

Presented and Approved: July 5, 2018
SUBJECT: Approval to Execute Contract No. DCFA #493-WSA,
Greeley and Hansen LLC

#18-49
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 July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (00) opposed to execute Contract No. DCFA #493-WSA, Greeley and Hansen LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA #493-WSA, Greeley and Hansen LLC. The purpose of the professional services is to assist DC Water and Sewer Authority in the continuing implementation of its LongTerm Control Plan (LTCP) to control combined sewer overflow (CSO) discharges to the Anacostia and Potomac Rivers and Rock Creek, and to reduce flooding in the Northeast areas of the District. The DC Clean Rivers (DCCR) department is the organization responsible for managing and overseeing the implementation of the LTCP. The contract amount is \$75,702,068.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018
SUBJECT: Approval to Execute Contract No. DCFA #494-WSA,
Whitman, Requardt & Associates, LLP

#18-50
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 July 5, 2018 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to execute Contract No. DCFA #494-WSA, Whitman, Requardt & Associates, LLP.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA #494-WSA, Whitman, Requardt & Associates, LLP. The purpose of the contract is to provide professional architectural/engineering and related services for the DC Water Facilities on an as-needed basis through individually negotiated task orders. The contract amount is \$6,000,000.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018

SUBJECT: Approval of Additional Funding for Contract No. 16-PR-HCM-44-AC, MB Staffing Services LLC

**#18-51
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 July 5, 2018 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to add funding for Contract No. 16-PR-HCM-44-AC, MB Staffing Services LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to add funding to Contract No. 16-PR-HCM-44-AC, MB Staffing Services LLC. The purpose of the additional funding is to modify the existing contract by adding additional funds to the temporary staffing contract. The additional funding amount is \$240,000.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018

SUBJECT: Approval to Execute Change Order No. 01 of Contract No. 160010, Fort Myer Construction Corporation

**#18-52
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 July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed to execute Change Order No. 01 of Contract No. 160010, Fort Myer Construction Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 01 of Contract No. 160010, Fort Myer Construction Corporation. The purpose of the change order is to increase the contract cost value to offset the costs associated with the increase of emergency main repairs during the winter season. The change order amount is not-to-exceed \$7,000,000.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018
SUBJECT: Approval to Execute Contract No. 170210, Sagres Construction Corp.

#18-53
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 July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed to execute Contract No. 170210, Sagres Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 170210, Sagres Construction Corp. The purpose of the contract is to replace water mains that have experienced failures, or have a history of low water pressure or water quality complaints. The contract amount is \$5,467,190.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018
SUBJECT: Approval to Execute Contract No. 160020
Capital Paving of D.C., Inc.

#18-54
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 July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed to execute Contract No. 160020, Capital Paving of D.C., Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 160020, Capital Paving of D.C., Inc. The purpose of the contract is to replace water mains that have experienced failures, or have a history of low water pressure or water quality complaints. The contract amount is \$4,674,778.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: July 5, 2018

SUBJECT: Approval to Exercise Option Year Two of Contract No. 16-PR-DSS-32, Rodgers Brothers Custodial Service, Inc.

**#18-55
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 July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed to exercise Option Year Two of Contract No. 16-PR-DSS-32, Rodgers Brothers Custodial Service, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to exercise Option Year Two of Contract No. 16-PR-DSS-32, Rodgers Brothers Custodial Service, Inc. The purpose of the option is to continue the hauling/disposal services for excavation spoils, catch basin debris, floatable debris, trees, brush, log stumps, and general tree/wood materials from various DC Water sites to landfills. The option amount is \$420,000.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: July 5, 2018

SUBJECT: Approval of Fiscal Year 2019 and Fiscal Year 2020 Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, and Clean Rivers Impervious Area Charge (CRIAC)

**#18-56
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on July 5, 2018 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed, to approve the following actions with respect to the Fiscal Year 2019 and Fiscal Year 2020 Metered Retail Rates for Water and Sewer Service, Clean Rivers Impervious Area Charge (IAC), the Right-of-Way Occupancy Fee Pass Through Charge (ROW), and Payment In Lieu of Taxes Fee (PILOT).

WHEREAS, the Board has adopted a revised rate setting policy that calls for rates, charges and fees that, together with other revenue sources, yield a reliable and predictable stream of revenues to generate sufficient revenues to pay for DC Water’s projected operating and capital expenses; and

WHEREAS, the Board has adopted various financial policies that require revenues to ensure compliance with Board policies regarding maintenance of senior debt coverage and cash reserves; and

WHEREAS, DC Water has three classes of customers: Residential, Multi-family and Non-Residential, in accordance with Section 4104 of Title 21 of the District of Columbia Municipal Regulations (DCMR); and

WHEREAS, on February 20, 2018, the DC Retail Water and Sewer Rates Committee met to consider changes in the rates, charges and fees for Fiscal Year (“FY”) 2019 & FY 2020; and

WHEREAS, on March 1, 2018, the Board approved proposed rates, charges and fee changes for publication in the District of Columbia Register (“*D.C. Register*”); and

WHEREAS, on March 16, 2018, DC Water published Notice of Proposed Rulemaking (NOPR) in the *D.C. Register* (DCR) at 65 DCR 2730; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.27 per one hundred cubic feet ("Ccf") (\$1.70 per 1,000 gallons) for the first 4 Ccf of Residential customer's water use (Lifeline) for FY 2019 and \$0.54 per one hundred cubic feet ("Ccf") (\$0.72 per 1,000 gallons) for the first 4 Ccf of Residential customer's water use (Lifeline) for FY 2020; and

WHEREAS, the proposed increase in Lifeline water (Residential customer's first 4 Ccf) and sewer rates will result in a combined water and sewer rate of \$10.66 per Ccf (\$14.25 per 1,000 gallons) of metered water and sewer use for FY 2019 and a combined water and sewer rate of \$11.20 per Ccf (\$14.97 per 1,000 gallons) for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.39 per Ccf (\$1.85 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers for FY 2019 and a combined retail water and sewer rate increase of \$0.59 per Ccf (\$0.79 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers for FY 2020; and

WHEREAS, the proposed increase in water (Residential customers for water usage greater than 4 Ccf) and sewer rates will result in a combined water and sewer rate of \$11.65 per Ccf (\$15.57 per 1,000 gallons) of metered water and sewer use for FY 2019 and a combined water and sewer rate of \$12.24 per Ccf (\$16.36 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.32 per Ccf (\$1.77 per 1,000 gallons) for Multi-family customers for FY 2019 and a combined retail water and sewer rate increase of \$0.56 per Ccf (\$0.74 per 1,000 gallons) for Multi-family customers for FY 2020; and

WHEREAS, the proposed increase in Multi-family customer water and sewer rates will result in a combined water and sewer rate of \$11.12 per Ccf (\$14.87 per 1,000 gallons) of metered water and sewer use for FY 2019 and a combined water and sewer rate of \$11.68 per Ccf (\$15.61 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.40 per Ccf (\$1.88 per 1,000 gallons) for Non-Residential customers for FY 2019 and a combined retail rate increase of \$0.59 per Ccf (\$0.78 per 1,000 gallons) for Non-Residential customers for FY 2020; and

WHEREAS, the proposed increase in Non-Residential customer water and sewer rates will result in a combined water and sewer rate of \$11.80 per Ccf (\$15.78 per 1,000 gallons) of metered water and sewer use for FY 2019 and a combined water and sewer rate of \$12.39 per Ccf (\$16.56 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a decrease in the monthly Clean Rivers Impervious Area Charge by \$2.18 per Equivalent Residential Unit (ERU) for FY 2019 to \$23.00 per ERU; and an increase in the monthly Clean Rivers Impervious Area Charge by \$2.58 per Equivalent Residential Unit (ERU) for FY 2020 to \$25.58 per ERU to recover the \$2.7 billion in costs of the Combined Sewer Overflow Long-Term Control Plan (CSO-LTCP); and

WHEREAS, the NOPR, if adopted, would maintain the ROW fee at the current amount of \$0.18 per Ccf (\$0.24 per 1,000 gallons) of water used for FY 2019 and increase the ROW fee by \$0.01 per Ccf to \$0.19 per Ccf (\$0.25 per 1,000 gallons) for FY 2020 to recover the full cost of the District of Columbia government; and

WHEREAS, the NOPR if adopted, would implement an increase in the PILOT fee of \$0.01 per Ccf to \$0.50 Ccf (\$0.67 per 1,000 gallons) for FY 2019 and an increase in the PILOT fee of \$0.01 per Ccf to \$0.51 per Ccf (\$0.68 per 1,000 gallons) for FY 2020 to recover the full cost of the District of Columbia government fees; and

WHEREAS, adoption of these rates and fee changes would increase the monthly bill of the average Residential customer using 6.20 Ccf (or 4,638 gallons) by approximately \$6.02 per month or \$72.24 per year for FY 2019 and by approximately \$6.16 per month or \$73.92 per year for FY 2020; and

WHEREAS, on April 20, 2018, DC Water published a Notice of Public Hearing in the *D.C. Register* at 65 DCR 4395, for a public hearing on May 9, 2018 on NOPR; and

WHEREAS, a notice of the public hearing on the rate and fee proposals was also published on DC Water's website and in the *Washington Post* on May 3, 2018 and in the *Washington Informer* May 2018 edition for the period, May 3 through May 9, 2018; and

WHEREAS, eight (8) town hall meetings were conducted from March 27, 2018 through April 26, 2018 to receive comments on the rate and fee proposals; and

WHEREAS, on May 9, 2018, a public hearing was held to receive comments on the rate and fee proposals for FY 2019 & FY 2020, and comments received during the public comment period, and at the May 9, 2018 public hearing on the NOPR; and

WHEREAS, on June 26, 2018, the DC Retail Water and Sewer Rates Committee met to consider the rate proposals for FY 2019 & FY 2020; and

WHEREAS, on June 26, 2018, after having evaluated the revenue requirements, anticipated capital and operating expenditures various funding sources, public comments, and the recommendation of the General Manager, the DC Retail Water and Sewer Rate Committee recommended, that the rate and fee changes proposed in the NOPR for FY 2019 & FY 2020 be adopted by the Board of Directors; and

WHEREAS, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the report of the General Manager on this subject and public comments made at the May 9, 2018 public hearing and during the comment period and the open record period for the proposed rulemaking, the District members of the Board of Directors, upon further consideration and discussion, recommended in FY 2019 a decrease in the residential, multi-family and non-residential water volumetric rates, and an increase in the sewer volumetric rate, and a decrease in the CRIAC, and an increase in the PILOT, and maintain the ROW Fees, and in FY 2020 an increase in the residential, multi-family and non-residential water volumetric rates, and an increase in the sewer volumetric rate, and an increase in the CRIAC, and an increase in the PILOT and ROW Fees in accordance with the General Manager’s recommendation; and

WHEREAS, DC Water’s retail revenue projections for Fiscal Year 2019 reflect an approximate \$27.2 million increase due to the proposed \$37.9 million increase in retail water and sewer rates, an approximate \$0.1 million increase due to the proposed PILOT fee increase, and an approximate \$10.8 million decrease due to the proposed Clean Rivers IAC decrease; and

WHEREAS, DC Water’s retail revenue projections for Fiscal Year 2020 reflect an approximate \$26.8 million increase due to the proposed \$14.2 million increase in retail water and sewer rates, an approximate \$0.4 million increase due to the proposed PILOT fee increase, and an approximate \$12.2 million increase due to the proposed Clean Rivers IAC increase; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopts for final rulemaking the following rates and fee:

Retail Metered Water Service Rates

- a. A change in the rate for metered water services:

	FY 2018		FY 2019		FY 2020		FY 2019 vs. FY 2018		FY 2020 vs. FY 2019	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers - (0 – 4)	\$3.39	\$4.53	\$2.91	\$3.89	\$3.06	\$4.09	(\$0.48)	(\$0.64)	\$0.15	\$0.20
Residential customers – (> 4)	\$4.26	\$5.70	\$3.90	\$5.21	\$4.10	\$5.48	(\$0.36)	(\$0.49)	\$0.20	\$0.27
Multi-Family customers	\$3.80	\$5.08	\$3.37	\$4.51	\$3.54	\$4.73	(\$0.43)	(\$0.57)	\$0.17	\$0.22
Non-Residential customers	\$4.40	\$5.88	\$4.05	\$5.42	\$4.25	\$5.68	(\$0.35)	(\$0.46)	\$0.20	\$0.26

**Retail Sewer Service Rates
(Metered and Unmetered)**

- b. An increase in the rate for metered sewer services:

	FY 2018		FY 2019		FY 2020		FY 2019 vs. FY 2018		FY 2020 vs. FY 2019	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$6.00	\$8.02	\$7.75	\$10.36	\$8.14	\$10.88	\$1.75	\$2.34	\$0.39	\$0.52
Multi-Family customers	\$6.00	\$8.02	\$7.75	\$10.36	\$8.14	\$10.88	\$1.75	\$2.34	\$0.39	\$0.52
Non-Residential customers	\$6.00	\$8.02	\$7.75	\$10.36	\$8.14	\$10.88	\$1.75	\$2.34	\$0.39	\$0.52

b. A decrease in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$302.16 to \$276.00 per Equivalent Residential Unit (ERU) in FY 2019

c. An increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$276.00 to \$306.96 per Equivalent Residential Unit (ERU) in FY 2020.

The charge per ERU will be billed monthly at:

	FY 2018	FY 2019	FY 2020	FY 2019 vs. FY 2018	FY 2020 vs. FY 2019
	ERU	ERU	ERU	Incr. / (Decr.)	Incr. / (Decr.)
Residential customers	\$25.18	\$23.00	\$25.58	(\$2.18)	\$2.58
Multi-Family customers	\$25.18	\$23.00	\$25.58	(\$2.18)	\$2.58
Non-Residential customers	\$25.18	\$23.00	\$25.58	(\$2.18)	\$2.58

District of Columbia Pass Through Charge Right-of-Way Occupancy / PILOT Fee

d. There is no increase in the **Right-of-Way (ROW) Occupancy Fee** in FY 2019.

An increase in the **ROW Occupancy Fee** for FY 2020:

	FY 2018		FY 2019		FY 2020		FY 2019 vs. FY 2018		FY 2020 vs. FY 2019	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$0.18	\$0.24	\$0.18	\$0.24	\$0.19	\$0.25	\$0.00	\$0.00	\$0.01	\$0.01
Multi-Family customers	\$0.18	\$0.24	\$0.18	\$0.24	\$0.19	\$0.25	\$0.00	\$0.00	\$0.01	\$0.01
Non-Residential customers	\$0.18	\$0.24	\$0.18	\$0.24	\$0.19	\$0.25	\$0.00	\$0.00	\$0.01	\$0.01

e. An increase in the **Payment-in-Lieu of Taxes (PILOT) Fee** for FY 2019 and FY 2020:

	FY 2018		FY 2019		FY 2020		FY 2019 vs. FY 2018		FY 2020 vs. FY 2019	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$0.49	\$0.66	\$0.50	\$0.67	\$0.51	\$0.68	\$0.01	\$0.01	\$0.01	\$0.01
Multi-Family customers	\$0.49	\$0.66	\$0.50	\$0.67	\$0.51	\$0.68	\$0.01	\$0.01	\$0.01	\$0.01
Non-Residential customers	\$0.49	\$0.66	\$0.50	\$0.67	\$0.51	\$0.68	\$0.01	\$0.01	\$0.01	\$0.01

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to publish a notice of final rulemaking amending the District Municipal Regulations in accordance with the District of Columbia's Administrative Procedure Act.

This resolution is effective immediately.


 Secretary to the Board of Directors

Presented and Adopted: July 5, 2018

SUBJECT: Direction to the General Manager to transfer \$6 Million from the Rate Stabilization Fund in the Fiscal Year 2019 Budget and to recommend changes to the existing Customer Assistance Program and other programs to mitigate the impact of certain DC Water rates, fees and charges on low income residents

**#18-57
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on July 5, 2018 upon consideration of a joint use matter decided by a vote of eleven (11) in favor and none (0) opposed to take the following actions with respect to the transfer of \$6 million from the Rate Stabilization Fund in Fiscal Year 2019 Budget and to recommend changes to the existing Customer Assistance Program and other programs to mitigate the impact of certain DC Water rates, fees and charges on low income residents.

WHEREAS, in Resolution 18-27, adopted March 1, 2018, the Authority proposed increases in water and sewer rates and certain fees for services for fiscal years 2019 and 2020; and

WHEREAS, D.C. Official Code §34-33-3.16(b) and 21 DCMR Chapter 40, require the Board to publish notice of the proposed rulemaking and conduct a public hearing prior to taking final action on proposed changes in water and sewer rates to receive public comments on the proposed changes; and

WHEREAS, during the period of March 27, 2018 through April 26, 2018, the Authority hosted a town hall meeting in each ward of the city to educate customers about the need for and foreseeable impacts of the proposed changes in DC Water's rates, fees and charges; and

WHEREAS, attendees at each town hall meeting offered commentary on the impacts of the proposed changes to rates, fees and charges, especially the Clean Rivers Impervious Area Charge (CRIAC); and

WHEREAS, the Authority convened a public hearing on May 9, 2018 to receive comments on the proposed changes to rates, fees and charges; and

WHEREAS, at the May 9, 2018 hearing, testimony was provided by a former member of the Board of Directors, a private citizen and representatives of the Army Distaff Foundation, the Apartment and Office Building Association, Archdiocese of Washington, and the DC Consumer Utility Board; and

WHEREAS, on May 22, 2018, witnesses from the Authority and representatives of the Executive Office of the Mayor provided testimony before the District of Columbia Council's Committee on Transportation and the Environment regarding suggestions for improving existing programs and establishing new programs designed to ameliorate the impacts of DC Water's rates, fees and charges on District of Columbia customers, including not-for-profit enterprises (including churches), cemeteries, and low income District residents; and

WHEREAS, the Council set aside funds in the District's 2019 Budget and authorized the Mayor to develop a program in Fiscal Year 2019 that not-for-profit enterprises can apply to the District to obtain assistance in paying certain DC Water fees and charges based on: a) a demonstration of hardship; and b) the applicant's commitment to evaluate on site or other stormwater management opportunities; and

WHEREAS, the Council has also authorized the District to develop a program to provide rate relief to DC Water residential customers with household incomes up to the area median income; and

WHEREAS, pursuant to authority granted in the Authority's enabling legislation and D.C. Official Code § 1-204.96, the Board established programs and protocols for the Authority's Customer Assistance Program (CAP), that entitle eligible participants to receive discounts on their water and sewer bills, and 50% off their monthly Water System Replacement Fee and CRIAC charges; and

WHEREAS, the Authority has determined that it is prudent to consider the necessity of adjusting the eligibility requirements for and benefits provided by the Authority's Customer Assistance Program to mitigate the impact of increases in retail water and sewer rates and charges on low-income residents; and

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, in Resolution 10-76, the Board determined that the Rate Stabilization Fund ("RSF") will be managed in a manner consistent with the Authority's Indenture and in a manner consistent with "maintaining the highest bond ratings possible;" and

WHEREAS, Resolution 10-76 requires that, "the 10 year financial plan be delivered to the Board each fall and that the ten year financial plan include the planned utilization of the RSF over the ten years;" and

WHEREAS, Resolution 10-76 requires that, transfers out of the Rate Stabilization Fund be “formally approved by the Board as part of its annual approval of the ten year financial plan, operating and capital budgets;” and

WHEREAS, on March 1, 2018, in Resolution #18-22, the Board approved the Fiscal Year 2018-2027 Ten Year Financial Plan, which did not include any transfers from Rate Stabilization Fund over the ensuing ten year period; and

WHEREAS, on June 26, 2018, the DC Retail Water and Sewer Rates Committee reviewed a proposal to transfer \$6.0 million from the Rate Stabilization Fund in Fiscal Year 2019 and decided to defer making a recommendation on the decision pending receipt of more information regarding the District's efforts to establish assistance programs for customers impacted by DC Water's rates, fees and charges; and

WHEREAS, on July 5, 2018, in a special joint meeting of the DC Retail Water and Sewer Rates Committee, and the Finance and Budget Committee, after consideration of a proposal to make a one-time transfer of \$6.0 million from the Rate Stabilization Fund to the Authority General Fund in the Fiscal Year 2019 Budget, the committees recommended that the Board authorize the one-time transfer and direct the General Manager to amend the Fiscal Year 2019 Budget accordingly; and

WHEREAS, upon approval of this Resolution by the Board, the Fiscal Year 2018-2027 Ten-Year Financial Plan will be amended to reflect the one-time transfer of \$6.0 million from the Rate Stabilization Fund in the Fiscal Year 2019 budget year; and

WHEREAS, upon consideration of the record and circumstances cited above, the Board has determined that it is appropriate for the General Manager to designate a portion of the Rate Stabilization Fund in Fiscal Year 2019, not to exceed \$6 Million to fund programs designed to augment, enhance and expand the Authority's Customer Assistance Program to mitigate the impacts of increases in retail water and sewer rates on low-income residents.

WHEREAS, the funds being allocated to rate relief programs under this resolution are available for only the fiscal 2019 budget year. It is the understanding of the Authority that the District will be responsible for long term financial support should these programs be extended beyond this year by the council.

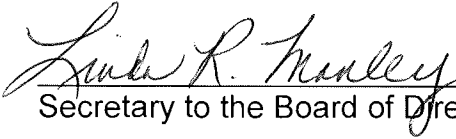
NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board has determined that it is important to the financial management of the Authority and performance of its statutory mission that the FY 2019 Budget allocate \$6 Million from the Rate Stabilization Fund to assist low income residential customers.

2. The General Manager shall amend the Fiscal Year 2018-2027 Ten Year Financial Plan to reflect the one time transfer of \$6.0 million from the Rate Stabilization Fund to the Fiscal Year 2019 Budget.
3. The General Manager shall design protocols, protections, and adjustments to existing regulations and programs that will ensure that allocation of funds to the purposes described herein does not impede the Authority's ability to accomplish its statutory mission or impair other programs designated as priorities by the Board.
4. The General Manager shall deliver his recommendations to the Board regarding changes to the Customer Assistance Program, and, if deemed necessary, to other rates, charges and fees on or before October 4, 2018. The recommendations will be formulated to provide the best opportunity to secure the following outcomes:
 - a) Adding more low income customers using metrics, including but not limited to household size, median income or other factors deemed reasonable by the General Manager, and subject to the limitation of the funds allocated herein;
 - b) Serve customers with household incomes up to eighty-percent of the area median income, considering size of household;
 - c) Expand new benefits accorded by the Customer Assistance Program of up to three CCFs of water and sewer services and percent discounts on the impervious area charge;
 - d) Include caps in the proposed recommendation on the number of participants to ensure that the cost of the program does not exceed \$6 million; and
 - e) Include other suggestions deemed reasonable by the General Manager, consistent with the principles expressed in this resolution.
5. The recommendations required of the General Manager shall be formulated to be implemented as efficiently as possible and at the lowest cost practicable and shall contain protections that will not impair the financial health of the Authority.
6. The General Manager shall collaborate with the Council and Mayor to ensure that the Authority's program does not duplicate benefits provided by programs managed by the Mayor and other District of Columbia entities, including additional discounts that the District may wish to fund.
7. The recommendations delivered by the General Manager will be for a program of one fiscal year duration, beginning as soon as possible after October 1, 2018 and ending by September 30, 2019.

8. The General Manager, in his proposed FY2020 Budget, will ensure that DC Water is operating as efficiently as possible and at the lowest cost to all ratepayers.

This Resolution is effective immediately.


Secretary to the Board of Directors