
Thursday, March 20, 2014

9:30 a.m.

MEETING MINUTES

Committee Members Present
Robert Hoyt
David Lake
Brenda Richardson
Howard Gibbs
James Patteson
Adam Ortiz
Aubrey Thagard
Obiora Menkiti
Terry Bellamy
Keith Anderson

DC Water Staff Present
George Hawkins, General Manager
Randy Hayman, General Counsel
Len Benson, Chief Engineer
Linda Manley, Secretary to the Board

Call to Order

Mr. Robert Hoyt, Chairperson, called the meeting to order at 9:30 AM.

I. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Walt Bailey, Assistant General Manager for Wastewater Treatment, reported that the monthly average influent flow was 327 MGD, up over 13% from the 12-month average of 289 MGD. 4-inches of precipitation fell during the February reporting period. Biosolids production was 1125 wet tons per day, compared with the monthly average production of 1106 wet tons per day. Total nitrogen concentration averaged 4.7 mg/l for the month, below the Chesapeake Bay goal. Overall, plant performance was excellent, with full permit compliance. Commissioning efforts continue, with digester seeding expected in June.

In response to a Committee question, Mr. Bailey confirmed that research at Bucknell University continues regarding the effects of temperature on digestion of DC Water's biosolids. The research is expected to provide insight into the ultimate capacity of DC Water's biosolids facilities.

The Committee requested further information on the use of class A biosolids in soil amendments when used in green infrastructure applications, specifically with regard to nutrient release. Mr. Chris Peot confirmed that the University of Washington is studying this issue, and he would provide further information in his presentation scheduled for later in the meeting.

The Committee also questioned the increase in energy use at Blue Plains shown in the report, and wondered whether this was due to recent cold weather. Mr. Bailey advised that in fact this was due to the energy used by the Clean Rivers tunnel boring machine, which draws power from the Blue Plains electrical system.

II. UPDATES: POTOMAC INTERCEPTOR SEWER

1. Odor Abatement Project

Mr. David McLaughlin, Director, Engineering and Technical Services, reported that pilot testing of alternate media for the odor control facility on the Potomac Interceptor at Old Angler's Inn in Montgomery County will be extended through April, to allow for testing of one additional carbon media. Testing conducted to date shows that a combination of carbon media combined with a polishing compound may be the most effective treatment for this site, although it is possible that the media remaining to be tested will be effective without the addition of the polishing compound.

Other options being investigated at this location include extending the treated air vents above the roof line of the building, to improve dispersion. Modifications to the architecture of the building would require approval from NPS. In response to a question from the Committee, Mr. McLaughlin explained that the levels for the problem compound, Dimethyl Sulfide, are actually very low (in the tens of parts per billion) and that testing conducted throughout the Potomac Interceptor sewer did not locate a single point source.

Mr. McLaughlin reported that construction at the two remaining Virginia sites continues with no major issues to report.

III. STATUS UPDATE: MCMILLAN STORMWATER STORAGE

Mr. McLaughlin updated the committee on the status of the McMillan Stormwater Storage Facility, a part of the emergency response to flooding experienced in the Bloomingdale area. Mr. McLaughlin advised the Committee that an action item on the agenda for today's meeting is to approve funding to construct the green infrastructure

(GI) components of the plan. The GI features, consisting of bioretention systems along Irving Street north of the McMillan facility, are part of a revised approach to reduce storm water contribution to the sewer on First Street. Mr. McLaughlin reminded the Committee that this sewer was originally thought to convey only storm water, but detailed investigations revealed that the sewer also conveys sanitary sewage from two private sewer systems, the Armed Forces Retirement Home and the Washington Hospital Center.

Upon discovering the sanitary sewage connections, DC Water's initial approach was to separate the sanitary sewage from the storm water by constructing new sanitary lines to serve the buildings found to be connected to the First St. sewer. The Board previously approved a change order to the construction contract to enable the sewer separation to be performed. However, as detailed design progressed, it became evident that the sewer separation approach would involve significant construction adjacent to critical hospital facilities, and would likely be difficult to accomplish within the time frame for completion of the project. The plan was then modified to construct the GI features in lieu of storage of wastewater from the First St. sewer on the McMillan site. Mr. McLaughlin noted benefits of the revised plan include keeping the combined sewage in the sewer system, rather than on the McMillan site; avoiding disruption that would be caused by construction adjacent to the hospital buildings; allowing the District to maximize the use of the McMillan site for development; and providing equivalent storage capability in 2016.

Mr. McLaughlin then updated the Committee on the status of the construction work. The diversion structure on North Capitol Street is essentially complete, with final testing and commissioning underway. The modified diversion structure on First Street is under construction, with completion expected by June 2014.

IV. ACTION ITEM – JOINT USE

1. Contract No. DCFA #457-WSA, Belstar, Inc

Mr. Len Benson, Chief Engineer, presented the Joint Use and Non-Joint Use Action Items.

Action Item 1 is a contract to provide construction management services for the construction of the Main Pumping Station Diversion Structures (Division I) and the Joint Base Anacostia, Bolling Overflow and Diversion Structures (Division D), part of the Clean Rivers project.

ACTION ITEMS – NON JOINT USE

2. Contract No. 11210, Corman Construction, Inc.

3. Contract No. 120240, PC Construction

Action Item 2 is a change order to the contract for the construction of the M Street Diversion Sewer (Division E) of the Clean Rivers Project. The change order is for the removal of 92 large boulders encountered during the construction of the 48" tunnel not anticipated in the design.

Action Item 3 is the change order to the contract for the construction of the McMillan Stormwater Storage project discussed earlier in the meeting.

The Committee agreed to recommend the Action Items to the Board for approval.

V. RESOURCE RECOVERY THROUGH BIOSOLIDS RECOVERY

Chris Peot, Director, Resource Recovery, provided a presentation on the status of the Biosolids blending program. Mr. Peot began by summarizing the benefits of the digestion process, and DC Water's experience with composting at Blue Plains. Mr. Peot also discussed composting and biosolids blending programs implemented by other utilities.

Mr. Peot stated the goal of DC Water's program is to reuse Class A biosolids in a manner beneficial to the environment while reducing the overall cost of biosolids management through marketing and eventually selling biosolids for use as a soil amendment. Local soil blenders have expressed interest in participating in a pilot program, and product testing is currently underway using solids from pilot units operated at Blue Plains and Bucknell University. Mr. Peot indicated that the goal is to implement a pilot project in 2015, once full scale digestion at Blue Plains is underway, and to reuse 10 – 20% of biosolids in soil blending in 2016.

The Committee asked about the impact of Maryland regulations on the use of biosolids as fertilizer. Mr. Peot advised that a distribution permit would be required, but that use of biosolids in this way had few restrictions.

VI. PRETREATMENT PROGRAM REVENUE AND EXPENSES

Mr. Walt Bailey presented information on the costs associated with the Pretreatment Program, and compared those costs with revenue generated through program fees. Mr. Bailey stated that in 2013 the program operated at a net loss of $161,000. He noted the difficulty in estimating the additional cost of treating discharges from these sources, since they are combined with all plant flow, and believes that the revenue shortfall was a result of an underestimate of those costs during the most recent rate setting. A new cost of service study will be implemented in FY 2015 with the objective of adjusting rates to eliminate the revenue shortfall. The Committee expressed interest in including a review of industry standard practices as part of the study.

The Committee asked a number of questions regarding the enforcement process. Mr.

Bailey noted in response that most violations are related to notification and documentation, and are normally resolved without resorting to imposing fines.

VII. CAPITAL SPENDING PROJECTIONS/PROCESS

This topic was postponed until next month due to time constraints.

VIII. ADJOURNMENT

This meeting adjourned at 11:15am

Follow-up Items

1. Reschedule the presentation on Capital Spending Projections/Process

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

BOARD OF DIRECTORS
WATER QUALITY AND WATER SERVICES COMMITTEE

MEETING MINUTES
Thursday, March 20, 2014

Present Board Members

Rachna Butani, Chair
Howard Gibbs
Brenda Richardson
Alan Roth
Keith Anderson
Terry Bellamy
Obiora "Bo" Menkiti

Present D.C. Water Staff

George Hawkins, General Manager
Randy Hayman, General Counsel
Charles Kiely, Assistant General Manager, Customer Care and Operations
Linda Manley, Board Secretary

I. Call to Order

Ms. Butani called the meeting to order.

II. Water Quality Monitoring

A. Total Coliform Rule (TCR) Testing

Charles Kiely, Assistant General Manager for Customer Care and Operations, reported that for coliform testing, D.C. Water had zero positive samples for February and to date in March. This is expected in the winter months because of the colder weather. Nitrification and coliform are mostly products of the warmer weather and warmer water. This is five months at zero.

B. Lead and Copper Rule Monitoring

Mr. Kiely indicated that in terms of the Optimal Corrosion Control (OCCT) and water treatment, D.C. Water is doing very well. They have collected 49 samples which is about 50 percent of what is needed for the compliance period. He reported that they are at 3 parts per billion which is exceptional. D.C. Water's trend has been consistent for the last three years. Ms. Butani asked about what happened last month because there were no results available at the last meeting. Mr. Kiely responded that collecting the required samples has been problematic for the last several years because as the compliance monitoring results improve people's interest in participating decreases. Mr. Kiely reported that they usually put out three or four times the amount of kits that come back. The sampling plan is 300 each period and 58 customers have volunteered to participate. Generally speaking the actual responsiveness of customers is just

not there. D.C. Water struggles to get the 100 samples required for each compliance period. He stated that they are now at 49, which is good. They will be at 100 returned samples before the period concludes. If they do not get the required samples in February, they may get them in May, or they are on the phone to make sure they get them in June. In terms of the results, they are excellent.

Ms. Butani asked if they had thought about incentivizing them. Mr. Kiely replied that back in the early 2000s volunteers were given $50.00. Even incentivizing the people back then, they still had problems making the 100. Volunteers are getting accurate results of what their water is in their homes and it is a five minute thing out of a busy day. If there are problems getting the 100 as they move forward, Mr. Kiely stated that they will revisit incentivizing.

Under the new rule the sampling plans will change. Rather than creating a new plan now, D.C. Water will wait until the new rules are issued.

III. Fire Hydrant Upgrade Program

David Wall, Manager of the Distribution Control Branch, stated that there are no new areas of clusters of out of service fire hydrants. He reported that there were 9,437 public hydrants, with 128 out of service due to defects. Of those out of service, 52 are temporarily out of service due to construction and 76 require repair or replacement. Mr. Wall stated that the number of hydrants out of service due to construction decreased because D.C. Water had additional crews out checking those hydrants.

IV. Vulnerability Discussion

Ms. Butani stated that following the water catastrophe in West Virginia, she asked Mr. Kiely to put together a report on what D.C. Water's risks and vulnerabilities are in terms of contamination. Tom Jacobus, General Manager of the Washington Aqueduct, made the presentation. Mr. Jacobus stated that the reality is that area utilities are vigilant but no water system is risk-free. Water is taken from the Potomac River. Everybody is vulnerable. The question is what can be done about that. Three water utilities take water from the Potomac for the metropolitan Washington area—Fairfax Water, WSSC, and Washington Aqueduct (Great Falls and Little Falls Intakes). Contamination may occur anywhere along the River and tributaries (rivers, creeks, and streams that flow into the Potomac River).

On the Potomac River Basin shown on the map provided by Mr. Jacobus, the Colonial Oil Pipeline Crossing is indicated. The company brings in different types of product in their pipeline—i.e., heating oil, aviation gasoline. The pipeline is under the Potomac River and if it breaks, it will contaminate the Potomac River. Mr. Jacobus stated that that is the most serious threat which will continue until the product is shut off. It is not the most likely threat and the other threats are somewhat more limited.

Mr. Jacobus reported that they have had many meetings with Colonial Oil officials. Colonial is part of a federal system for pipelines and they have inspection protocols and shutdown protocols to protect the integrity of the pipeline and decrease the effects on the public should a release occur. The U.S. Environmental Protection Agency, Maryland Department of the Environment, Virginia Departments of Health, and other agencies are all involved in the discussions. He stated that he is not trying to alarm anyone but this is the largest threat. However, it is the easiest threat to deal with because they know exactly where it is, it is constantly monitored, and they would be notified quickly of any incident.

The largest threats are at the bridges upstream with tankers running across them. Mr. Jacobus indicated that they would close the intakes and protect the treatment plants. Approximately 12 hours of water is stored at the Dalecarlia Reservoir. At Georgetown and McMillan there is more water stored. Mr. Jacobus reported that if lucky, the area could probably get along for 18 to 20 hours.

Mr. Jacobus reported that there also is a problem of running out of water if the River is not available. He reported that long term and regionally they are looking at the development of a privately owned quarry—Travilla Quarry which is located on the Maryland side of the Potomac between WSSC and Great Falls. This is a hole in the ground that could hold about 20 billion gallons of water which is many days of supply. This would be an off-Potomac source and it would be filled up from the Potomac, sit there, and then if the Potomac were contaminated, the area utilities could continue operations. Mr. Jacobus stated that there is a contract underway which will provide a conceptual analysis of how it would work. That is a long term option to get everything isolated from the Potomac and avoid a shut down or a serious impact on the public if a river contamination event occurs that would last many hours.

Mr. Jacobus stated that at this time there is no way to connect the systems. In the past they have studied the feasibility of building major pipelines between the water plants to allow not only for the lost of source water but to allow for the lost of a treatment plant. For the Aqueduct to send water into the Fairfax system and for them to send water to the Aqueduct, it is not too far a reach to start connecting the two systems. This is being studied and they will have some conceptual ideas and some water and magnitude costs within the next six months and then start working forward. They will then come back to the Board and recommend what should be done.

V. Advanced Metering Infrastructure (AMI)

Charles Kiely, Assistant General Manager, provided background information on the AMI Project which was started in 2002. D.C. Water was an early pioneer in fixed network automated meter reading and was the first organization to do this on the water side. It focused on realigning business processes, organization redesign, meter replacement, and infrastructure improvements at that time. There was only one company that had a successful fixed network system when the AMI Project was started. In 2003 D.C. Water replaced all of the meters in the system, over 100,000 meters in 11 months. At the time D.C. Water was generating a lot of water but it was not being sold. The meter replacement recovered 7 percent, so the project paid for itself in two and a half years, a $40 million investment. The old meters were under registering. Estimating billing was at 25 percent and billing was quarterly. They have gotten up to 98 percent actual billing. The meter reading costs were $4 and it went down to pennies. They were generating 1,500 to 1,700 a day and that was reduced by 36 percent, which was associated with better billing. Billing investigation costs was $50 a truck roll, which was reduced because D.C. Water did not have to send trucks out. A lot of utilities started mirroring what D.C. Water did. There were many, many more improvements put in place that were made possible through the fixed network system.

The old system was installed 11 years ago and the replacement and moving to a new wave of technology was built into the budgets. For two years D.C. Water piloted new technology that was not in production. Mr. Kiely stated that in 2012 they made the decision to migrate to the new technology, the DC2 two-way communication device. This was a good idea but they have had serious problems that must be addressed by the vendor. Instead of replacing 100,000 units in 11 months, they decided to do it gradually over time. Six thousand new units have been

purchased and installed. The automated meter reading failure rate has increased significantly with the new units and the vendor has been notified of these and other issues. The vendor has solutions for some of the issues in production right now and they expect them to be delivered by the end of June. The vendor has committed to send contractors out to D.C. Water and to replace everything that was previously done. Therefore, no additional expenditures will be incurred by D.C. Water.

Mr. Kiely indicated that they are working closely with customers to explain to them problems with the billing and with the meter reading. D.C. Water is the first utility going through the upgrade and unfortunately problems are being uncovered in the system. D.C. Water's Customer Service Representatives are some of the best in the industry because they are able to explain to customers what is occurring, and the customers mostly accept it. D.C. Water is sending staff out to read meters when failures are discovered. Mr. Kiely assured the Committee that he will continue to update them whenever additional information is available.

Mr. Hawkins assured the Committee that D.C. Water is not happy with the problems and will continue to work with the vendor to resolve the issues satisfactorily.

VI. Pressure Zone Improvement Program (PZIP) Update

Jodi Russell, Manager of the Water and Sewer Planning Branch, Engineering and Technical Services (ETS) Department, made a presentation on the PZIP project. She stated that this is a collaborative effort among the ETS Planning Branch, Customer Service, and External Affairs. This is one of the increased pressure projects which also include an upgrade of the Reno Pumping Station which should be on-line hopefully at the beginning of 2016, and the construction of the St. Elizabeth's water storage facility. These projects will bring major pressure zone improvements to Ward 3 and Ward 8. As the pressures increase, it will improve the fire fighting flow and it means that some customers at their homes will have increased pressures in excess of 80 pounds per square inch (psi). Once you are over 80 psi in your home the plumbing code requires that you have a pressure reducing valve. This issue was discussed with the Office of the General Counsel years ago and they approved as acceptable D.C. Water installing pressure reducing valves (PRV) in private homes of those customers who will experience 80 psi.

Ms. Russell stated that one of the largest components of the PZIP project was determining how to get the word out to the public because they want the people to get the PRVs. They also wanted to make sure that people who do not need PRVs because their resulting pressure will not be greater than 80 psi are still aware that increased pressures are coming and this is the time for them to do a whole house health check on the plumbing system. About 900 residences are in the Fort Reno pressure area and when they move to the St. Elizabeth's pressure increase, there will be about 2,000 residences that will be affected. The mailings will start on March 26. Customers will be calling and making appointments through Customer Service and then Customer Service will be coordinating the appointments with the plumbers who will go out to do the work. It was recommended that the project contact the Mayor's cable station to further publicize PZIP.

Ms. Butani asked Mr. Kiely to update the Committee once this program gets into motion and state how many valves were replaced and other useful information. Mr. Hawkins stated that the Ward 8 project is years off and will come once the St. Elizabeth's tower is built. They will learn a lot from the first round of the project before going into the second round.

Mr. Hawkins reported that there is a challenge to the design of the St. Elizabeth water tower because of the lattice work. The secondary approval parties do not like the design. D.C. Water has to go back to the drawing board to try to please everybody. The problem is not the functioning of the tower but the lattice work.

VII. Action Items – Non-Joint Use

Two contracts were presented to the Committee for a recommendation to the Board. One was for engineering services related to the development and management of the water service area Capital Improvement Program (CIP). The other was for large diameter internal joint repairs that will improve system integrity by reducing water main breaks, joint leakage and inoperable large water valves. Ms. Butani asked for questions and the Committee indicated their concurrence that both should be recommended for Board approval.

VIII. Agenda for Next Meeting

Ms. Butani informed the Committee that the next meeting has been rescheduled and will be done through a conference call at 11:00 a.m. on April 10 instead of April 17. There are no major agenda topics that require a formal meeting and Committee members being present.

The meeting was adjourned by Ms. Butani.

DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, March 25, 2014

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance
Alan Roth, Chairperson
Terry Bellamy
Ellen Boardman
Rachna Butani
Howard Gibbs
Robert Mallett

DC Water Staff
George Hawkins, General Manager
Mark Kim, Chief Financial Officer
Randy Hayman, General Counsel
Linda R. Manley, Board Secretary

Call to Order

Chairman Roth called the Committee meeting to order at 9:32 a.m.

Integrated Planning Framework Affordability Presentation

Mr. Kim outlined the meeting agenda and mentioned that an article from USA Today was passed out to committee members about DC Water and other utilities spending billions to keep sewage out of rivers. Mr. Kim introduced Mr. Alan Karnovitz (Director and Senior Economist) and Mr. Anwar Hassan (Senior Vice President) of Louis Berger Water Services, Inc. who had undertaken an Affordability Analysis of DC Water's Capital Improvement Program. Mr. Kim stated that DC Water is projected to spend $1.5 billion over the next ten year period on the Long Term Control Plan, which is putting enormous financial pressure on DC Water and its retail rate payers.

Mr. Karnovitz explained that Louis Berger conducted the Affordability Analysis in partnership with Raftelis Financial Consultants, Inc. Mr. Karnovitz briefly described the Integrated Planning Framework (IPF). IPF is a decision making process that came from the Environmental Protection Agency (EPA). EPA recognized that compliance with consent decrees and regulations was putting severe financial burden on low income populations, communities and utilities. The IPF allows utilities and communities to take a look at consent decrees and regulatory requirements and to prioritize their projects in a way that defers large financial impacts while bringing forth as many benefits as possible. Ultimately it allows utilities greater flexibility in how they invest in their capital improvement programs while deferring costs to later years such that impact on the rate payers is minimized in the early years.

Mr. Karnovitz stated that Louis Berger Inc. in partnership with the City of Baltimore developed an IPF model that would modify their consent decree in a way that would ameliorate the impacts on low income communities while still achieving their regulatory requirements. IPF would allow a longer timeframe for their investments through extension on their consent decree, which would lower the burden on both the city and the rate payers.

DC Water performed an Affordability Analysis to assess annual sewer rate increases and financial impacts to low income households. Based on the analysis, Mr. Karnovitz concluded that the status quo CIP would result in sewer rate increases to the entire customer base over the next twenty years. From 2011-2013, sewer bills increased 35 percent and the average residential bill is projected to increase from $607 in 2015 to $952 in 2010, and to $1,623 by 2030. Financial impact to the poor and minority households would be significant over time. EPA guidance states that sewer bills exceeding 2 percent of median household income (MHI) would signal a large economic impact on residents.

Mr. Karnovitz explained that the traditional measures of affordability do not capture accurately the financial burden on poor and minority households. The household income distributions are particularly skewed in Washington DC:

- Mean income is approximately $96,100
- Median income is approximately $62,000
- Top 5 percent of DC households have a mean income of $500,031
- Lowest 20 percent of DC households have a mean income of $9,631

Mr. Karnovitz stated that mean and medium income in Washington DC are about 25 percent higher than the national average. The poverty rate in Washington DC is 18.2 percent compared to the national average of 15 percent.

He mentioned that the unadjusted income underestimates burdens due to a high level of expenditures for non-discretionary spending in high cost cities such as Washington DC. In 2012, DC was ranked the 8th most expensive city in the US with cost of living index of 144.7, which is 45 percent higher than other cities. The primary drivers of Washington DC's high cost of living include housing, transportation, food and utilities. He noted that for these reasons and income disparities in Washington DC, the "2% of MHI" guidance used by EPA does not reflect true financial impact on lower income households.

Mr. Karnovitz discussed various scenarios of the Affordability Analysis:

- **Scenario 1: Status Quo CIP**
  - Scenario 1a: Median household income (MHI)
  - Scenario 1b: Unadjusted upper limit of the second quintile household income (top of bottom 40 percent)
  - Scenario 1c: Adjusted upper limit of the second quintile household income (with cost of living adjustment)
- **Scenario 2: Modified CIP (via IPF)**
  - Scenario 2a: Upper limit of the first quintile household income
  - Scenario 2b: Upper limit of the second quintile household income
- **Scenario 3: Modified CIP and COLA**
  - Scenario 3a: Median household income
  - Scenario 3b: Adjusted upper limit of the first quintile of household income
  - Scenario 3c: Adjusted upper limit of the second quintile of the household income

Mr. Karnovitz provided Demographic Analyses (based on race/ethnicity and age) and Geographical Analysis (based on Wards) for the three scenarios, describing the impact on low-income households.

Mr. Karnovtz concluded that the traditional method of measuring affordability using citywide MHI does not fully capture the true impact on low income households. An alternative method using 2 percent of the cost of living adjusted income for the upper limit of the 2nd quintile more accurately predicts the "true effect" of residential sewer bills on low income populations. A modified CIP that defers certain capital costs related to DC Water's Clean Rivers Project (and implements Green Infrastructure solutions) will delay and ameliorate affordability issues, but will not eliminate them entirely.

FY 2015 Cost of Service Study Presentation

Mr. Kim gave a brief overview on the FY 2015 Cost of Service Study. He stated that the study is done every three years to review the existing rates and charges for sufficient and equitable cost recovery, and to ensure that rates and fees are based on cost of providing services for each customer class.

Mr. Jon Davis of Raftelis described the Fixed and Variable Charges for utilities:

- Typically, water and sewer utilities' costs are largely fixed while revenue is largely variable
- DC Water's fixed revenue components have historically been below 30 percent of total revenue
- National and regional benchmarking shows that there is no consensus on the level of a customer bill that should be fixed
- By 2015, DC Water's average customer bill will be 27 percent fixed, within the median range for large national utilities

To a question from Chairman Roth as to what percentages of DC Water's charges are fixed, Mr. Davis responded that although 75 percent of the cost is fixed, DC Water will bill 27 percent fixed charges in 2015.

Mr. Davis explained the rate structure evolution. He pointed out that DC Water has a uniform rate structure as compared to other utilities on the west coast, which have a seasonal structure. The revenue uncertainty is low for flat or uniform rate structures, whereas for seasonal and inclining block rate structures, the revenue uncertainty is higher.

Mr. Davis presented the rate structure benchmarking chart showing the comparison of DC Water rates with other utilities. He mentioned that DC Water has a uniform rate as do New York City and Chicago, whereas Philadelphia and Baltimore have a declining block rate structure. Other cities/utilities such as Boston, Washington Suburban Sanitary Commission (WSSC), Charlotte-Mecklenburg and Fairfax County have inclining block rates to promote conservation among certain classes of customers. Some cities like Philadelphia, Baltimore and Boston have multi-block rates. To a question from Mr. Mallett as to how Mr. Davis chose these utilities in the rate structure benchmarking, and what are the commonalities, Mr. Davis responded that he tried to select a good cross section, for example, some peers of DC Water from a demographic perspective, an Urban system, Mid-Atlantic system, Northeastern system, and some peers in the metropolitan area. He also pointed out that customer impacts vary significantly based on:

- Number of blocks
- Differential between blocks
- Break points between blocks
- Application to customer classes

He further explained that the inclining block rate structure shifts costs away from low volume customers toward high volume customers and increases revenue volatility by assigning higher value to discretionary consumption.

Mr. Davis noted that the rate structure is designed to be revenue neutral.

In conclusion, Mr. Davis presented the objectives for the 2015 Cost of Service Study:

- Detailed analysis of customer usage
- Revenue sufficiency assurance
- Adherence to cost of service principals and DC Water policies
- Evaluation of alternative rare structures
- Evaluation of affordability alternatives
- Identification of alternative charges to relieve pressure on rates

Retail Water and Sewer Rates Committee Workplan

Mr. Kim updated the committee on the workplan, which is on track. Mr. Kim mentioned that the next committee meeting is scheduled for June 24th. However, if there is a need for discussion before the Public Hearing meeting, a teleconference would be scheduled in May.

Other Business

No other business was discussed.

Executive Session

Mr. Kim stated that the committee did not need to go into executive session.

Adjournment

The meeting was adjourned at 11:29 a.m.

Follow-Up Items – DC Retail Water and Sewer Rates Committee Meeting (March 25, 2014)

1. Provide information on whether the cost of living in DC is different than in the surrounding counties and cities including Fairfax, Arlington and Alexandria. (Robert Mallett)**:**

2. What is the income level for the upper limit of the second quintile for the next ten years? **(Chairman Roth) Status:** Complete.

3. How many utilities are operating under the consent decree and how many have a Capital Improvement Program? (**Mr. Mallett**) **Status:** Complete.

   Response: All of the utilities on the Rate Structure Benchmarking slide are under some sort of consent decree except for Charlotte. Most of these entities have multi-billion dollar CIPs over the next several years. Baltimore, Boston, WSSC, PWD, Chicago and New York have large CIPs related to consent decrees for Combined Sewer Overflow (CSO)/Sanitary Sewer Overflow (SSO). They also have aging infrastructure concerns as well.

DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

water is life

SUCCESS

GENERAL MANAGER'S REPORT

George S. Hawkins
General Manager
April 2014

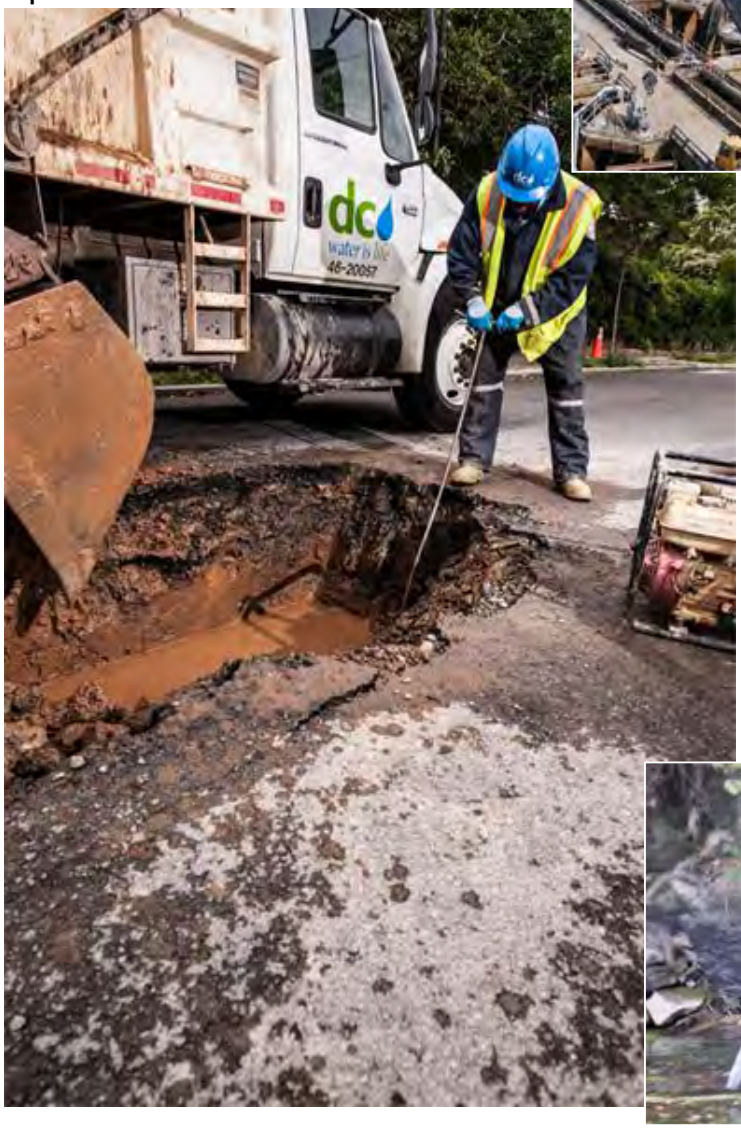


Table of Contents

Color Key

Red	**Did not meet Target**
Yellow	**Missed Target but within acceptable range**
Green	**Met/Exceeded Target**
Gray	**Budget/Target Value**
<transparent>	**Green/Yellow/Red based on comparison**

EXECUTIVE SUMMARY

Greetings to the Board.

Boil Water Advisory
On Wednesday, March 5 we experienced a major electrical failure at the Fort Reno Pump Station at approximately 3:35 PM. Our after action report determined that the initial electrical failure was caused by a fault in the Motor Control Center (MCC) at the station, causing all three pumps to go offline. Water infiltration from melting snow on the roof was the probable cause of the MCC failure as a leak was found near the switchgear in this unmanned station. DC Water's response to the electrical failure was immediate. We set up our incident command structure to coordinate all field responses back to our command post. High voltage personnel were dispatched to the Pump Station and field operations crews were dispatched to selected hydrants in our 4th high pressure zone to monitor system pressures. Since we still had Pepco power coming into the station in front of the MCC, the emergency generator did not power on. In addition, our electrical crews found that the automatic transfer switch failed when they attempted to start the generator manually. We also lost power to the 120 volt control transformer which provides control power, lighting and all auxiliary services to the Fort Reno Pump Station, which prevented us from powering up the station immediately.

We only have 160,000 gallons of storage at Ft Reno, which translates to about two hours of water supply and time to get the station back on line. The damage to the switchgear was significant and we began losing system pressure at 5:40 PM. All District agencies were alerted of this emergency and the primary concern was fire suppression at the highest elevations of our 4th High pressure zone. A regional alert went out to coordinate a multi jurisdiction response in the event of a major fire. At the same time, DC Water staff began identifying the impacted area which constantly changed while the station was off line because of elevation drops. We brought Fort Reno back on line at approximately 7:15 PM. We issued a precautionary boil water advisory to 1,019 customer premises based on the hydraulic grade or elevation of their properties. This decision was made under an abundance of caution for the health and well being of our customers as we had received several "no water" calls in areas where our modeling and hydrant analysis indicated we were at extremely low water pressure or no water pressure, which could result in possible contamination. Over 80 team blue members responded to this emergency which is significant given that most of the response effort was conducted after-hours. Fortunately, our follow up testing found no evidence of contamination in the distribution system and the precautionary boiled water alert was lifted at 11:30 AM on Friday, March 7.

Fort Reno pump station is in the construction phase of a major system overhaul, which includes replacing the electrical system, motors, and drives. It is expected to be completed in about 18 months.

Government Affairs
The President released his FY 2015 budget on March 4, 2014. The proposal includes a $16 million request for the Clean Rivers Project. This is the largest payment request from the President since the payment was established in FY 2003. In Fiscal Year 2014, Congress appropriated $14 million for the project.

EXECUTIVE SUMMARY

In less positive news, the President's FY 2015 request includes reduced amounts for the Clean Water and Safe Drinking Water revolving fund grants. This is the third year in a row that the President's budget has proposed reducing this funding source compared to the previous year appropriated amounts. In the previous three years, Congress has restored the President's proposed cuts.

On March 4, 2014 the DC Council unanimously approved a sense of the Council resolution in support of the use of green infrastructure in the Potomac and Rock Creek portions of the Clean Rivers Project. The resolution was the product of significant outreach to the DC Council regarding the proposal.

External Affairs

Boil Water Alert

OEA participated in the emergency response and crisis communications during the boil water advisory issued on March 5-7, 2014. External Affairs issued press releases, FAQs and updates, granted media interviews, created and produced door hanger information for hand delivery, recorded and delivered robocalls, utilized social media and the website, and participated on the Incident Management Team.

Website

Session totals for the period of February 16, 2013 through March 15, 2014:

- Total Sessions: 101,545
- Average Sessions/day: 3,385

Media Relations

- DC Water hosted a crew from *The Washington Post* and performed significant follow-up for a front page story that ran on Feb. 16. Along with the front page photo and story was a two-page spread in the A section with a graphic, photos, article and sidebar.
- *USA Today* ran a story on the Clean Rivers Project that gave the national perspective on combined sewer overflows.
- Channel 9 covered the tunnel story, as they came with *USA Today*.
- Ashley Halsey at the *Washington Post* ran a follow-up on Lady Bird, answering many questions.
- OEA managed multiple media inquiries from all major local media outlets around the boil water advisory, including an after-the-fact story in the *Northwest Current* by George Altshuler that was positive.
- Issued the following press releases and media advisories:
  - Meet your water utility in your ward
  - Spring Cleaning in the Region's Drinking Water System
  - DC Water extends comment period for proposed modifications to the Long Term Control Plan to include green infrastructure
  - McMillan Construction Brings Traffic Impacts to First Street
  - DC Water Lifts Boil Water Advisory for all affected customers – Effective 11:30 a.m. March 7, 2014
  - DC Water Issues a Boil Water Advisory for Some Areas of NW DC
  - Boil Water Advisory Continues for Isolated Area in NW Washington DC

EXECUTIVE SUMMARY

- DC Water to Hold a Public Meeting on the Pressure Zone Improvement Program on February 26
- DC Water to Hold a Public Meeting on the Northeast Boundary Tunnel Project on February 27

The March issue of *What's on Tap* included stories on how DC Water responds to water emergencies, Fix-a-Leak Week activities in March, Earth Month activities in April, a story on dialing Miss Utility before digging in the yard, a spotlight on the Alice Ferguson Foundation and a GM message on the upcoming town hall meetings.

Community Meetings

- Hosted public meetings to present its Green Infrastructure plan, including in Georgetown, Petworth, Anacostia and during ANC 2E, ANC 4A, ANC 4C, ANC 3B and ANC 3E meetings.
- As part of ongoing outreach efforts in support of the First Street Tunnel Project, DC Water has organized a group of interested Bloomingdale and LeDroit Park residents into a First Street Tunnel forum which meets on a monthly basis to discuss project related issues in real time. The first forum meeting was, whereupon information was shared on DC Water's project hotline, scheduled to be launched in the coming weeks.
- Conducted an Environmental Education lesson to a class of 50 2nd grade students at Moten Elementary School. There was a viewing of the "A Drop's Life" video during the presentation, and Wendell the Water Drop made a special guest appearance.
- Attended the monthly meeting of the Bloomingdale Civic Association to provide updates on the following area construction projects: First Street Tunnel Project; Bryant Street Pumping Station Discharge Piping Replacement Project; Small Diameter Water Main Replacement Project; and McMillan Stormwater Storage Project.
- Hosted a public meeting for residents and other stakeholders in the 4th High Water Service Area to present its Pressure Zone Improvement Program.
- Hosted a public meeting with residents and other stakeholders to present the final Environmental Assessment (EA) for its Northeast Boundary Tunnel Project and make the community aware of the public comment period for the EA.

Drinking Water Marketing and Communications

- DC Water chaired the monthly MWCOG Community Engagement Campaign Committee meeting and started to coordinate regional events for Drinking Water Week in May.
- DC Water and EPA staff met to discuss possible collaboration on an event marking the 40th anniversary of the Safe Drinking Water Act.
- The Drinking Water Division and Office of External Affairs updated lead service line replacement communication materials.
- DC Water participated in the second meeting of the EPA Water Security Public Information Officer Workgroup.
- At the request of the commissioners, OEA staff presented DC Water's position on hydraulic fracturing in the GW National Forest at the monthly ANC 2E meeting.
- DC Water participated in the monthly meeting of the Stockholm Junior Water Prize Competition Planning Committee, coordinated by Water Environment Federation.

EXECUTIVE SUMMARY

- Communication materials, including press releases, social media messaging, FAQs and staff talking points were developed during the March 5 – 7, 2014 Boil Water Advisory.
- Members of OEA staff participated in Regional Incident Communications and Coordination System training, coordinated by MW COG.

Tours

- 15 students from Virginia Tech
- 22 visitors from the U.S. State Department
- 20 students from University of Maryland- College Park
- 70 students from Maret Junior High School
- 5 students from Johns Hopkins SAIS Energy Resources and Environment Program
- 25 visitors from Vietnamese delegation/ World Bank
- 25 students from St. John's College High School
- 20 visiting dignitaries/ Meridian International Center

SUMMARY OF FINANCIAL ACTIVITIES FROM THE CFO

The performance dashboard provides a summary of the FY 2014 financial highlights for the Authority for use by the Board. Additional information is available in the monthly financial report.

Operating Revenues & Receipts
At the end of February 2014, cash receipts totaled $200.5 million, or 43 percent of the revised FY 2014 budget. Several categories of customers make payments on a quarterly basis, including the Federal and District governments, and wholesale customers.

Operating Expenditures
At the end of February 2014, operating expenditures (including debt service and the right of way and PILOT fees) totaled $172.2 million, or 39 percent of the revised FY 2014 budget of $441.7 million. These numbers include estimated incurred but unpaid invoices and are subject to revision in subsequent reports.

Capital Disbursements
For the month of February 2014, actual disbursements totaled $52.7 million, with year-to-date disbursements totaling $282.0 million or 51 percent of the revised FY 2014 disbursements budget. Planned capital disbursements through February 2014 were $278.6 million. The spending variance is higher by $3.5 million with higher spending in the Wastewater Treatment and Water Services areas, offset in part by lower disbursements in the Combined Sewer Overflow and Capital Equipment areas.

Cash Reserves and Investments
At the end of February 2014, the operating reserve balance was $151.9 million as compared to the FY 2014 operating reserve level objective of $125.5 million. The balances in the Rate Stabilization and DC PILOT Funds remained unchanged at $28.9 million and $22.4 million, respectively, since September 2013, while the DC ROW Fund is at $2.5 million. The CSO LTCP Appropriations Account remained unchanged since November 2013 at $31.1 million.

Overall Portfolio Performance
At the end of February 2014, DC Water's total investment portfolio performed well and complied with the Authority's Investment Policy. Returns exceeded the established benchmarks for short term (less than one year) and core (one plus years) funds. Operating funds interest income for February (on a cash basis) was $48,680, with year-to-date totals of $202,975 as compared to the budget of $380,527 for FY 2014.

Other Updates

- High Electricity Expenditures – During the winter peak months of January and February, electricity prices were significantly higher than prior year experiences. A statement provided by Hess, our electricity service provider, states in part that "The PJM ISO has released analysis stating that in its' 87 year history, it experienced 8 of the 10 peak demands on the grid this January. This demand was primarily driven by the extreme cold (some of which was not forecast), the increased demand of natural gas for both heating and electric generation, and the retirement of coal fired electric plants in the Northeast. As a result of the record demand and price spikes, our customers are experiencing prices

SUMMARY OF FINANCIAL ACTIVITIES FROM THE CFO

three times that of what they would normally expect on their invoice." We experienced more of the same in February. Staff continues to monitor the market and review future prices to mitigate any exposure to price volatility in future months

- Three banks have responded to the banking services Request for Proposal (RFP) and they are being reviewed by the evaluation panel
- Budget Calendar
  (1) FY 2015 Revised Budget underway (Committee action no later than June 2014)
  (2) FY 2016 Proposed Budget Kickoff Meeting – May 6, 2014

ORGANIZATIONAL PERFORMANCE DASHBOARD (FEBRUARY, 2014)

Financial Highlights

Net Operating Cash ($ tho)
Actual 33949
Target 15965

Operating Revenues ($ mil)
Actual 201
Target 195

Operating Expenses ($ mil)
Actual 172
Target 184

Capital Disbursements ($ mil)
Actual 282
Target 279

Operating Cash Balance ($ mil)
Actual 178
Target 126

Delinquent Account Receivables (%)
Actual 2
Target 3

Core Investments Yield (%)
Actual 0.51
Target 0.36

Short Term Investment Yield (%)
Actual 0.32
Target 0.04

Customer Care and Operations Highlights

Call Center Performance (% of calls rec)
85 — Feb 83

Command Center Performance (% of calls rec)
85 — Feb 94

First Call Resolution (% of calls rec)
75 — Feb 81

Emergency Response Time (% of calls rec)
90 — Feb 85

Fire Hydrants out of Service (count)
96 — Feb 76

Fire Hydrant Inspection (count)
0

Fire Hydrants Repaired (count)
24

Fire Hydrants Replaced (YTD count)
250 — Feb 44

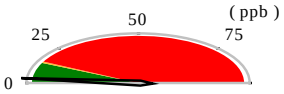
Permit Processing within SLA (%)
83

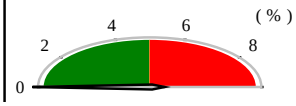
Low Income Assistance Program

Splash Contributions ($ tho)
Actual 47
Target 33

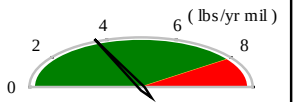
Customer Assistance Program ($ tho)
Previous 103
Current 101

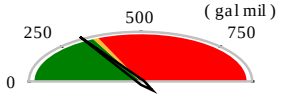
Operational Highlights

Lead Concentration (ppb)


Total Coliform Rule (%)


Biosolids Production (wet tons)
1123

Total Nitrogen (lbs/yr mil)


Plant Influent Flow (gal mil)


Excess Flow (gal mil)
71

Water Main Leaks (count)
62

Water Valve Leaks (count)
1

Non-Revenue Water (CCF mil)
Sold 8
Purchased 11

Sewer Main Backups (count)
7

Sewer Lateral Backups (count)
153

Dry Weather CSO (events)
0

Recruitment Activity (count)
Filled 13
Open 58

Electricity Usage (MWh)
21272

Employee Lost Time Accidents (count)
9

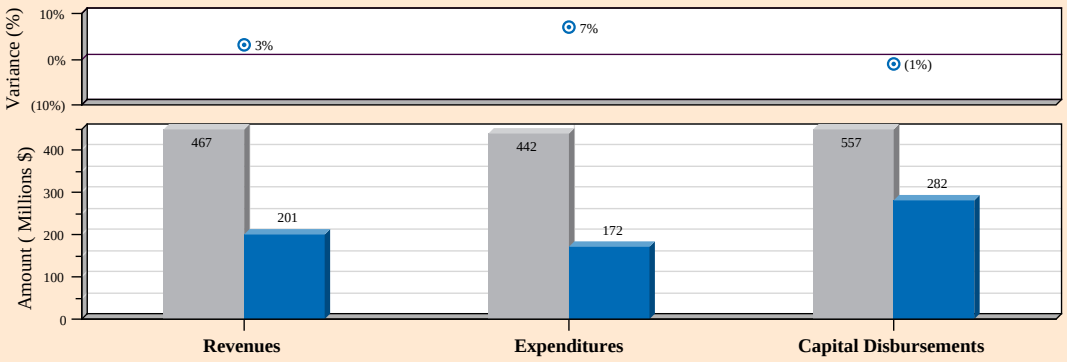
Vendor Payments (%)
Actual 99
Target 97

FINANCIAL HIGHLIGHTS

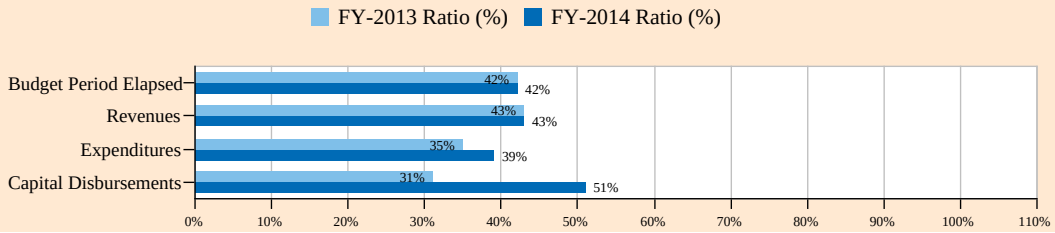
FINANCIAL PERFORMANCE SUMMARY

REVENUE , EXPENDITURE, CAPITAL DISBURSEMENT

(Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget)

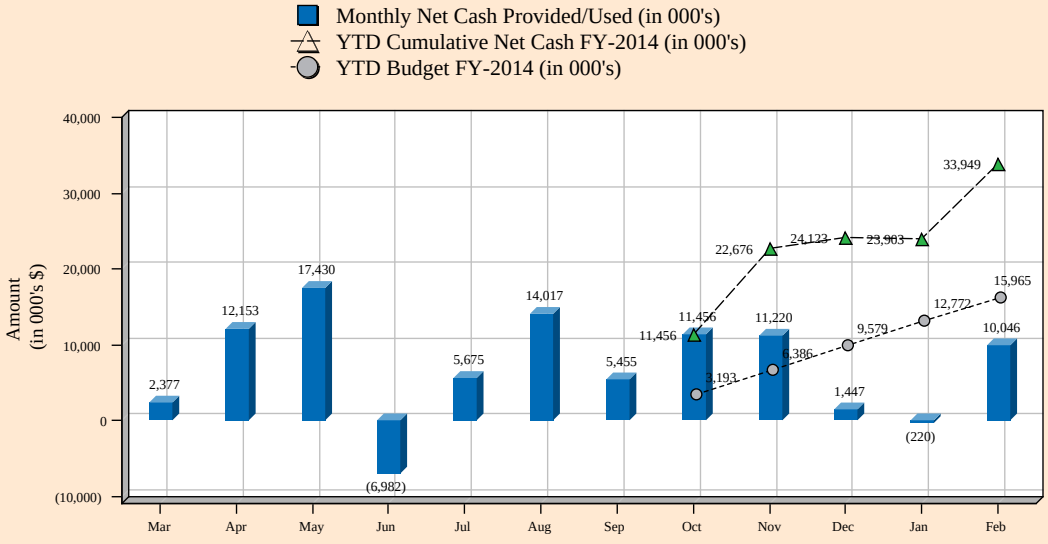


Year to Date Analysis



NET OPERATING CASH

(Monthly and YTD Net Operating Cash Provided / Used compared to Budget)

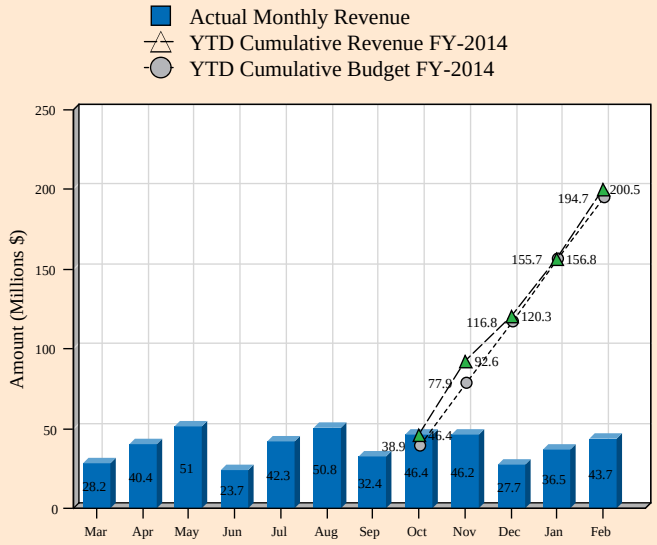


Net cash to date for February was above budget by $18 Million

FINANCIAL HIGHLIGHTS

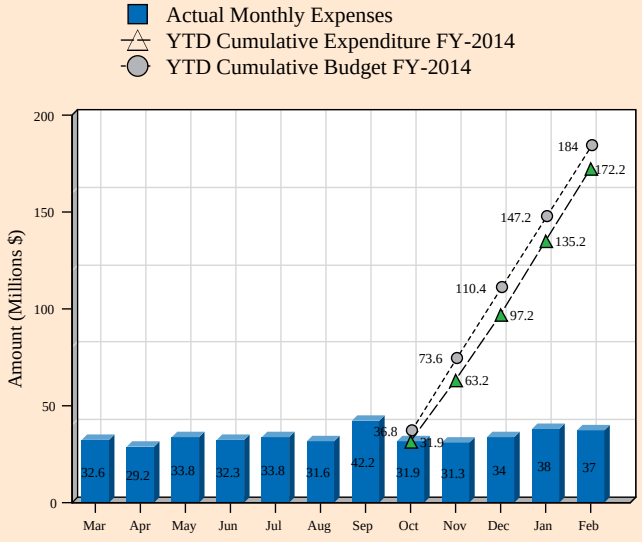
REVENUES AND OPERATING EXPENSES

OPERATING REVENUES
Monthly & Cumulative Revenue compared to YTD Budget



Revenue to date for February was above budget by $6 Million

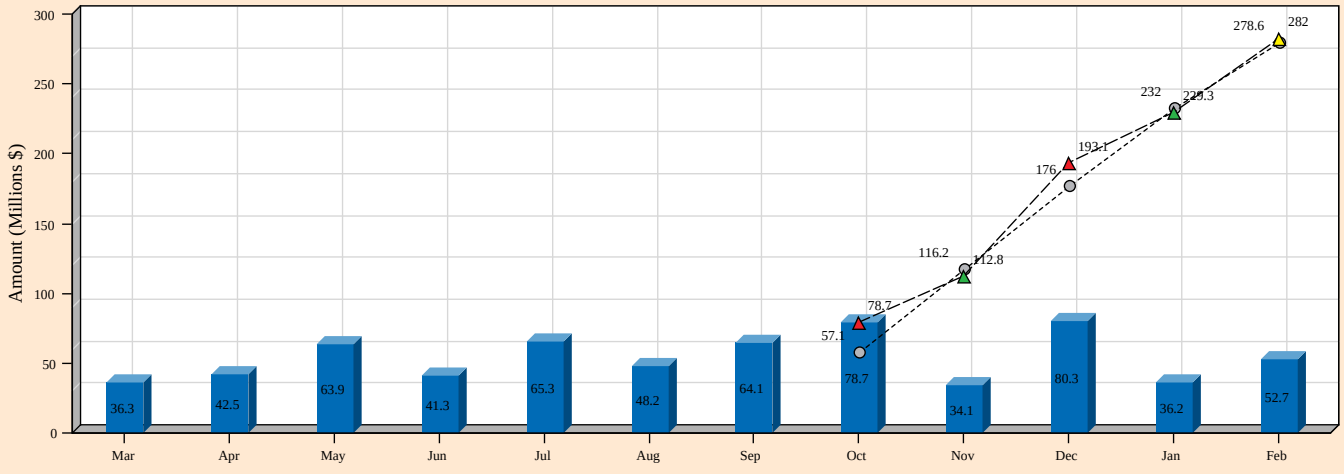
OPERATING EXPENSES
Monthly & Cumulative Expenditure compared to YTD Budget



Expenditure to date for February was below budget by $12 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS
Monthly & Cumulative Disbursements compared to YTD Budget



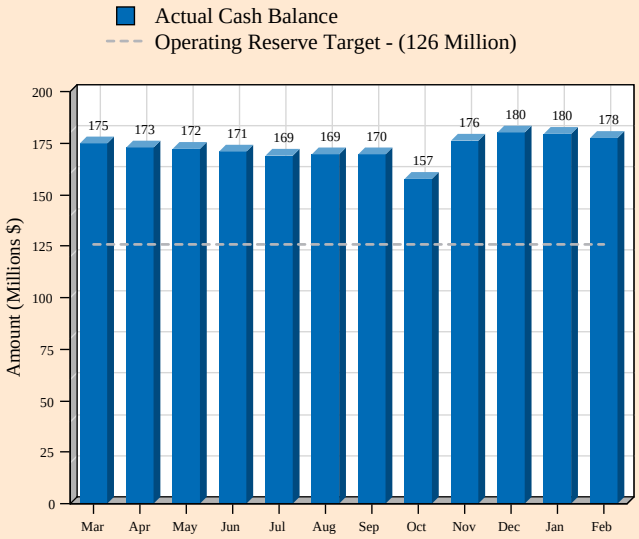
Disbursements to date for February were above budget by $3 Million

FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

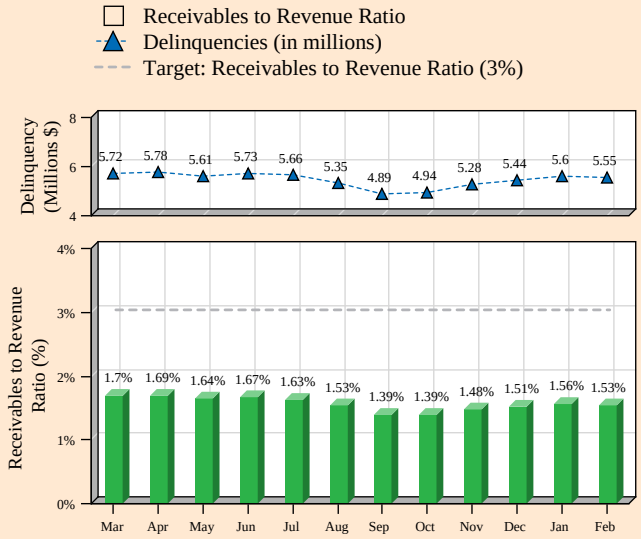
Average Daily Cash Balance compared to Operating Reserve Target



Cash Balance for February was above target by $52 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

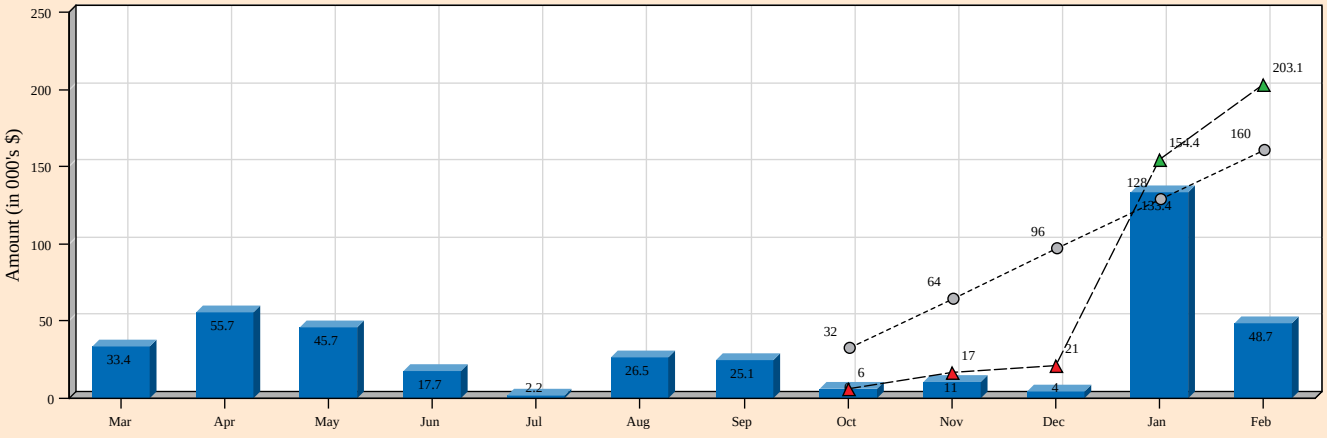


February Receivables to Revenue Ratio 1.5%, Delinquency $5.6 Million

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget



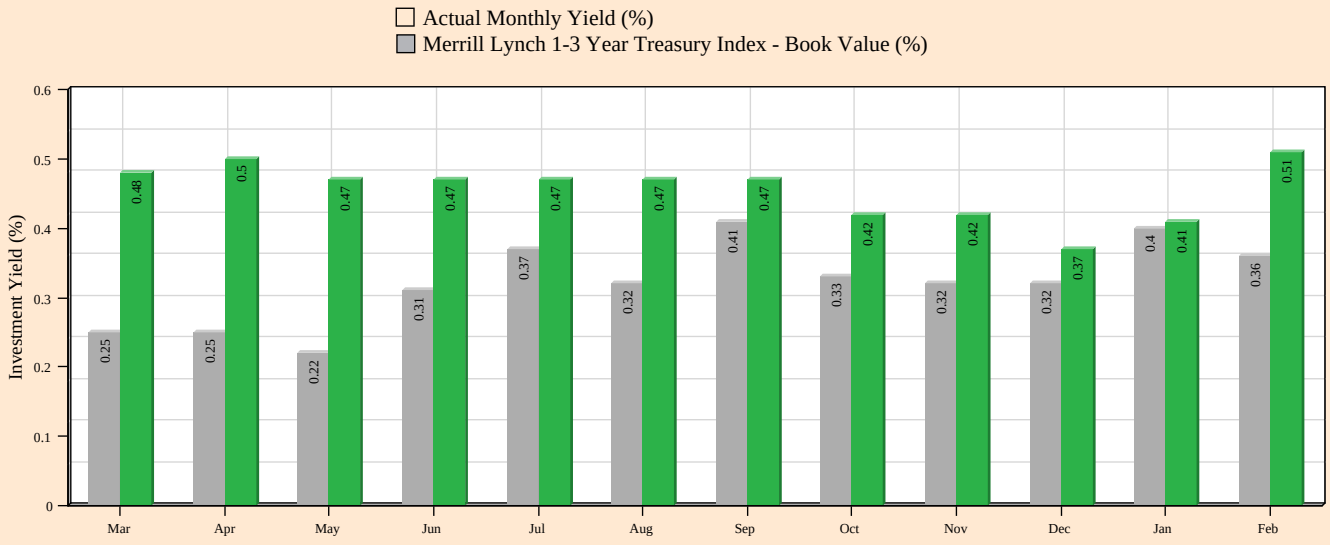
Earnings to date for February were above Projected Budget by $43,000

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

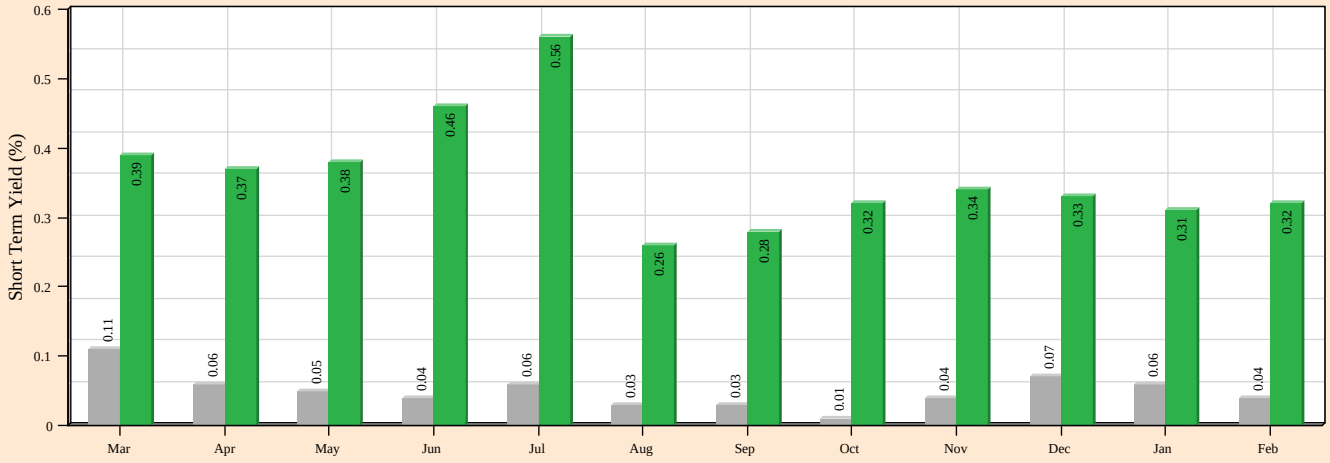
Monthly Yield compared to Merrill Lynch Benchmark



Yield for February was higher than the treasury index by 0.15%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark

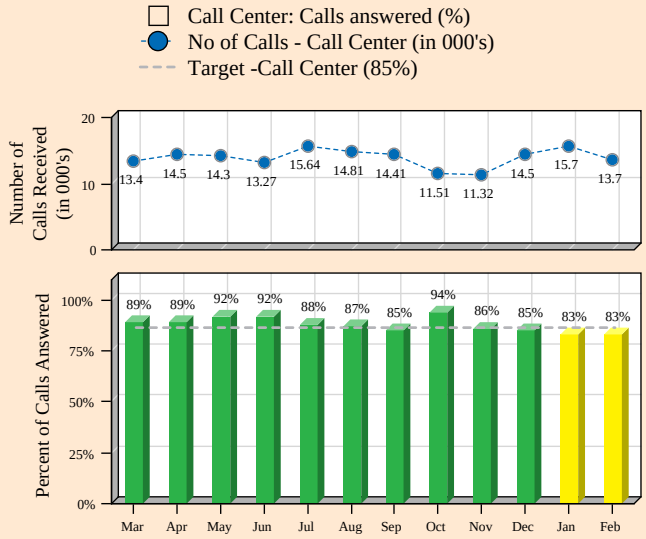


Short Term Yield for February was higher than the Merill Lynch yield by 0.28%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

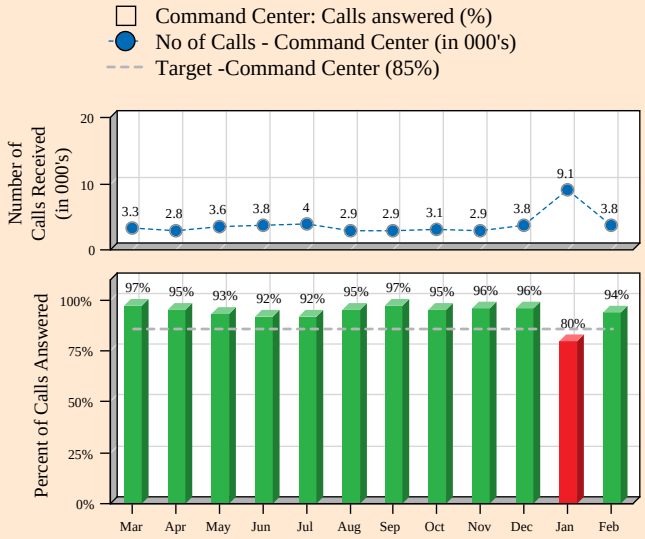
CUSTOMER SERVICE

CALL CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target



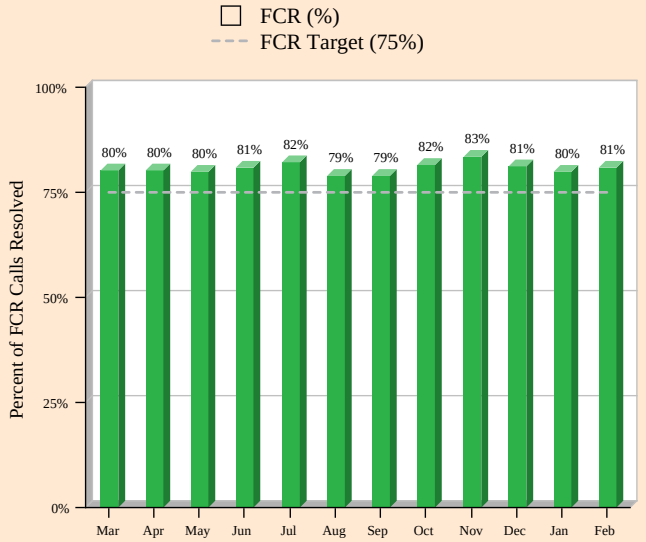
Performance for February was below target by 2%

COMMAND CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target



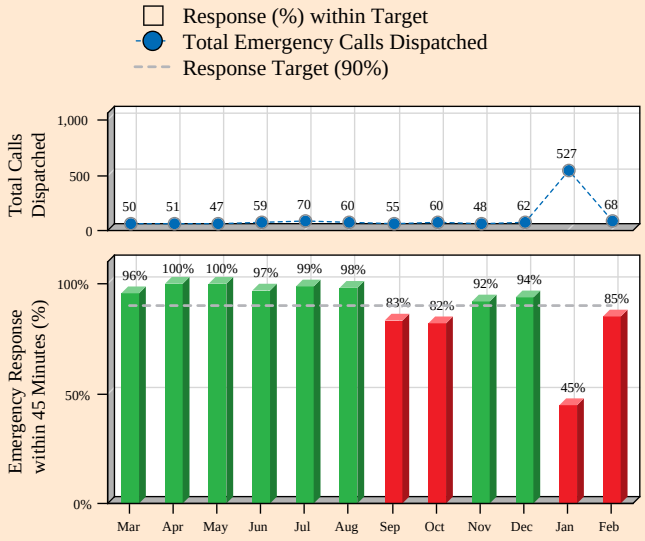
Performance for February was above target by 9%

FIRST CALL RESOLUTION (FCR)
Calls resolved on first contact compared to Target



Performance for February was above target by 6%

EMERGENCY RESPONSE TIME
Calls responded to within 45 Minutes compared to Target

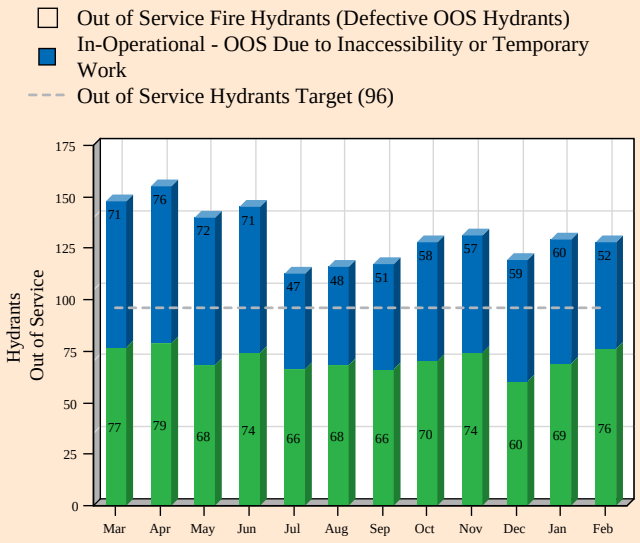


Performance for February was below target by 5%

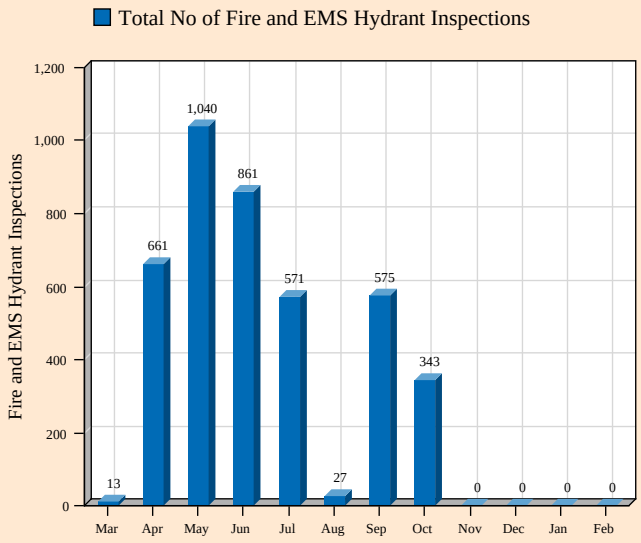
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

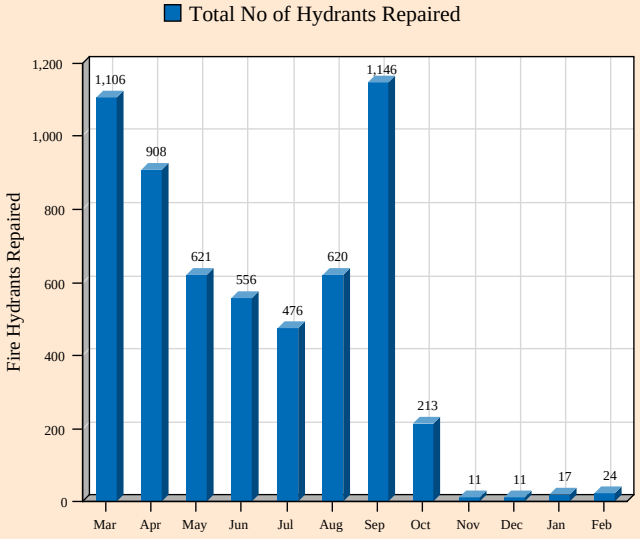
FIRE HYDRANTS OUT OF SERVICE (OOS)
Total Hydrants Out of Service against Target



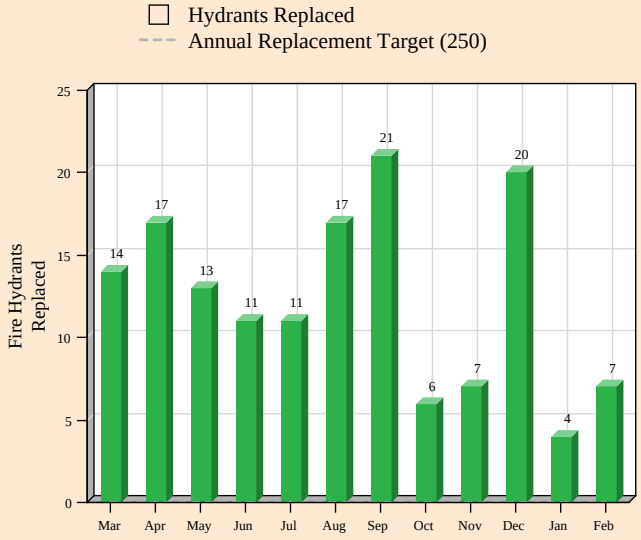
FIRE HYDRANT INSPECTION
Total Hydrants Inspected per Month



FIRE HYDRANT REPAIRS
Total Hydrants Repaired per Month



FIRE HYDRANT REPLACEMENTS
Total Hydrants Replaced per Month

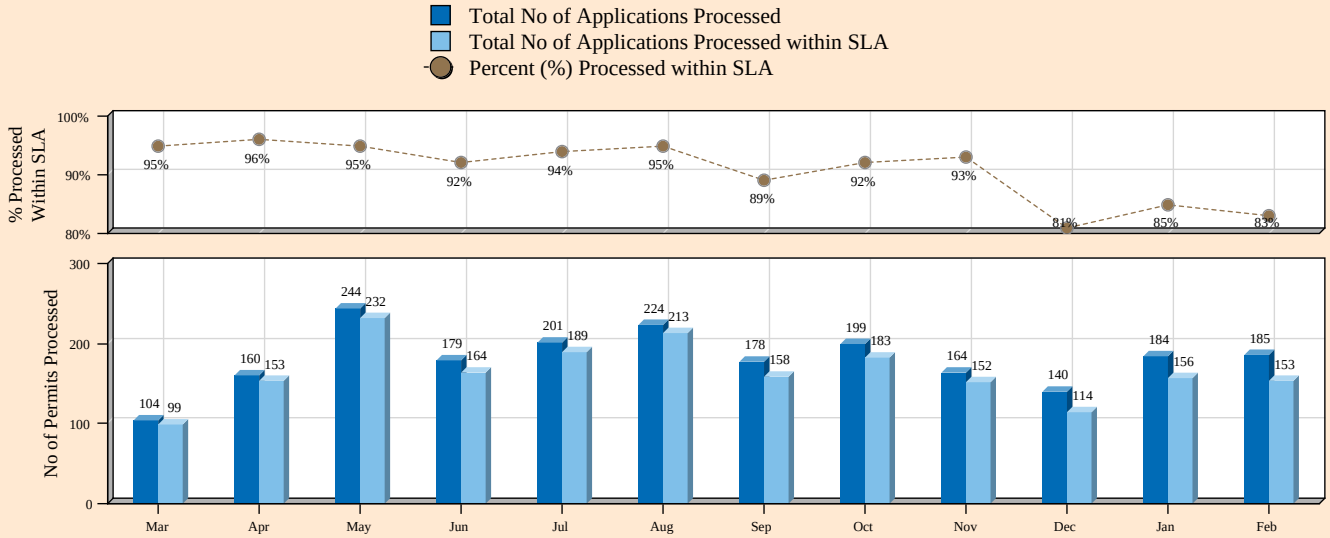


Total replacements as of February were 44 against annual projections of 250

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

TOTAL APPLICATIONS PROCESSED WITHIN SERVICE LEVEL AGREEMENT (SLA)



SLA Examples: Raze Permit - 14days, Sheeting and Shoring - 14 days, Preliminary Plan Review - 45 days

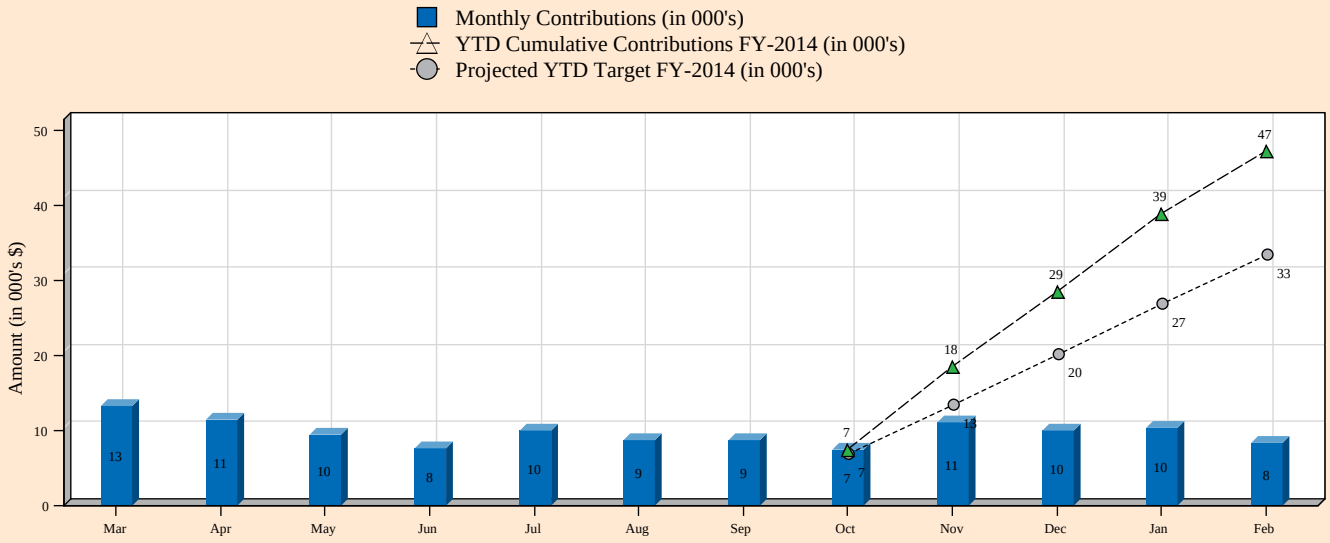
Permits not processed within SLA in February were 17% Note that different SLA's range from 7 days to 45 days

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

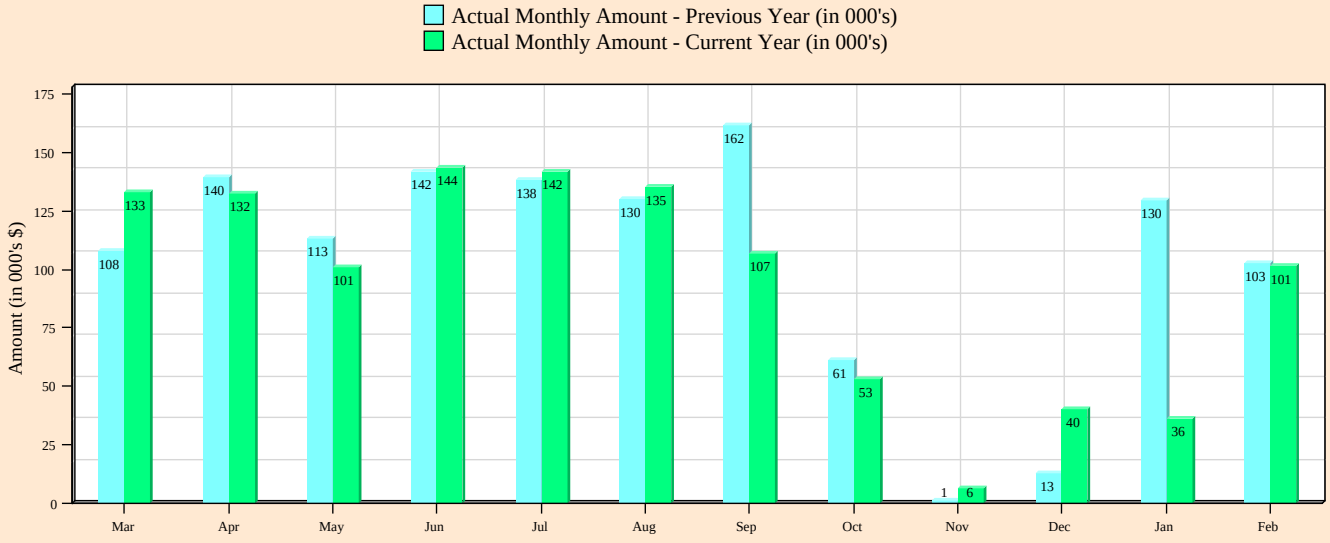


Total SPLASH Contributions to date for February were above target by $14,000

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods

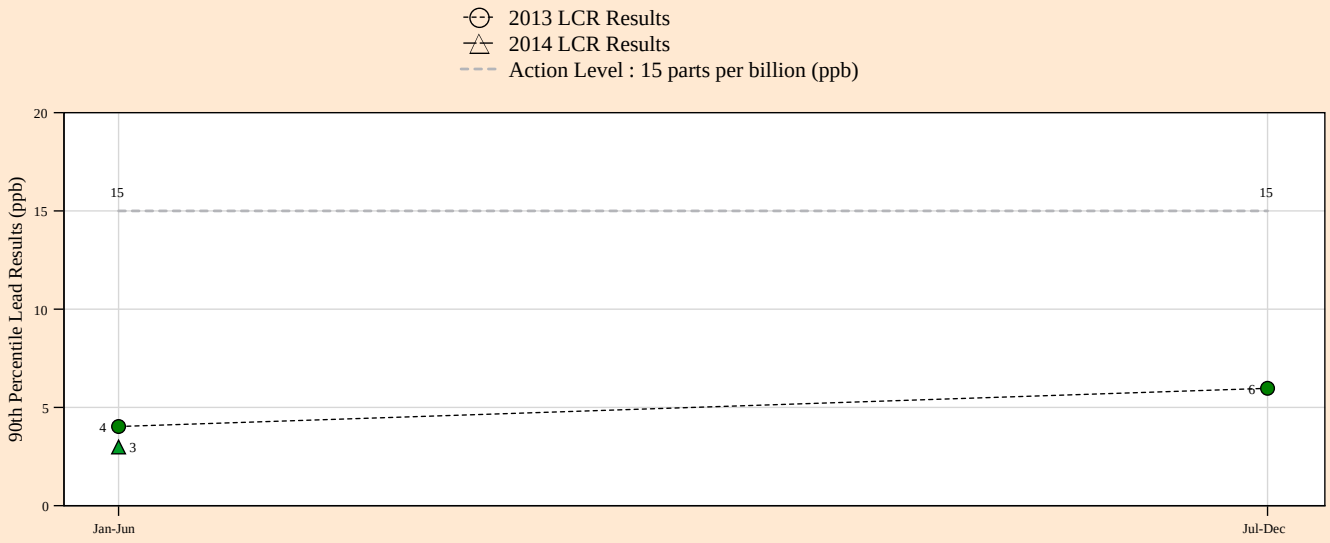


OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

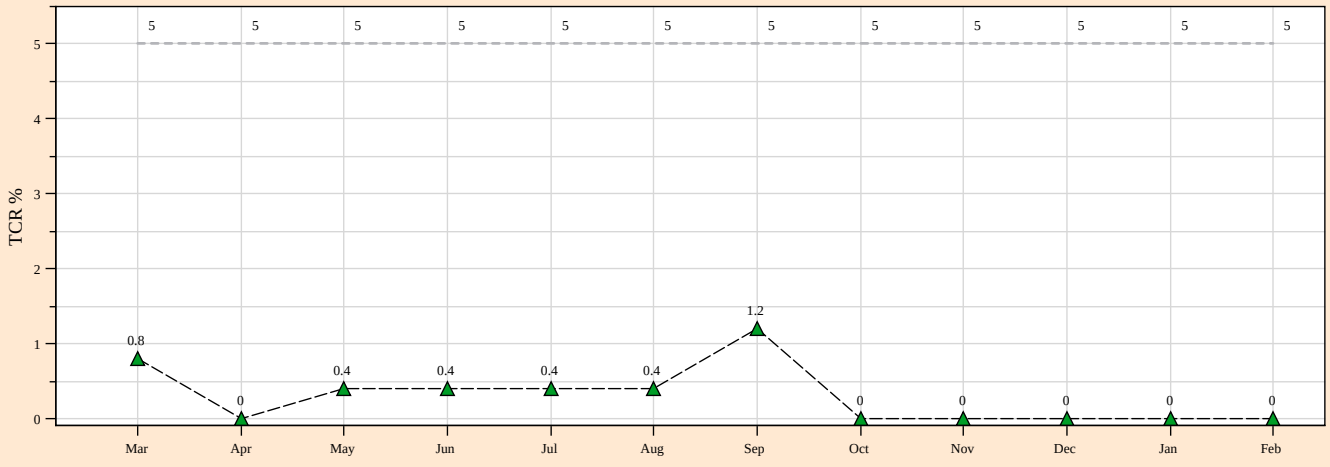
Semi-Annual LCR Monitoring Results



Jan-Jun 2014 results to date

TOTAL COLIFORM RULE (TCR)

Total Coliform Positives compared to EPA Maximum Contaminant Level (MCL)



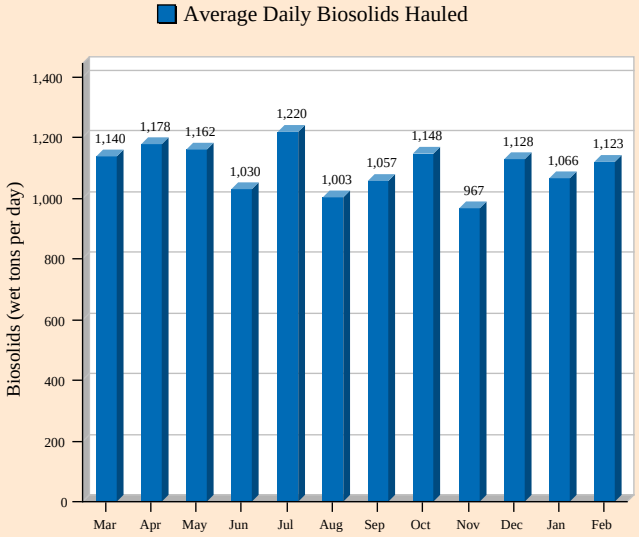
No Coliform Positives were recorded in February

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

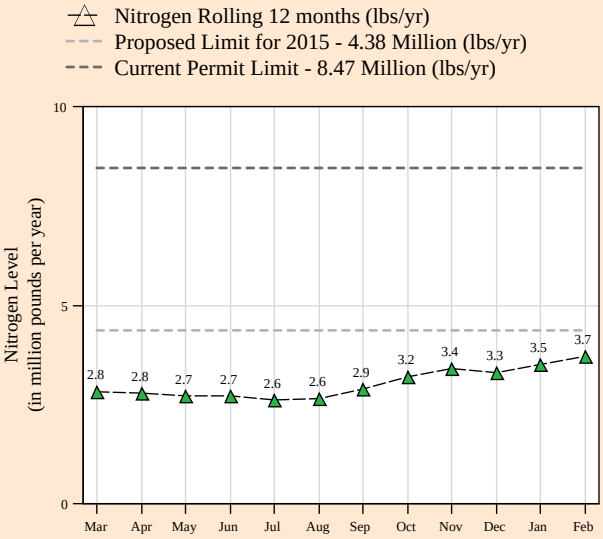
Average Daily Biosolids Production



Biosolids Average Daily Production for February was 1123 wet tons per day

TOTAL NITROGEN

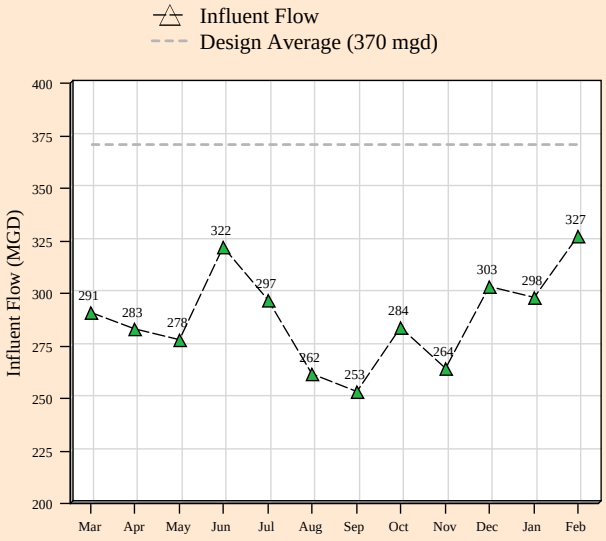
Total Nitrogen compared to Current and 2015 Permit Levels



Nitrogen level for February was below permit by 4.8 million lbs/yr

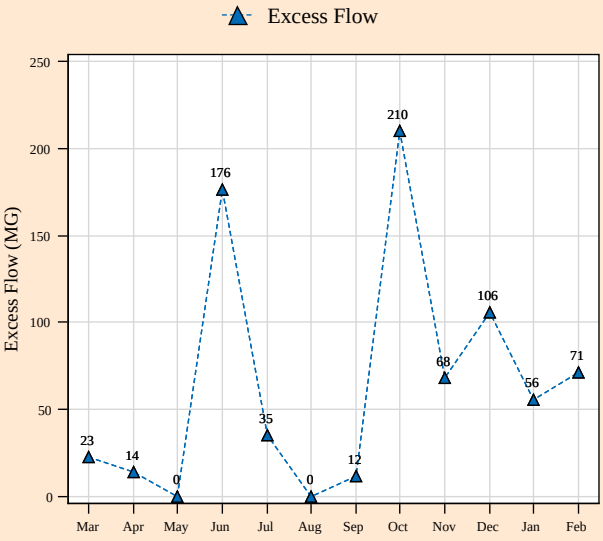
PLANT INFLUENT FLOW

Influent Flow compared to Plant Design Average Limit



In February, influent flow was below design by 43 MGD

EXCESS FLOW

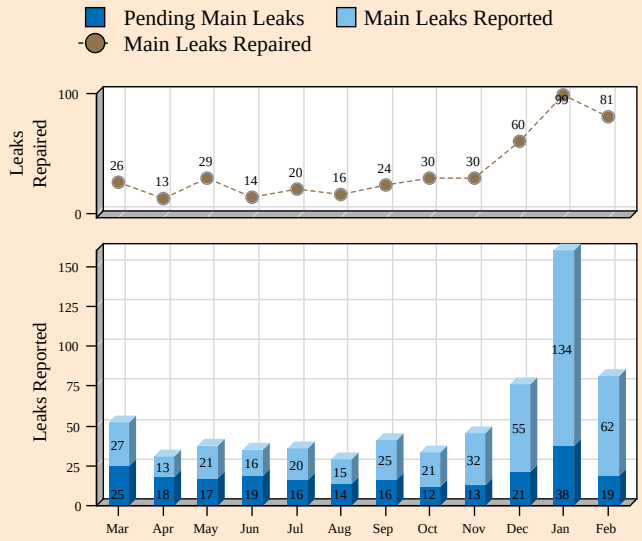


71 Million Gallons per day excess flow were recorded in February 2014

OPERATIONAL HIGHLIGHTS

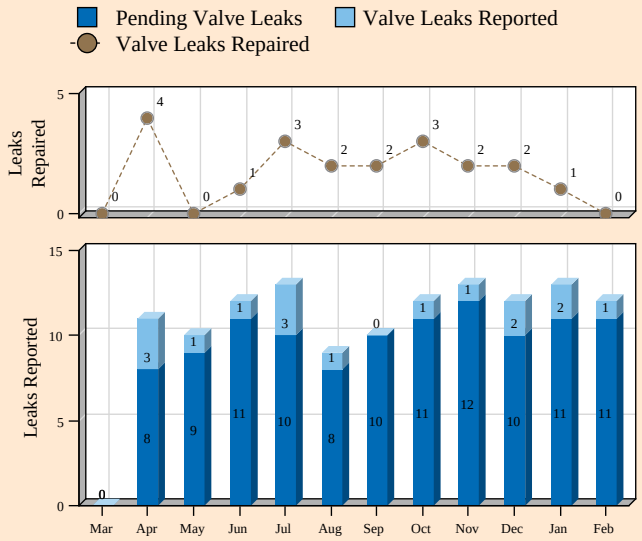
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 62 main leaks reported in February

WATER VALVE LEAKS

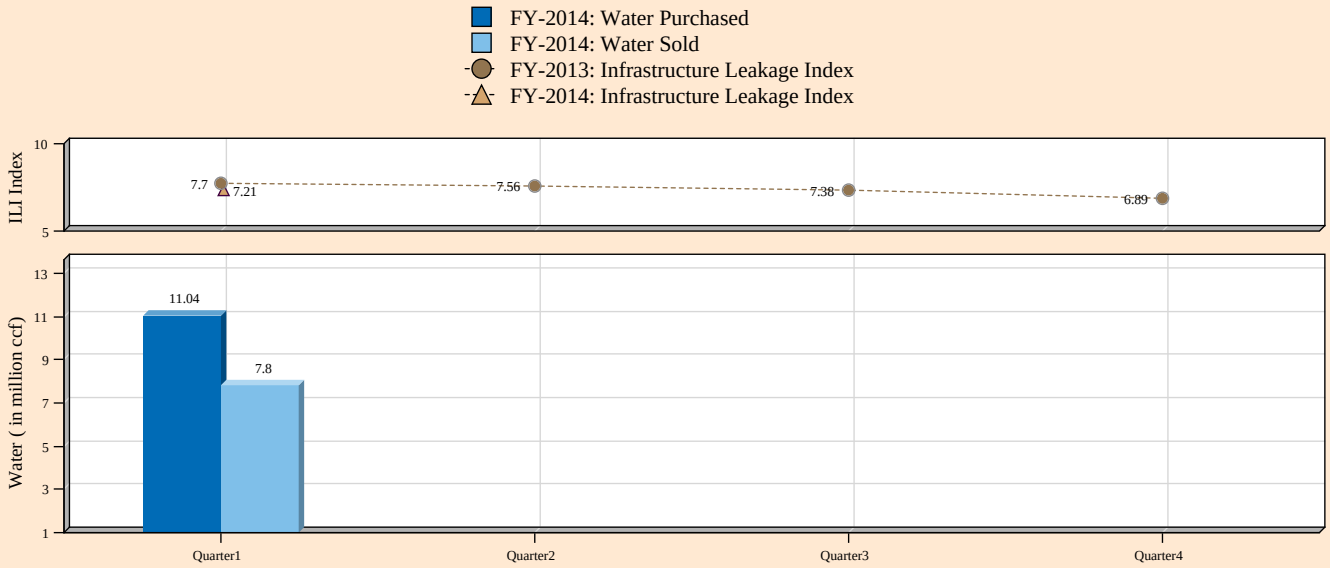


No leak was resolved in February

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



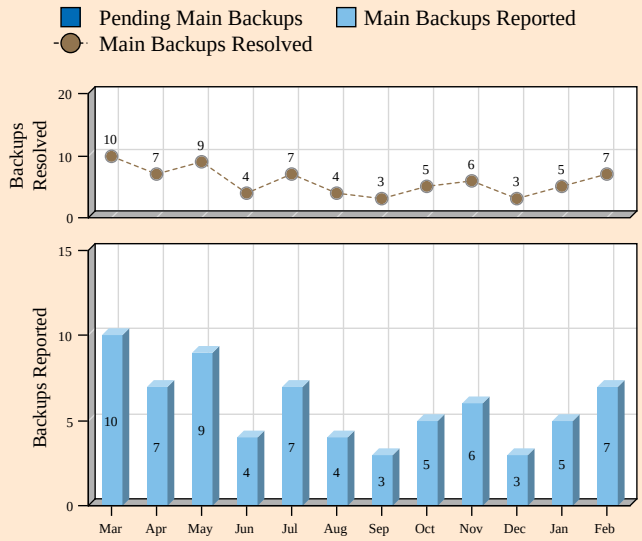
In the first quarter 7.8 out of 11.0 million cubic feet of water was sold

OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

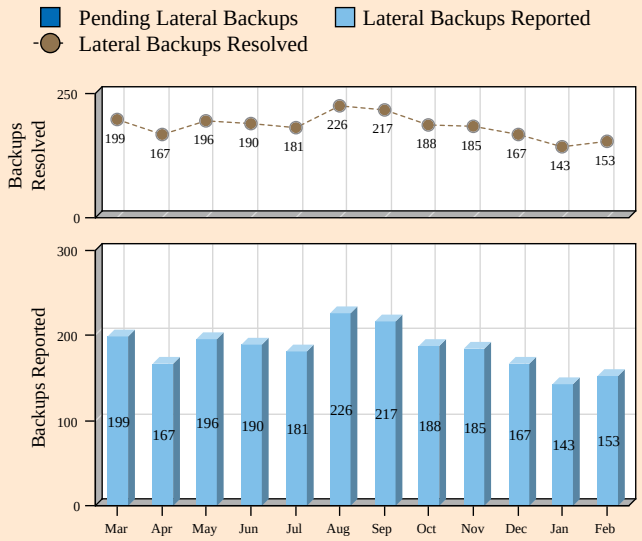
Sewer Mains Backed Up and Relieved per Month



No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

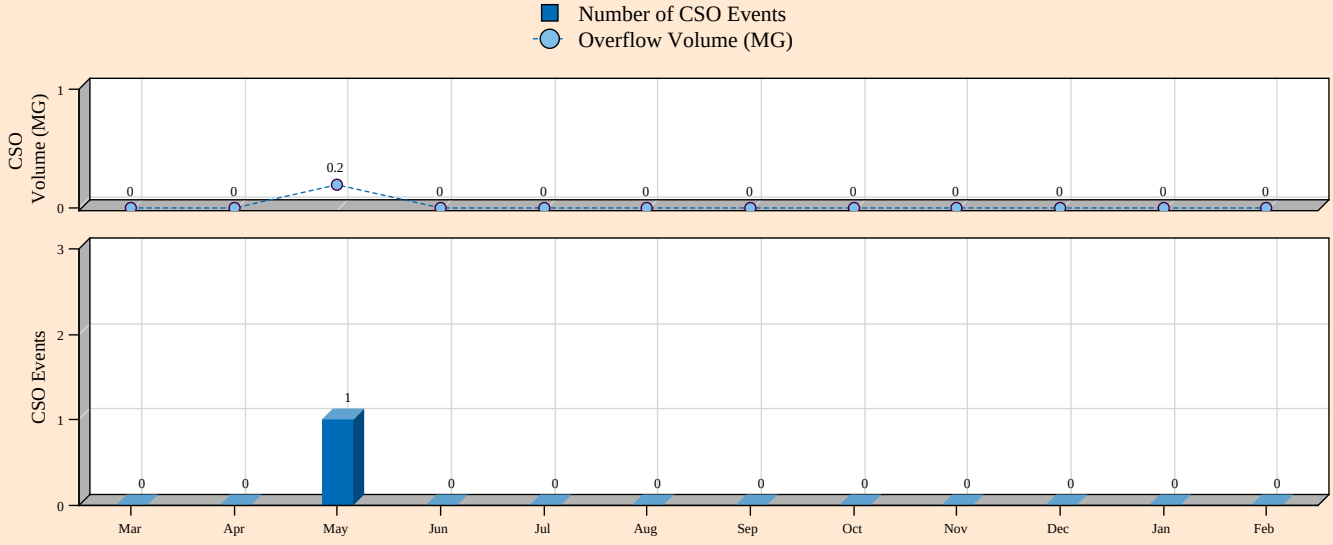


No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

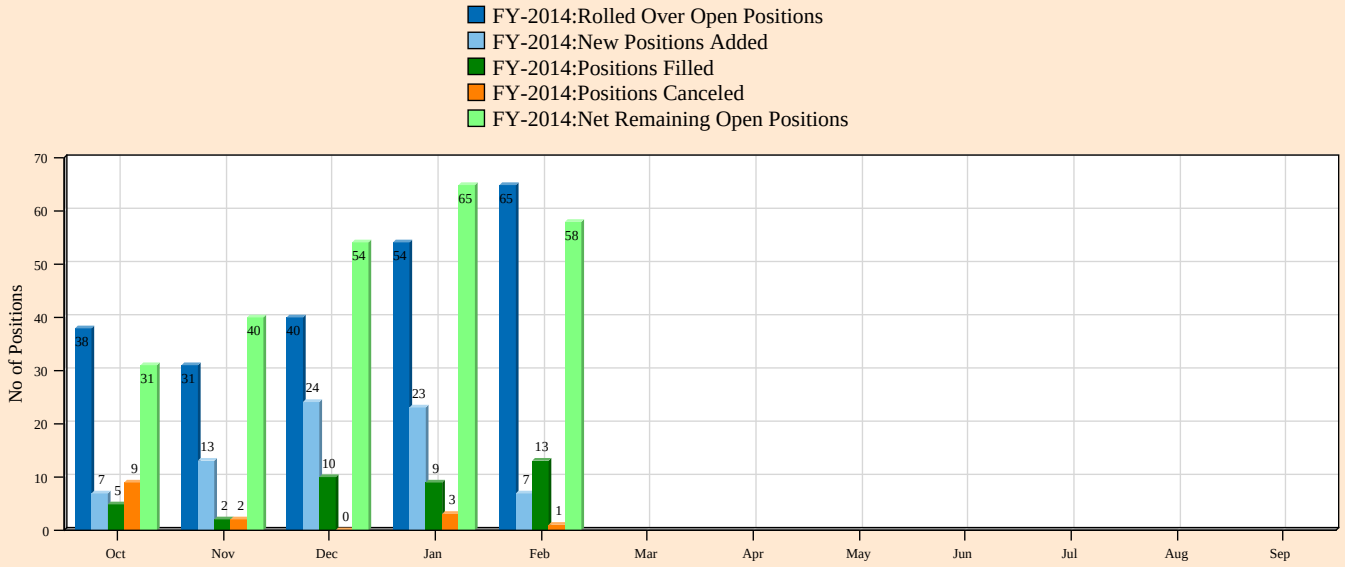


No dry weather Combined Sewer Overflow event was recorded in February 2014

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

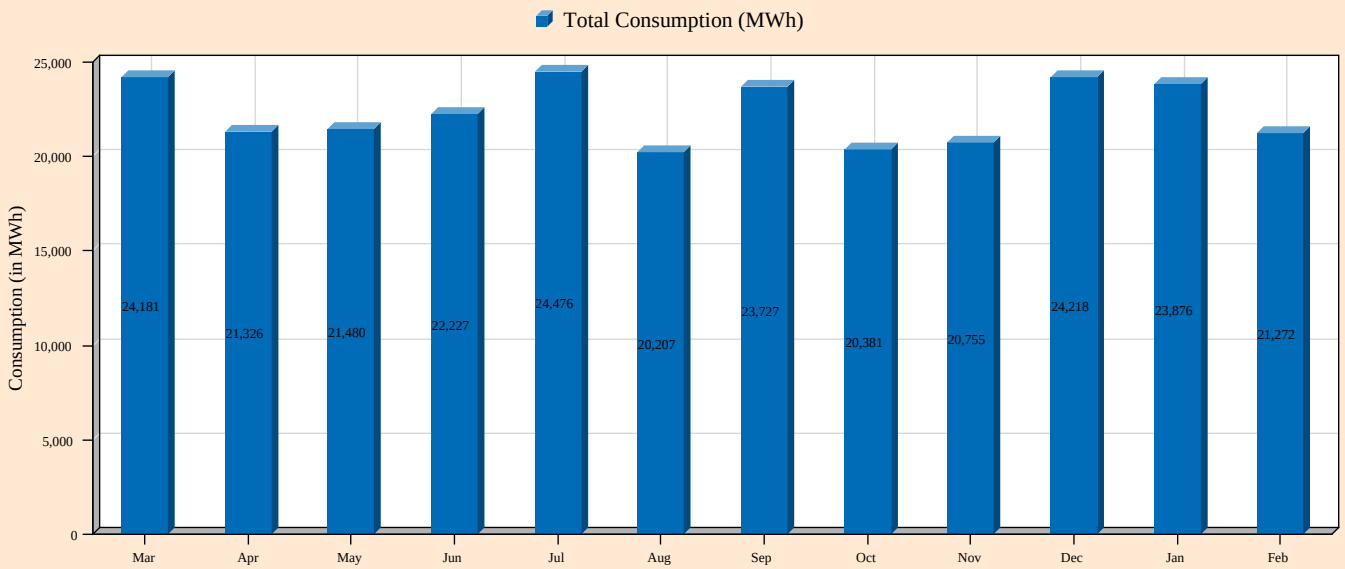


In February, we began the month with 65 positions, received 7 new positions, filled 13, 1 cancellations and ended the month with 58 positions

OPERATIONAL HIGHLIGHTS

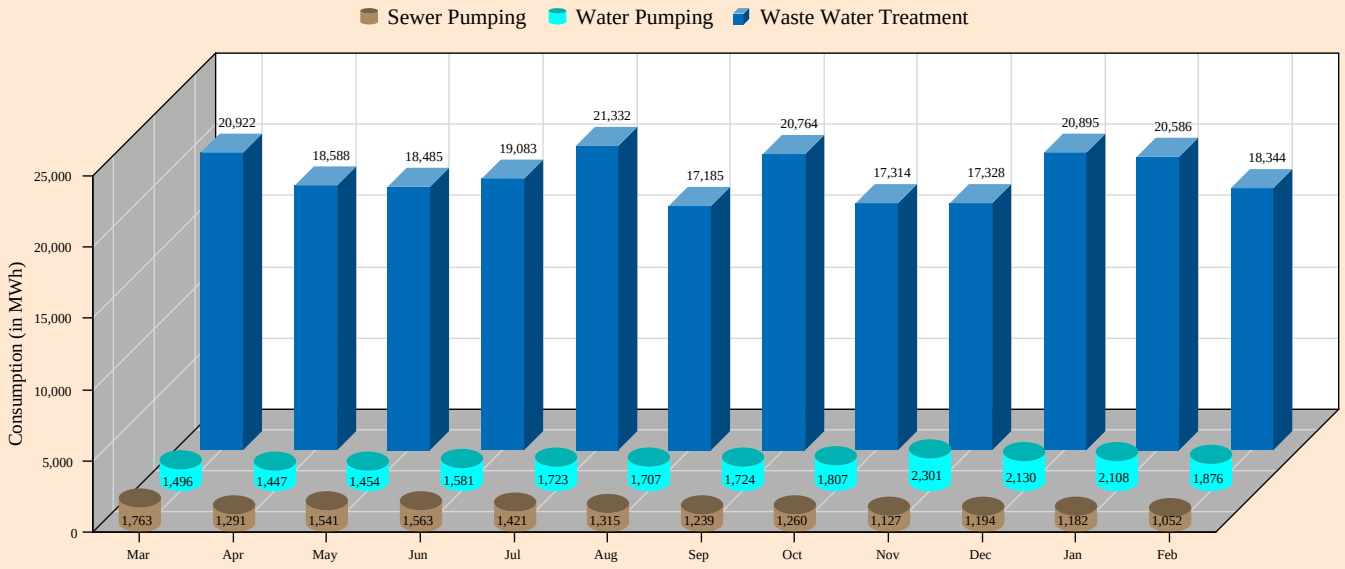
ENERGY

ELECTRICITY USAGE SUMMARY



Electricity Consumption in February was 21,272 MWh

ELECTRICITY USAGE BY SERVICE AREA

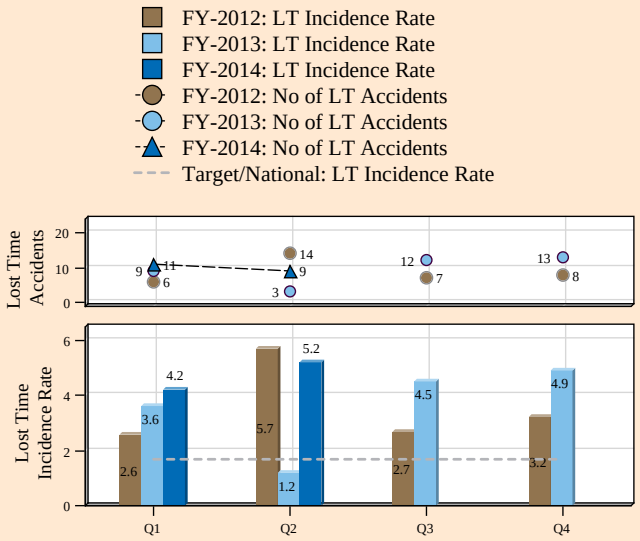


Wastewater treatment had the highest electricity consumption in February at 18,344 MWh

OPERATIONAL HIGHLIGHTS

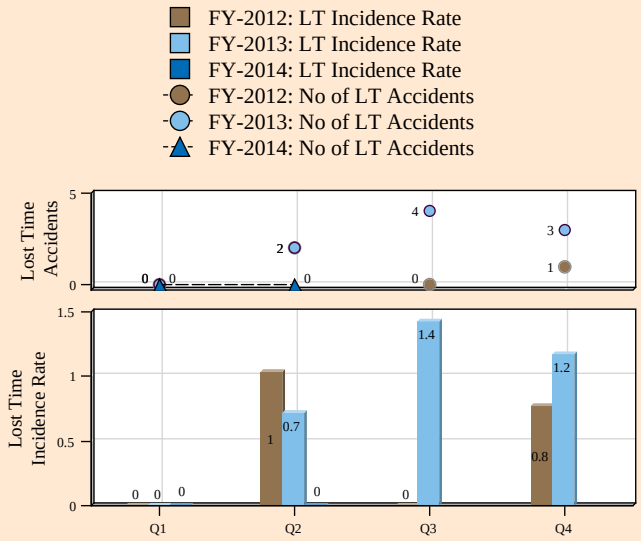
SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE



Through the 2nd month of second quarter, 9 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

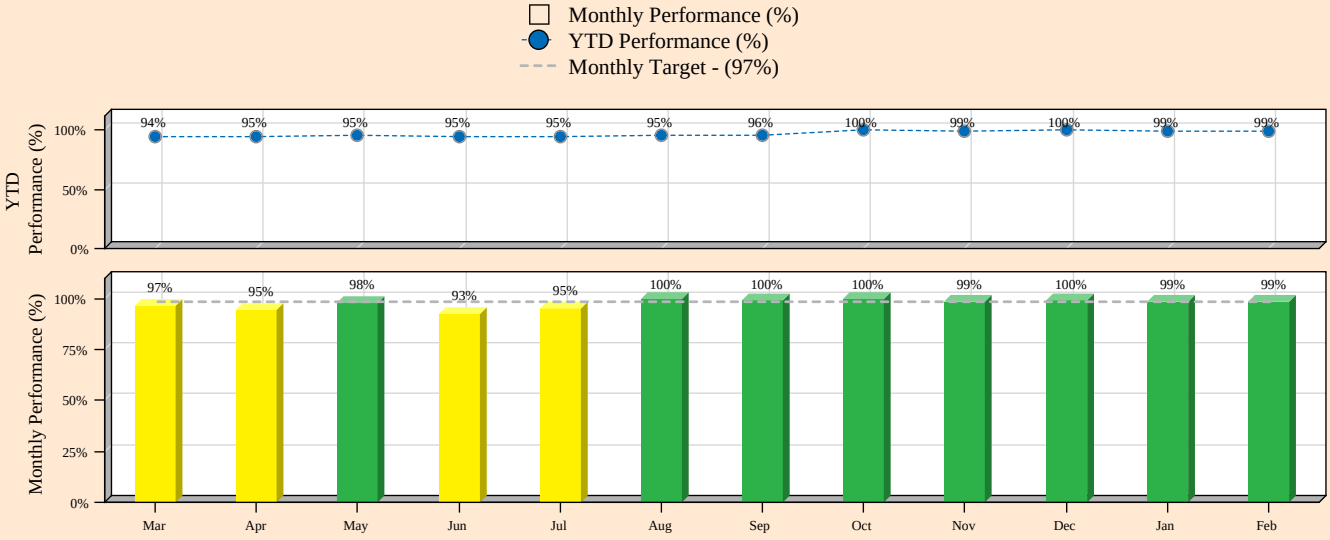


Through the 2nd month of second quarter, No lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE

Percentage of Invoices Paid within 30 days



Monthly performance for February was above target by 2%

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of $125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*		**	
Red -	when the actual is **lower** than 3% of budget or target	Red -	when the actual is **higher** than 3% of budget or target
Yellow -	when the actual is **within** 3% of budget or target	Yellow -	when the actual is **within** 3% of budget or target
Green -	when the actual is **equal to or higher** than budget or target	Green -	when the actual is **equal to or lower** than budget or target

Symbols where the color code applies- (Δ, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspection

- Bar graph shows the total number of Fire and EMS hydrant inspections per month

Fire Hydrant Repairs

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded***

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
  - the number of permits processed per month(dark blue)
  - the number of permits processed within SLA per month(light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***		****	
Red-	when the actual is **lower** than 5% of budget or target	Red-	when the actual is **higher** than 5% of budget or target
Yellow-	when the actual is **within** 5% of budget or target	Yellow-	when the actual is **within** 5% of budget or target
Green-	when the actual is **equal to or higher** than budget or target	Green-	when the actual is **equal to or lower** than budget or target

Symbols where the color code applies- (Δ, □)

B

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions
- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)
- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance
- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)
- Line graph denoted by (Δ)shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Biosolids Production
- Bar graph shows monthly average daily biosolids production

Total Nitrogen
- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Influent Flow
- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow
- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks
- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks
- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

***		****	
Red-	when the actual is **lower** than 5% of budget or target	Red-	when the actual is **higher** than 5% of budget or target
Yellow-	when the actual is **within** 5% of budget or target	Yellow-	when the actual is **within** 5% of budget or target
Green-	when the actual is **equal to or higher** than budget or target	Green-	when the actual is **equal to or lower** than budget or target

Symbols where the color code applies- (Δ, □)

C

Non Revenue Water
- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups
- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups
- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events
- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions
- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary
- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area
- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***		****	
Red-	when the actual is **lower** than 5% of budget or target	Red-	when the actual is **higher** than 5% of budget or target
Yellow-	when the actual is **within** 5% of budget or target	Yellow-	when the actual is **within** 5% of budget or target
Green-	when the actual is **equal to or higher** than budget or target	Green-	when the actual is **equal to or lower** than budget or target

Symbols where the color code applies- (Δ, □)

D

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

***		****	
Red-	when the actual is **lower** than 5% of budget or target	Red-	when the actual is **higher** than 5% of budget or target
Yellow-	when the actual is **within** 5% of budget or target	Yellow-	when the actual is **within** 5% of budget or target
Green-	when the actual is **equal to or higher** than budget or target	Green-	when the actual is **equal to or lower** than budget or target

Symbols where the color code applies- (Δ, □)

E

District of Columbia Water and Sewer Authority

Summary of Contracts on Consent Agenda

197th Meeting of the DC Water Board of Directors

Thursday, April 3, 2014

Joint-Use Contract

1. Resolution No. 14-11– Execute Option Year One (1) of Contract No. DCFA #457-WSA, Belstar, Inc. The purpose of the contract is to provide onsite construction management of Division 1 – Main Pumping Station Diversions and Division D-JBAB Overflow and Diversion Structures (DC Clean Rivers Project) construction contracts. The contract amount is $8,357,370.

Non-Joint Use Contracts

1. Resolution No. 14-12– Execute Change Order No. 04 of Contract No. 110210, Corman Construction, Inc. The purpose of the change order is to remove ninety-two boulders and clustered cobbles encountered during mining of the 48-inch tunnel, and replace the section of the 30-inch Ductile Iron Piping along M Street. The change amount is $1,091,641.18.
2. Resolution No. 14-13 – Execute Change Order No. 01 of Contract No. 120240, PC Construction. The purpose of the change order is to construct Green Infrastructure bioretention basins to temporarily retain water to mitigate the flooding in Bloomingdale. The change amount is $3,500,000.
3. Resolution No. 14-14 – Execute Contract No. DCFA #460-WSA, Hatch Mott MacDonald I & E, LLC. The purpose of the contract is to provide engineering services related to the development and management of the water service area Capital Improvements Program. The contract amount is $32,000,000.
4. Resolution No. 14-15 – Execute Contract No. 130110, J. Fletcher Creamer & Son, Inc. The purpose of the contract is to improve system integrity by reducing water main breaks and joint leakage and replacing inoperable large valves. The contract amount is $5,120,350.

Presented and Adopted: April 3, 2014
SUBJECT: Approval to Execute Contract No. DCFA #457-WSA Belstar, Inc.

#14-11
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 its meeting on April 3, 2014, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. DCFA #457-WSA, Belstar, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA #457-WSA, Belstar, Inc. The purpose of the contract is to provide onsite construction management of Division 1 – Main Pumping Station Diversions and Division D-JBAB Overflow and Diversion Structures (DC Clean Rivers Project) construction contracts. The contract amount is $8,357,370.

This Resolution is effective immediately.

_____
Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

ENGINEERING SERVICES

Construction Management Services, Anacostia Combined Sewer Overflow (CSO) Control Projects, Division I – Main Pumping Station Diversions, Division D – Joint Base Anacostia-Bolling (JBAB) Overflow And Diversion Structures (Joint Use)

Approval to execute an architectural and engineering services contract for $8,357,370.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
Belstar, Inc. 8408 Arlington Boulevard Suite 200 Fairfax, VA 22031	EPC Consultants, Inc. Washington, DC	MBE	21%
	CSA Group (CSA Central, Inc.) Landover, MD	MBE	25%
	Kumi Construction Mgmt. Corp. Washington, DC	MBE	6.5%
(MBE)	Keville Enterprises Herndon, VA	WBE	8.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	$8,357,370.00	
Contract Time:	1,447 Days	(3 Years, 11 Months)
Anticipated Contract Start Date:	04-14-2014	
Anticipated Contract Completion Date:	03-31-2018	

Other firms submitting proposals/qualification statements: (* Asterisk indicates short listed firm.)

CH2M Hill

Gannett Fleming & Hill International, Inc. Joint Venture

Gilbane Building Company

Hazen and Sawyer and Louis Berger Water Services, Inc. Joint Venture

*Johnson, Mirmiran & Thompson (JMT)

Parsons Brinckerhoff

*O'Brien & Gere

Purpose of the Contract:

To provide onsite construction management of Division I – Main Pumping Station Diversions and Division D – JBAB Overflow and Diversion Structures (DC Clean Rivers Project) construction contracts.

This work is required by a Consent Decree.

Contract Scope:

- Provide construction management and other services to assist DC Water with construction of Divisions I and D. Division I is the work at the Main Pumping Station Diversions. Division D is the JBAB Overflow and Diversion Structures. Division D also includes startup and commissioning of the Anacostia River Projects tunnel systems.
- Work in cooperation and consultation with DC Water and the DC Clean Rivers Project Program Consultants Organization to effectively manage the construction work required to provide completed Divisions I and D facilities

- Provide field inspection services for the oversight of the construction work and startup of the tunnel systems.

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	**Award Based On:**	Highest Ranking Score
Commodity:	Professional Services	**Contract Number:**	DCFA #457-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	**Department:**	DC Clean Rivers Project
Service Area:	Combined Sewer Overflow	**Department Head:**	Carlton Ray
Project:	CY and FS		

***ESTIMATED USER SHARE INFORMATION**

CY – Anacostia LTCP Allocation (Division I and Division D Testing/ Startup)

User	Share %	Dollar Amount
District of Columbia	92.90%	$ 4,462,320.00
Federal Funds	0.00%	$ 0.00
Washington Suburban Sanitary Commission	5.54%	$ 266,106.00
Fairfax County	1.01%	$ 48,514.00
Loudoun County & Potomac Interceptor	0.55%	$ 26,418.00
Total Estimated Dollar Amount	**100.00%**	**$ 4,803,358.00**

FS – JBAB Overflow and DiversionStructures Allocation (Division D)

User	Share %	Dollar Amount
District of Columbia	41.22%	$ 1,464,964.00
Federal Funds	0.00%	$ 0.00
Washington Suburban Sanitary Commission	45.84%	$ 1,629,159.00
Fairfax County	8.38%	$ 297,826.00
Loudoun County & Potomac Interceptor	4.56%	$ 162,063.00
Total Estimated Dollar Amount	**100.00%**	**$ 3,554,012.00**

Total Combined Allocation

User	Share %	Dollar Amount
District of Columbia	70.93%	$ 5,929,283.00
Federal Funds	0.00%	$ 0.00
Washington Suburban Sanitary Commission	22.67%	$ 1,895,265.00
Fairfax County	4.14%	$ 346,340.00
Loudoun County & Potomac Interceptor	2.26%	$ 188,482.00
Total Estimated Dollar Amount	**100.00%**	**$ 8,357,370.00**

* Subject to future Federal appropriations. If future Congressional appropriation is received, DC share will decrease.

3/11/2014
Gail Alexander-Reeves
Director of Budget
Date

3/21/2014
George S. Hawkins
General Manager
Date

3.13.14
Katy Chang
Acting Director of Procurement
Date

3/12/14
Leonard R. Benson
Chief Engineer
Date

DCFA 457 FACT SHEET FINAL DRAFT 03 04 2014

Presented and Adopted: April 3, 2014
SUBJECT: Approval to Execute Change Order No. 04 of Contract No. 110210, Corman Construction, Inc.

#14-12
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 its meeting on April 3, 2014, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Change Order No. 04 of Contract No. 110210, Corman Construction, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 04 of Contract No. 110210, Corman Construction, Inc. The purpose of the change order is to remove ninety-two boulders and clustered cobbles encountered during mining of the 48-inch tunnel, and replace the section of the 30-inch Ductile Iron Piping along M Street. The change amount is $1,091,641.18.

This Resolution is effective immediately.

_____
Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

Division E – M Street Diversion Sewer (CSOs 015, 016, and 017) (Non-Joint Use)

Approval to execute Change Order No. 04 for $1,091,641.18. The modification exceeds the General Manager's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
Corman Construction, Inc. 12001 Guilford Road Annapolis Junction, MD 20701	Metro Paving Corporation Hyattsville, MD	MBE	15%
	Seeram Enterprise,LLC Lanham, MD	MBE	3%
	Froehling & Robertson, Inc. Dulles, VA	WBE	2%
	Brothers Signal Co. Leesburg, VA	MBE	5%
	Sunrise Safety Services Glen Burnie, MD	WBE	3%

DESCRIPTION AND PURPOSE

Original Contract Value:	$29,750,000.00	
Value of this Change Order:	$1,091,641.18	
Cumulative CO Value, including this CO:	$2,238,868.43	
Current Contract Value, including this CO:	$31,988,868.43	
Original Contract Time:	852 Days	(2 Years, 4 Months)
Time extension, this CO:	16 Days	
Total CO contract time extension:	139 Days	(5 Months)
Contract Start Date (NTP):	03-30-2012	
Anticipated Contract Completion Date:	12-16-2014	
Cumulative CO % of Original Contract:	7.5%	
Contract completion %:	59.10%	

Purpose of the Contract:

To control the Combined Sewer Overflows (CSOs) into the Anacostia River by diverting CSO flow into a new sewer that will convey flows to the Anacostia River Tunnel.

This work is required by a Consent Decree.

Original Contract Scope:

- Construct diversion chambers to intercept overflows from CSOs 015, 016, and 017.
- Construct a 48-inch and a 108-inch diversion sewer in a tunnel along M Street.
- Construct approximately 300 linear feet of open-cut, cast-in-place 7'-6" x 15'-6" approach.
- Reline an existing 6'-3" combined sewer and a 36" water main.

Previous Change Order Scope:

- Multiple requests from DDOT to address traffic field conditions including changing traffic from 11th Street Bridge modifications and Navy Yard access.
- Utility delays at Lower Approach Channel caused by Washington Gas, Pepco and Verizon.

- Remove old shotcrete overspray from East Side Interceptor (ESI) so that the new 60-inch liner pipe can be installed.
- Replacement of 36-inch PCCP with 30-inch DIP and Thrust Block Cap.

Current Change Order Scope:

- A differing site condition of numerous boulders and clustered cobbles was encountered during mining of the 48-inch tunnel. Ninety-two boulders and clustered cobbles were removed causing settlement of the roadway and 30-inch Ductile Iron Piping.
- Replace the section of the 30-inch Ductile Iron Piping along M Street and necessary pavement restoration associated with the 48-inch tunnel differing site condition.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	**Award Based On:**	Lowest responsive, responsible bidder
Commodity:	Construction	**Contract Number:**	110210
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	**Department:**	DC Clean Rivers Project
Service Area:	Combined Sewer Overflow	**Department Head:**	Carlton M. Ray
Project:	CY		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	$1,091,641.18
Washington Suburban Sanitary Commission	0.00%	$ 0.00
Fairfax County	0.00%	$ 0.00
Loudoun County & Potomac Interceptor	0.00%	$ 0.00
Total Estimated Dollar Amount	**100.00%**	**$1,091,641.18**

3/10/14
Gail Alexander-Reeves Date
Director of Budget

3.13.14
Katy Chang Date
Acting Director of Procurement

3/12/14
Leonard R. Benson Date
Chief Engineer

3/21/2014
George S. Hawkins Date
General Manager

110210 CO4_FACT_SHEET FINAL DRAFT 03 05 2014

Presented and Adopted: April 3, 2014
SUBJECT: Approval to Execute Change Order No. 01 of Contract No. 120240, PC Construction

#14-13
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 April 3, 2014, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Change Order No. 01 of Contract No. 120240, PC Construction.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 01 of Contract No. 120240, PC Construction. The purpose of the change order is to construct Green Infrastructure bioretention basins to temporarily retain water to mitigate the flooding in Bloomingdale. The change amount is $3,500,000.

This Resolution is effective immediately.

_____
Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

DESIGN-BUILD CONTRACT CHANGE ORDER:

Bloomingdale Flood Mitigation – Stormwater Storage at McMillan (Non-Joint Use)

Approval to execute Change Order No.1 for an amount not to exceed $3,500,000. The modification exceeds the General Manager's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
PC Construction 193 Tilley Drive South Burlington, VT 05403	Fort Myer Construction Corporation Washington, DC MBE	90%

DESCRIPTION AND PURPOSE

Original Contract Value:	$12,000,000.00	
Value of this Change Order, not to exceed:	$3,500,000.00	
Cumulative CO Value, including this CO:	$3,500,000.00	
Current Contract Value, including this CO:	$15,500,000.00	
Original Contract Time:	455 Days	(1 Year, 3 Months)
Time extension, this CO:	107 Days	
Total CO contract time extension:	107 Days	(4 Months)
Contract Start Date (NTP):	12-19-2012	
Anticipated Contract Completion Date:	06-30-2014	
Cumulative CO % of Original Contract:	29.17%	
Contract completion %:	62%	

Purpose of the Contract:

To reduce flooding in the Bloomingdale/LeDroit Park area of the District of Columbia by constructing stormwater retention facilities. This is part of the emergency procurement approved by the General Manager on December 18, 2012.

Original Contract Scope:

- A progressive design-build contract to perform design and construction services related to rehabilitation and reinforcement of existing underground basins to be used as stormwater storage facilities
- Design and construction of sewer diversion structures and interconnector pipes
- Rehabilitation of existing trunk sewer lines to accommodate periodic surcharging that will occur when the storm water storage facility is in use.

Current Change Order Scope:

- Construct Green Infrastructure bioretention basins to temporarily retain water to mitigate the flooding in Bloomingdale.
- Extend the completion date for the First Street diversion structure to June 30, 2014.

PROCUREMENT INFORMATION

Contract Type:	Design-Build	**Award Based On:**	Emergency Need
Commodity:	Construction	**Contract Number:**	120240
Contractor Market:	Emergency Procurement		

BUDGET INFORMATION

Funding:	Capital	**Department:**	Engineering and Technical Services
Service Area:	Combined Sewer Overflow	**Department Head:**	David McLaughlin
Project:	CY, IH		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	$3,500,000.00
Washington Suburban Sanitary Commission	0.00%	$0.00
Fairfax County	0.00%	$0.00
Loudoun County & Potomac Interceptor	0.00%	$0.00
Total Estimated Dollar Amount	**100.00%**	**$ 3,500,000.00**

Gail Alexander-Reeves / Date
Director of Budget

3.13.14
Katy Chang / Date
Acting Director of Procurement

3/12/14
Leonard R. Benson / Date
Chief Engineer

3/21/2014
George S. Hawkins / Date
General Manager

120240 CO FACT SHEET FINAL DRAFT 03 05 2014

Presented and Adopted: April 3, 2014
SUBJECT: Approval to Execute Contract No. DCFA#460-WSA, Hatch Mott MacDonald I & E, LLC

#14-14
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 April 3, 2014, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. DCFA #460-WSA, Hatch Mott MacDonald I & E, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA #460-WSA, Hatch Mott MacDonald I & E, LLC. The purpose of the contract is to provide engineering services related to the development and management of the water service area Capital Improvements Program. The contract amount is $32,000,000.

This Resolution is effective immediately.

_____
Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

ENGINEERING SERVICES:

Engineering Program Management Consultant 2E
(Non-Joint Use)

Approval to execute an architectural and engineering services contract for $32,000,000.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
Hatch Mott MacDonald I & E, LLC 4600 N. Fairfax Drive Suite 806 Arlington, VA 22203	McKissack & McKissack Washington, DC	MBE	15%
	Thomas L. Brown Assoc Washington, DC	MBE	13%
	Creative Pages Sterling, VA	WBE	2%
	Latis Associates Arlington, VA	WBE	2%
	PURE Engr. Services Columbia, MD		5%
	Russell Corrosion Columbia, MD		5%

DESCRIPTION AND PURPOSE

Contract Value:	$32,000,000	
Contract Time:	1,825 Days	(5 Years, 0 Months)
Anticipated Contract Start Date:	04-24-2014	
Anticipated Contract Completion Date:	04-23-2019	

Other firms submitting proposals/qualification statements:

Arcadis US, Inc.

Purpose of the Contract:
To provide engineering services related to the development and management of the water service area Capital Improvements Program (CIP).

Contract Scope:

- Program management of the water capital improvement program.
- Engineering planning, design and construction administration services related to the water system.
- Coordinating updates to the hydraulic model and water system GIS.
- Water main condition investigations, assessments and evaluations.
- Development of the small diameter water main improvement program.
- Upgrades to the Water System Facilities Plan including the identification of water distribution system (pump stations, storage facilities, mains, valves, etc.) projects/programs required to address potential hydraulic and water quality concerns.
- Grant assistance.

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	**Award Based On:**	Highest Ranking Score
Commodity:	Engineering Services	**Contract Number:**	DCFA# 460-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	**Department:**	Engineering and Technical Services
Service Area:	Water	**Department Head:**	David McLaughlin
Project:	ME, M6, M7, FA, C9, FT, NA, D5, DG, DY, FK, GS		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	$32,000,000.00
Federal Funds	0.00%	$0.00
Washington Suburban Sanitary Commission	0.00%	$0.00
Fairfax County	0.00%	$0.00
Loudoun County & Potomac Interceptor	0.00%	$0.00
Total Estimated Dollar Amount	**100.00%**	**$32,000,000**

3/12/2014
Gail Alexander-Reeves Date
Director of Budget

3-13-14
Katy Chang Date
Acting Director of Procurement

3/12/14
Leonard R. Benson Date
Chief Engineer

3/21/2014
George S. Hawkins Date
General Manager

DCFA 460 EPMC-2E FACT SHEET FINAL DRAFT 03 05 2014

Presented and Adopted: April 3, 2014
SUBJECT: Approval to Execute Contract No. 130110, J. Fletcher Creamer & Son, Inc.

#14-15
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 April 3, 2014, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 130110, J. Fletcher Creamer & Son, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 130110, J. Fletcher Creamer & Son, Inc. The purpose of the contract is to improve system integrity by reducing water main breaks and joint leakage and replacing inoperable large valves. The contract amount is $5,120,350.

This Resolution is effective immediately.

_____
Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION CONTRACT:

Large Diameter Internal Joint Repairs Contract 3
(Non-Joint Use)

Approval to execute a construction contract for $5,120,350.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
J. Fletcher Creamer & Son, Inc. 11800 Old Baltimore Pike Beltsville, MD 20705	WCS Hughes Inc Columbia, MD	MBE	14.3%
	Metro Paving Corporation Hyattsville, MD	MBE	17.7%
	Acorn Supply Distribution, Inc. White Marsh, MD	WBE	6%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	$5,120,350.00	
Contract Time:	550 Days	(1 Years, 6 Months)
Anticipated Contract Start Date:	04-11-2014	
Anticipated Contract Completion Date:	10-12-2015	
Bid Opening Date:	03-05-2014	
Bids Received:	3	
Other Bids Received		
Fort Myer Construction	$ 5,333,945.50	
Sagres Construction	$ 7,425,700.00	

Purpose of the Contract:
To improve system integrity by reducing water main breaks and joint leakage and replacing inoperable large valves.

Contract Scope:
- Installation of internal joint seals in approximately 15,340 linear feet of Large Diameter Water Mains throughout the District.
- Replacement and installation of five (5) large valves and installation of six (6) fire hydrants.
- Installation of thrust blocks and pavement restoration for the disturbed area.

Federal Grant Status:
- Construction contract is funded in part by Federal grant.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	**Award Based On:**	Lowest responsive, responsible bidder
Commodity:	Construction	**Contract Number:**	130110
Contractor Market:	Open Market- prequalified bidders		

BUDGET INFORMATION

Funding:	Capital	**Department:**	Engineering and Technical Services
Service Area:	Water	**Department Head:**	David McLaughlin
Project:	S5		

*ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	26.98%	$ 3,739,080.00
Federal Funds	73.02%	$ 1,381,270.00
Washington Suburban Sanitary Commission	0.00%	$ 0.00
Fairfax County	0.00%	$ 0.00
Loudoun County & Potomac Interceptor	0.00%	$ 0.00
Total Estimated Dollar Amount	**100.00%**	**$ 5,120,350.00**

* Eligible for Federal Grant Funding at 80% of the District of Columbia share.

Gail Alexander-Reeves / 3/10/14
Director of Budget — Date

Katy Chang / 3/13/14
Acting Director of Procurement — Date

Leonard R. Benson / 3/12/14
Chief Engineer — Date

George S. Hawkins / 3/21/2014
General Manager — Date

130110 IJR3 Fact_Sheet_final draft 03 07 2014