



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
246<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS  
Thursday, October 4, 2018  
9:30 a.m.  
5000 Overlook Avenue, SW  
Room 407**

- I. **Call to Order (Chairman Tommy Wells)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of September 6, 2018 Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
  1. **Governance Committee (Ellen Boardman)**
  2. **Human Resource and Labor Relations Committee (Bradley Frome)**
  3. **Environmental Quality and Operations Committee (James Patteson)**
  4. **DC Retail Water and Sewer Rates Committee (Rachna Bhatt)**
  5. **Strategic Planning Committee (Chairman Tommy Wells)**
- VI. **Issues of General Interest**
- VII. **CEO/General Manager's Report (David Gadis)**
- VIII. **Summary of Contracts (FYI)**
- IX. **Consent Items (Joint Use)**
  1. **Approval to Appoint David L. Gadis as the Chairperson of the Board of Directors and Member Representative for Blue Drop, LLC – Resolution No. 18-63 (Recommended by the Governance Committee 09/12/18)**
  2. **Approval for Additional Funding to Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc. – Resolution No. 18-64 (Recommended by the Environmental Quality and Operations Committee 09/20/18)**
  3. **Approval to Execute Option Year Two of Contract No. 16-PR-DFS-71, BFPE International, Inc. – Resolution No. 18-65 (Recommended by the Environmental Quality and Operations Committee 09/20/18)**
  4. **Approval to Execute Option Year Three of Contract No. 15-PR-DWT-21, Kuehne Chemical Co. Inc. – Resolution No. 18-66 (Recommended by the Environmental Quality and Operations Committee 09/20/18)**

5. [Approval of “The Blue Print: A DC Water Strategic Plan” – Resolution No. 18-67](#)  
(Recommended by the Strategic Planning Committee 09/25/18)

**X. Consent Item Non-Joint Use**

1. Approval to Publish Notice of Proposed Rulemaking to Expand the Customer Assistance Program (CAP) to Establish Rules for DC Water’s CAP2 Program and Rules for Implementing the District’s CAP3 and CRIAC Nonprofit Relief Programs– Resolution No. 18-68 (Recommended by the DC Retail Water and Sewer Rates Committee 09//18)

**XI. Executive Session** – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b) of the D.C. Official Code<sup>1</sup>

**XII. Adjournment (Chairman Tommy Wells)**

<sup>1</sup> 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**

- Environmental Quality and Operations Committee – Thursday, October 18<sup>th</sup> @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, October 23<sup>rd</sup> @ 9:30 a.m.
- Audit Committee – Thursday, October 25<sup>th</sup> @ 9:30 a.m.
- Finance and Budget Committee – Thursday, October 25<sup>th</sup> @ 11:00 a.m.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

*Governance Committee*

*Wednesday, September 12, 2018*

*9:00 a.m.*

**MEETING MINUTES**

**Committee Members**

Ellen O. Boardman, Chairperson  
Rachna Bhatt  
Patty Bubar  
David Franco  
Bonnie Kirkland  
Nicholas A. Majett

**D.C. Water Staff**

David L. Gadis, CEO/General Manager  
Henderson J. Brown, IV, General Counsel  
Korey Gray, Compliance Officer  
Alan Heymann, Chief Marketing Officer, Blue  
Drop President  
Linda Manley, Board Secretary

**Other Board Member**

Lavinia Baxter

**Call to Order**

Chairperson Boardman called the meeting to order at 9:00 a.m.

**Agenda Item #1 – DC Water Works! FY 18 Program Update**

Korey Gray, DC Water’s Compliance Officer, presented Agenda Item #1 – DC Water Works! (Water Works) FY 18 Program Update.

Mr. Gray began by reviewing the two program goals for which Water Works was established, namely that: 1) 51% of DC Water’s total contractor workforce will be local residents, and 2) 60% of those new opportunities created through procurements and contracts would be filled by local residents.

Mr. Gray reported that, between October 1, 2017 and July 31, 2018, eighty new DC Water contractor positions were filled. Of these, forty-one were sourced through Water Works’ referral process, and thirty-nine were filled directly by contractors. Seventy-five of those positions were filled by residents of the User Jurisdiction (93.7%), of whom fifty-

four were DC residents (67.5%) (mostly from Wards 7, and 8). Five (5) positions were filled by residents outside of the User Jurisdiction.

In response to Chairperson Boardman's question regarding length of vacancies, Mr. Gray responded that the positions are generally open for no more than thirty days.

Mr. Gray next provided an update on the Commercial Driver's License (CDL) Training Program. Water Works conducted two (2) CDL cohorts. The participants' rate of pay during the program was \$15.00/hour and the participants were staffed as temporary employees through MB Staffing. Mr. Gray reviewed the program goals, which are that 1) 80% of the participants would graduate and 2) 50% of those graduates would be successfully placed in jobs. This second cohort began with thirteen (13) new participants enrolled in the training program. Of these participants, ten (10) completed the program, five (5) obtained a CDL Class A License, and five (5) are currently in the testing process. During the second cohort, two (2) participants were placed on medical restriction, one of whom was eventually cleared to continue in the program. Currently, eleven are employed.

Mr. Gray then provided an update on Water Works Green Infrastructure Initiative. Water Works conducted three (3) Green Infrastructure cohorts. Thirty-two (32) individuals were enrolled in the second and third cohorts. Of these participants, twenty-one (21) individuals passed the National Green Infrastructure Program exam and obtained their Green Infrastructure Certification and twelve of those twenty-one (21) graduates are now employed.

Chairperson Boardman inquired if DC Water is responsible for hiring the participants in Green Infrastructure positions. Mr. Gray responded that because the certification is not the only skill needed for a job on a DC Water project, cross-training is provided in areas that allows participants to become employable with DC Water contractors. At this point, twelve (12) of those twenty-one (21) graduates of the Green Infrastructure Certification program are now employed.

Mr. Gray also provided an update on the Department of Facilities Summer Training Program, which provides DC residents with training in various facilities trades (e.g., landscaping, painting). Traditionally, the program accepted up to six participants, all of whom were referred by Earth Conservation Corps and Sasha Bruce, for two months of training in the summers. Participants were given a training stipend of \$14.50/hour, which was fully funded by DC Water. This year DC Water explored a new partnership for the program with the District Department of Employment Service's Project Empowerment Program. With the change, the program continues to accept six participants for each training, but the referrals are received from DOES. Moreover, the length of the program expanded from two months to six months to allow the participants to obtain more substantial skill development, including the opportunity to obtain a Refrigerant Transition and Recovery Certification. In response to Chairperson Boardman's question related to candidate screening for the program, Mr. Gray explained that each candidate participated in a two-step screening process: first through

the District screening process, and then through DC Water's Human Capital Management and Facilities Departments screening process.

Mr. Gray then went on to provide an update on DC Water's Non-Major and Major Construction Projects' job creation and hiring statistics. Mr Gray reported that, between October 1, 2017 and July 31, 2018, there were thirteen (13) active construction projects with 5,525 contractor positions available. 2,954 (53%) of those positions were filled by residents within DC Water's User Jurisdiction, with 701 (13%) those positions being filled by DC residents.

Finally, Mr. Gray provided a general overview of the outreach activities completed in FY 18 and highlighted the outcomes of those activities, including:

1. DC Infrastructure Academy Open House and Job Fair – which focused on Ward 8 residents. One of those was identified for Facilities Skills Training;
2. DC Infrastructure Academy Stakeholders Meeting (Ward 8); and
3. DC Water's "Invitation Only" Hiring Event (AEDC) – four (4) participants were hired.

### **Agenda Item #2 – Blue Drop Activity Update**

Alan Heymann, DC Water's Chief Marketing Officer and President of Blue Drop, presented Agenda Item #2 – Blue Drop Quarterly Activity Update.

Mr. Heymann began by introducing the Blue Drop team. First Mr. Heymann introduced Blue Drop's full-time employees: Kim Marshall and Francesca Valente. Mr. Heymann noted that he is currently a DC Water employee but is transitioning to a full-time Blue Drop employee in October. Mr. Heymann also introduced, Saul Kinter who is a DC Water employee that spends 50 percent of his time on Blue Drop matters, primarily working on the Bloom program. Blue Drop also hired a director of Bloom sales, who will start October 1.

Mr. Heymann next gave examples of positive press coverage Blue Drop has received in the last four months, primarily for Bloom. He mentioned that Dr. Francis Gouin, a Maryland soil scientist and professor who was an early supporter of Bloom, passed away earlier this summer. Dr. Gouin's obituary included a reference to Bloom.

Blue Drop is attending three conferences through the end of the calendar year: the American Planning Association, the American Public Power Association and Jersey Water Works. Mr. Heymann noted that Jersey Water Works was a project of Blue Drop's earliest consulting client, and that Blue Drop is sponsoring this conference.

Mr. Heymann then turned to discussing Blue Drop's Board. He noted that six existing members of the Blue Drop advisory board will continue in their positions, with two new members coming on in October. They are Georgia Ravitz, a DC attorney whose family runs a small farm in Virginia, and Scott Glass, a senior manager at Lane Construction.

Both are Bloom customers who are joining the board to help find new markets for the product. At the time of the committee meeting, a ninth Blue Drop board seat remained vacant. The next Blue Drop board meeting will be Friday, October 12.

Mr. Heymann updated the Committee on Blue Drop's new office location. Blue Drop has moved into its new home at the WeWork office located at 80 M Street, SE. This location is two blocks away from the new DC Water administrative headquarters.

Blue Drop's income and expenses are both slightly under budget, with income slightly lower than expenses. Committee member David Franco asked Mr. Heymann to provide income statements and budget comparisons in future updates.

Mr. Heymann next detailed Blue Drop's current and anticipated consulting work. This includes a communication strategy for the Denver Metro Wastewater Reclamation District and a customer service analysis for the New Orleans Sewerage and Water Board. Additionally, Blue Drop is negotiating to support a rural Midwest water cooperative; has an agreement in place for curriculum development with a rural community association; and is actively exploring partnerships with private-sector consulting firms as recommended by General Manager Gadis.

Mr. Heymann then turned to brief the Committee on the developments with Bloom. The Bloom biosolids product is now available in bags in four stores in the District and Maryland. Major targets for the summer and fall include marketing Bloom to farms and construction companies. Mr. Heymann discussed Bloom's farm field day held on August 30<sup>th</sup>, where demonstrations were given to farmers of how the material works on crops. Chairperson Boardman asked that members of the DC Water Board be invited to such events in the future.

Mr. Heymann mentioned that he and the team had gone on more than 100 construction company cold calls in July and August, and looked forward to having a full-time sales director and contract support to bring even more energy to the sales program. He explained that most potential customers who received a free sample truckload of the material and usage instructions have gone on to purchase Bloom.

Additionally, Mr. Heymann mentioned that he and members of the DC Water team have met with Montgomery County and District of Columbia officials to discuss including Bloom in their soil specifications for contract construction work. General Manager Gadis added that the District Department of Transportation (DDOT) committed to purchase Bloom in the future, and instructed Mr. Heymann to contact committee member Nicholas Majett for the same discussion in Prince George's County. Mr. Heymann replied that he would do so, along with the Fairfax County members of the DC Water Board.

In response to Chairperson Boardman's questions regarding a requirement that DC Water contractors use Bloom, Mr. Heymann responded that DC Water contractors are not required to use Bloom.

Committee member Lavinia Baxter asked Mr. Heymann to explain how Bloom is not competing with LeafGro, a yard waste compost product produced by Prince George's and Montgomery Counties. Mr. Heymann replied that DC Water has a friendly relationship with Maryland Environmental Services, which handles the production and marketing of LeafGro. He explained that LeafGro is a premium and well-established product that typically runs out before the end of a year, and Bloom is just ramping up its sales and marketing. He also explained that Bloom's price point makes it more attractive for certain uses -- such as nurseries and farms -- that would not be as suitable for LeafGro. Lastly, he mentioned that mixing Bloom with LeafGro produces an excellent soil amendment that would make a limited supply of LeafGro go even further, so he and the team are hoping the two products can complement each other.

Mr. Heymann stated that the Bloom marketing and sales program through Blue Drop has saved DC Water nearly \$266,000 in avoided land application costs in Fiscal Year 2017, to date.

Finally, Mr. Heymann presented a resolution to transition the duties of the member representative and Chairperson positions of the Blue Drop Board from Henderson J. Brown, IV, DC Water's General Counsel to David L. Gadis, DC Water's General Manager and Chief Executive Officer.

The Committee recommended the resolution to go to the full board for approval.

Other notable topics discussed:

- 1) General Manager Gadis noted that he has requested that Mr. Heymann provide a strategic plan that provides a clear direction, outlines the measurable goals, and assesses the need to change approaches moving forward.
- 2) Sarah Neiderer will end her part-time detail to Blue Drop in October.
- 3) Chairperson Boardman and General Manager Gadis discussed what will happen with the vacated space at Blue Plains after the DC Water headquarters move, and several possibilities for a future home for Blue Drop.
- 4) Mr. Heymann and Chairperson Boardman discussed executive coaching as a Blue Drop service offering, potentially for non-utility customers, and Mr. Heymann assured Ms. Boardman that future offerings will be related to DC Water's mission of serving its water and wastewater ratepayers.

Chairperson Boardman adjourned the meeting at 10:24 a.m.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**BOARD OF DIRECTORS  
Human Resources and Labor Relations Committee  
September 12, 2018**

**MEETING MINUTES**

**Committee Members Present**

Bradley Frome, Chairperson  
Rachna Bhatt  
Ellen Boardman  
Anthony Giancola  
Krystal Brumfield

**DC Water Staff Present**

David Gadis CEO/General  
Henderson Brown, General  
Counsel  
Mustaafa Dozier, Chief of Staff  
Linda R. Manley, Board  
Secretary

**Other Board Member**

Lavinia Baxter

**Union Presidents Present**

Barry Carey, AFSCME 2091  
Barbara Milton, AFGE 631  
Jonathan Shanks, AFGE 872  
Calvert Wilson, AFGE 2553

**Call to Order**

Chairman Bradley Frome called the meeting to order at 11:06 a.m.

**Union and Senior Management Relationship**

Mr. Jonathan Shanks raised issues regarding the relationship with Union Presidents and Senior Management. Specifically, Mr. Shanks stated that being a union president can be difficult due to criticism from management and union members. He explained that when difficult issues arise with union presidents who are employees, their position as a union president should be considered. Not to say that they are exempt from reproach, but he has concerns about the way senior management treats union presidents. Nonetheless, Mr. Shanks stated that he is appreciative of



the efforts made by Mr. David Gadis, CEO and General Manager, to recognize staff for their contributions. Board member Ellen Boardman asked Mr. Shanks to clarify his statements Ms. Barbara Milton asked to interject and clarify by stating Mr. Shanks was referring to a disciplinary action regarding a union president. Ms. Milton shared that the union leaders felt like they were being targeted and that the disciplinary action brought against a union leader was too harsh.

Mr. Barry Carey stated that he is looking forward to a better relationship around the Authority and believes Mr. Gadis should be given an opportunity to prove that. Ms. Milton agreed with Mr. Carey and Mr. Shanks. She is hopeful that the recent incident involving a union president is not geared toward all the union leaders and is looking forward to a strengthened labor and management relationship. She stated that several items were removed from the agenda after discussions with Mr. Gadis. She hopes those concerns will be addressed.

### **Acting Safety Director Position**

Ms. Barbara Milton stated that the individual selected for the Acting Safety Director role is not qualified for the position. She believed that there is a qualified individual within the Occupational Safety team that could have assumed the role. However, she hopes the Authority will select a qualified individual with a strong background in safety. Mr. Gadis assured Ms. Milton that they do not want a gap in safety. He stated that safety is a top priority for the Authority and because of this priority, Roger E. Brown Jr, Director of Human Capital Management, has been instructed to launch a national search for a new safety director. Mr. Gadis affirmed that it will be a competitive selection process in hopes to select the most qualified individual.

Mr. Calvert Wilson thanked senior management for their continued efforts to improve issues with his union and had no items to discuss at that time.

### **Engagement Survey Results**

Mr. Mustaafa Dozier, Chief of Staff presented the results of the 2017 Employee Engagement Survey. Mr. Dozier stated there were components that were humbling, and that there were opportunities for improvement that DC Water has begun responding to. Mr. Dozier detailed how the survey was constructed and how the data would be used to address staff concerns. He explained that the survey measures two dimensions: engagement outcomes and engagement drivers. Board member Ellen Boardman asked if the survey had been done before. Mr. Dozier stated that a previous survey was released in 2015 containing preloaded questions by SHRM, while the 2017 survey, constructed by Quantum allowed for customized questions. The survey was launched in October 2017 and concluded in November 2017. Fifty-nine-point fifty-six percent of the workforce responded, which was an increase from the previous survey's response rate. Mr. Dozier presented metrics and definitions to the Board detailing the percentages of highly engaged, moderately engaged, barely engaged, and disengaged employees. Board member Anthony Giancola asked how the survey was presented to employees and if they were

provided enough time for participation. Mr. Dozier explained that the survey was open close to a month, delivered electronically to everyone, and paper copies were also available at offsite locations. Randy Louis, Employee Engagement Analyst was charged with going to each location during the survey to encourage staff to respond. Mr. Dozier presented data to the Board that benchmarked DC Water against 12 other utilities, 111 same sized companies and compared to 27 companies surveyed in the top quartile. Mr. Dozier stated that

They were below where we wanted to be, however an improvement plan was in place. In response to the survey, focus groups were created to Human Resources and Labor Relations Committee address the issues in the bottom 5 departments with the lowest ratings. Concurrently, General Manager & CEO David Gadis participated in meet and greets with approximately 800 employees. The sentiment from the focus groups and meet and greets validated the survey results respect to concerns around senior leadership. Feedback was also shared that employees were interested in opportunities for training and development and upper mobility.

Mr. Dozier explained that the training profiles initiative is intended to address the concerns centered around training and development. Training profiles were developed by job title to identify skills required to do the job safely, and technical skills and training required to be successful.

Board member Rachna Butani asked what Quantum's opinion was on those who choose not to respond to the survey. Mr. Dozier explained that Quantum left that up to the organization's interpretation. Either employees did not feel the need to respond because they were satisfied, or they did not respond because they are not satisfied and feel management is aware. The goal is to show action and Randy Louis, Engagement Analyst, is on the ground communicating to the workforce encouraging participation in focus groups and the General Manager is connecting with employees through the meet and greets.

Mr. Gadis explained that staff didn't believe that any action would take place after the survey, which is why they did not participate. However, through the focus groups and other outreach efforts, D.C. Water is showing to the workforce that management cares, listens to feedback, and works toward correcting issues as best as possible. Mr. Dozier explained that one of the ways for improvement is to provide training to middle management. As a result, a pilot program to train those staff members will be launched in October 2018 to prepare and normalize how leaders are developed. Mr. Dozier also explained that a two-day senior management advancement is scheduled for senior management to discuss launching the strategic plan and the leadership competency model.

Mr. Dozier closed stating that the next survey will be released in March 2019.

### **Executive Session**

Executive Session convened at 12:01 p.m., the Committee reconvened into open session at 12:25 p.m.

### **Adjournment**

The meeting adjourned at 12:30 p.m.



**District of Columbia  
Water and Sewer Authority**

**Board of Directors**

**Environmental Quality and Operations  
Meeting**

*Thursday, September 20, 2018*

*9:00 a.m.*

**MEETING SUMMARY**

**Committee Members**

James Patteson, Chairperson  
Howard Gibbs  
Ivan Frishberg  
David Franco  
Patty Bubar

**DC Water Staff Present**

David Gadis, CEO/General Manager  
Henderson Brown, General Counsel  
Leonard Benson, Chief Engineer  
Linda R. Manley, Board Secretary

**I. CALL TO ORDER**

Mr. Patteson called the meeting to order at 9:00 a.m.

Mr. John Bosley, Chief Procurement Officer, DC Water presented joint use Action Item 1 ,2 and 3.

**Action Item 1:** Request to execute option year 2 of DC Water’s Fire Protection Systems contract. DC Water requires a qualified contractor to furnish all labor, materials, equipment and tools to maintain and service the Fire Protection Service. A new command console, fire alarm system, emergency infrastructure, software, sensors, and other system elements is required to upgrade the current obsolete fire system in multiple buildings. The new Headquarters will also be added to the Scope of Work. Additionally, DC Water needs to address open issues identified by the Fire Marshal including semiannual testing of all devices. A full-time fire specialist is added to service all DC Water-wide fire protection systems. This will eliminate emergency calls and transportation expenses and thus provide more cost-efficient solution with guaranteed timely service.

**Action Item 2:** Request to execute action to add additional funding to option year 2 of Ferric Chloride provision contract. Ferric Chloride use has increased significantly in the current year due to heavy rain and incremental consumption in the TDPS/ECF units. Additional option year 2 supply and funding are required to meet demand. This additional amount will be sourced from Carter & Carter Enterprises Inc.

**Action Item 3:** Request to exercise option year 3 of the Sodium Hypochlorite supply and delivery contract. DC Water has an on-going need for Sodium Hypochlorite. At the Blue Plains Advanced Wastewater Treatment Plant, it is primarily used for outfall disinfection but also to control

biological growth on multimedia filters and for odor control in the scrubbers. Exercising option year three will ensure an uninterrupted service by the supplier.

The Committee recommended all action items to the full board.

**II. EXECUTIVE SESSION**

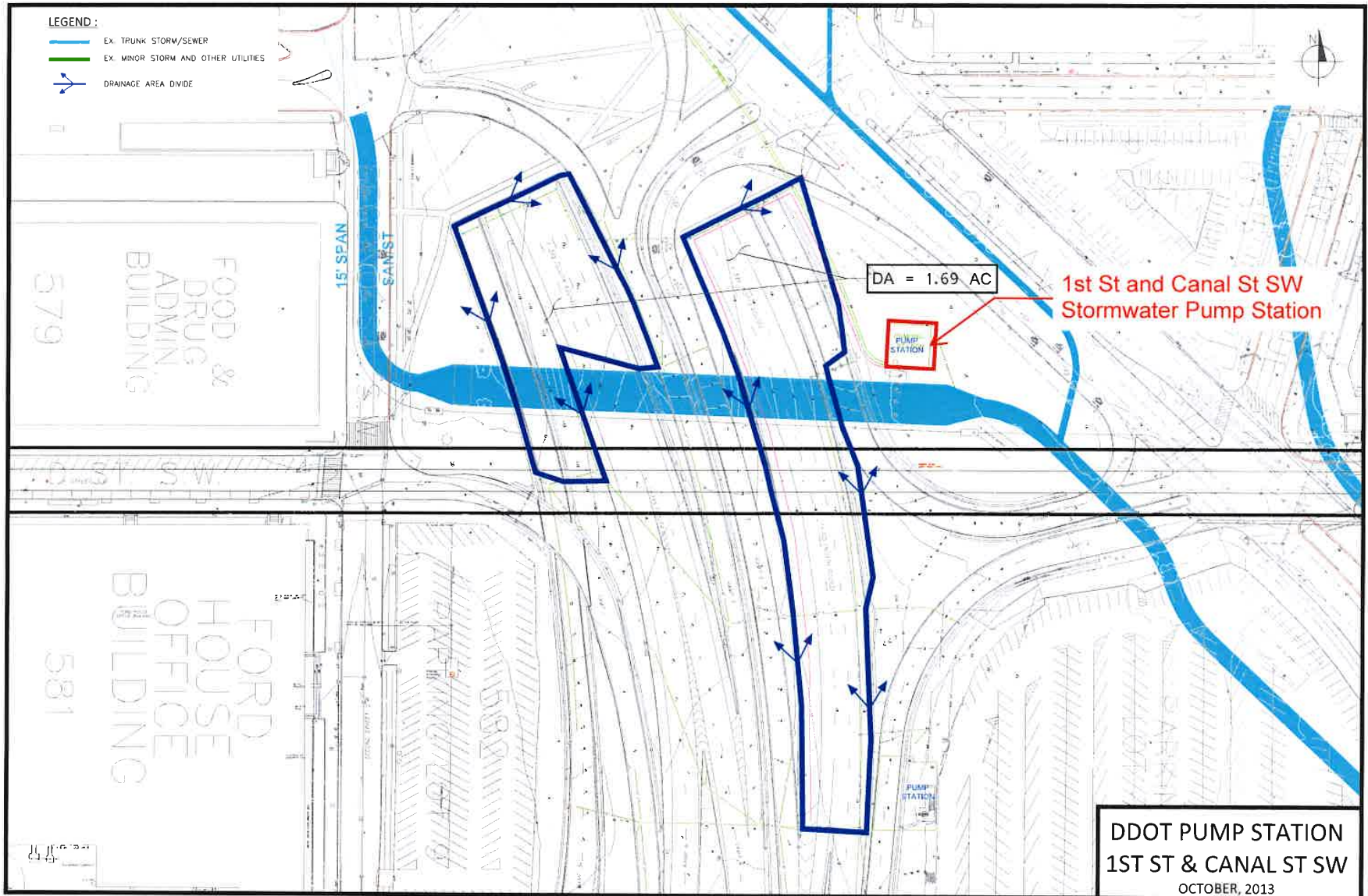
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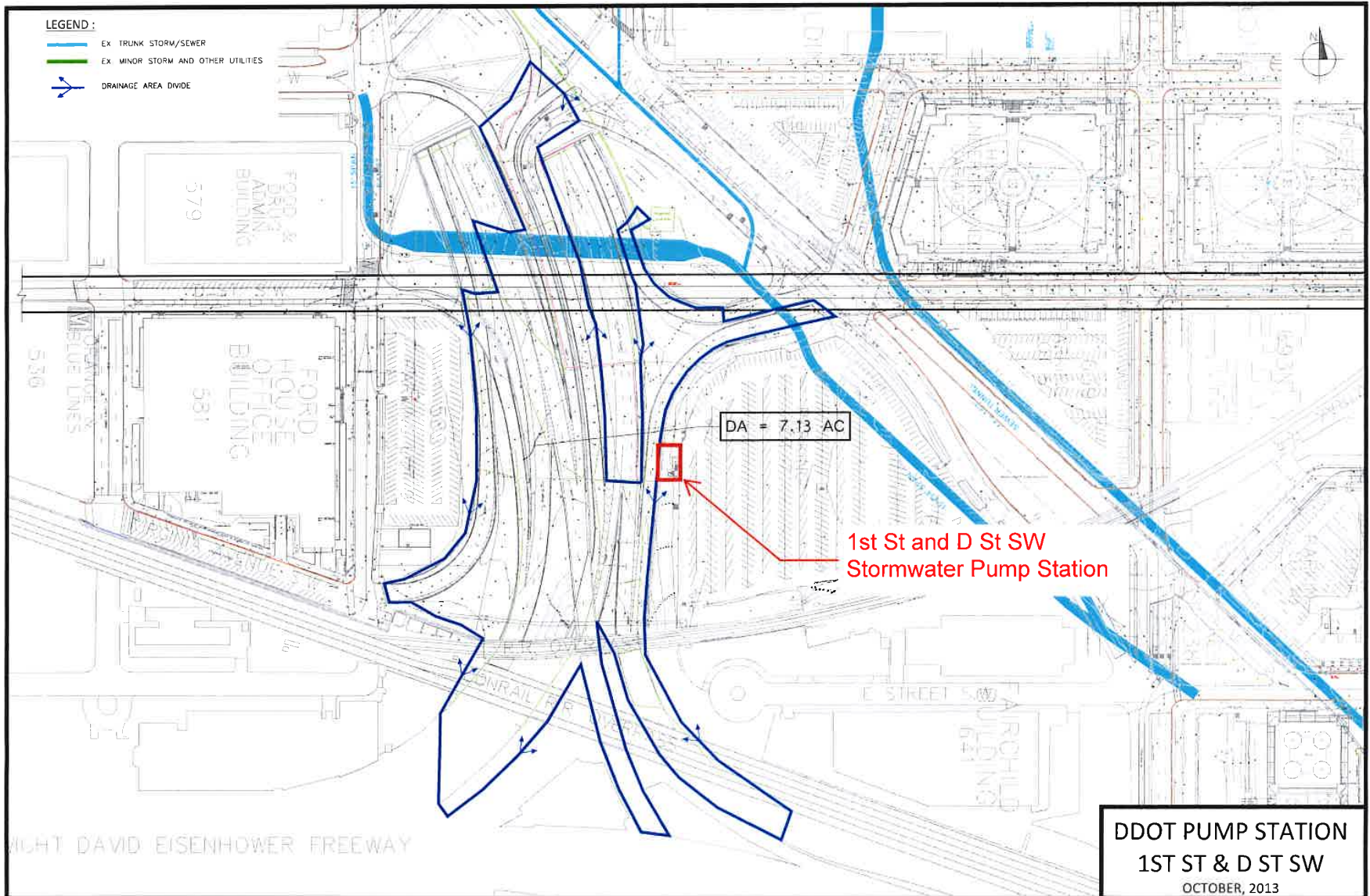
**III. ADJOURNMENT**

Regular meeting adjourned at 9:12 a.m.

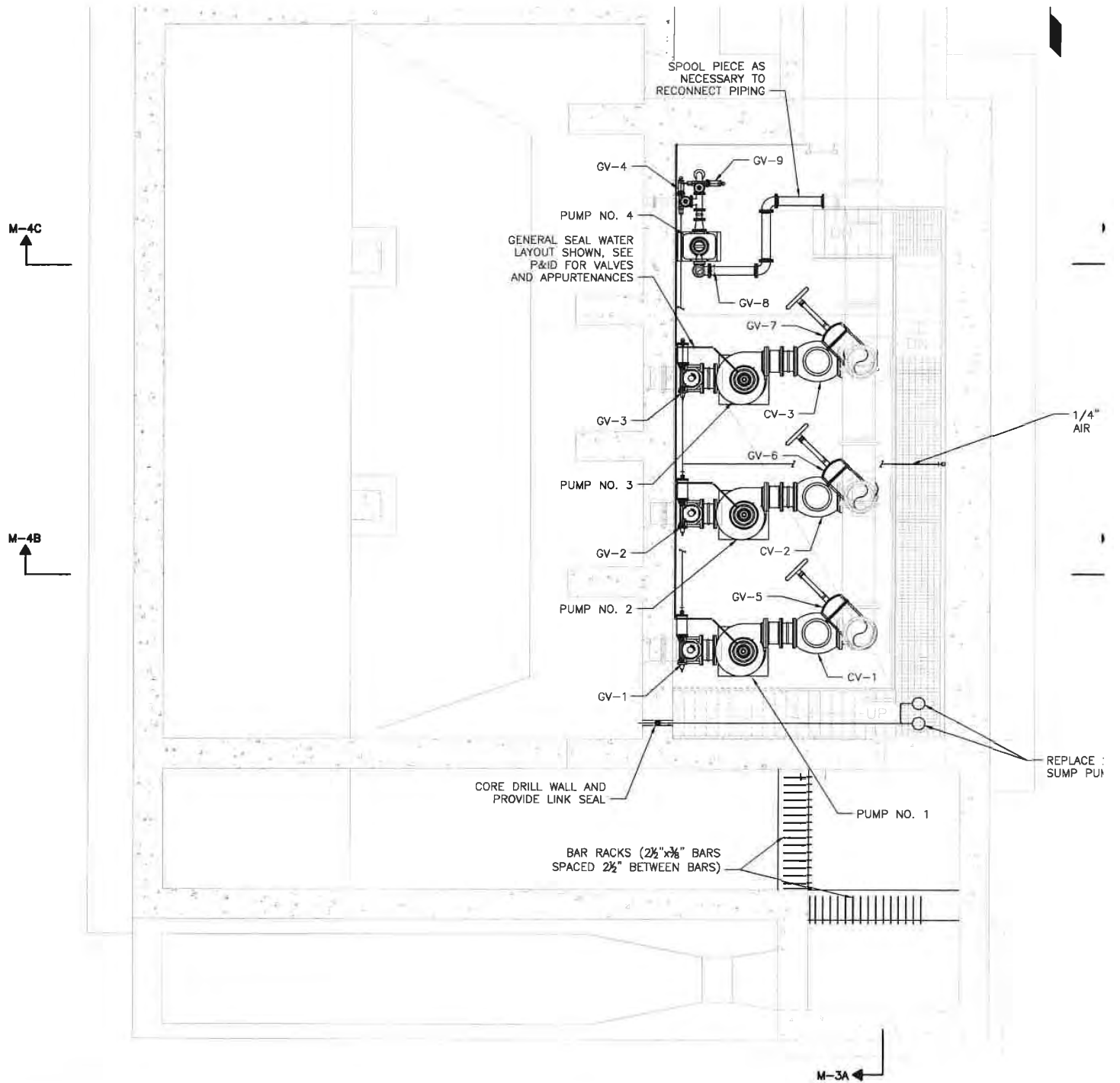
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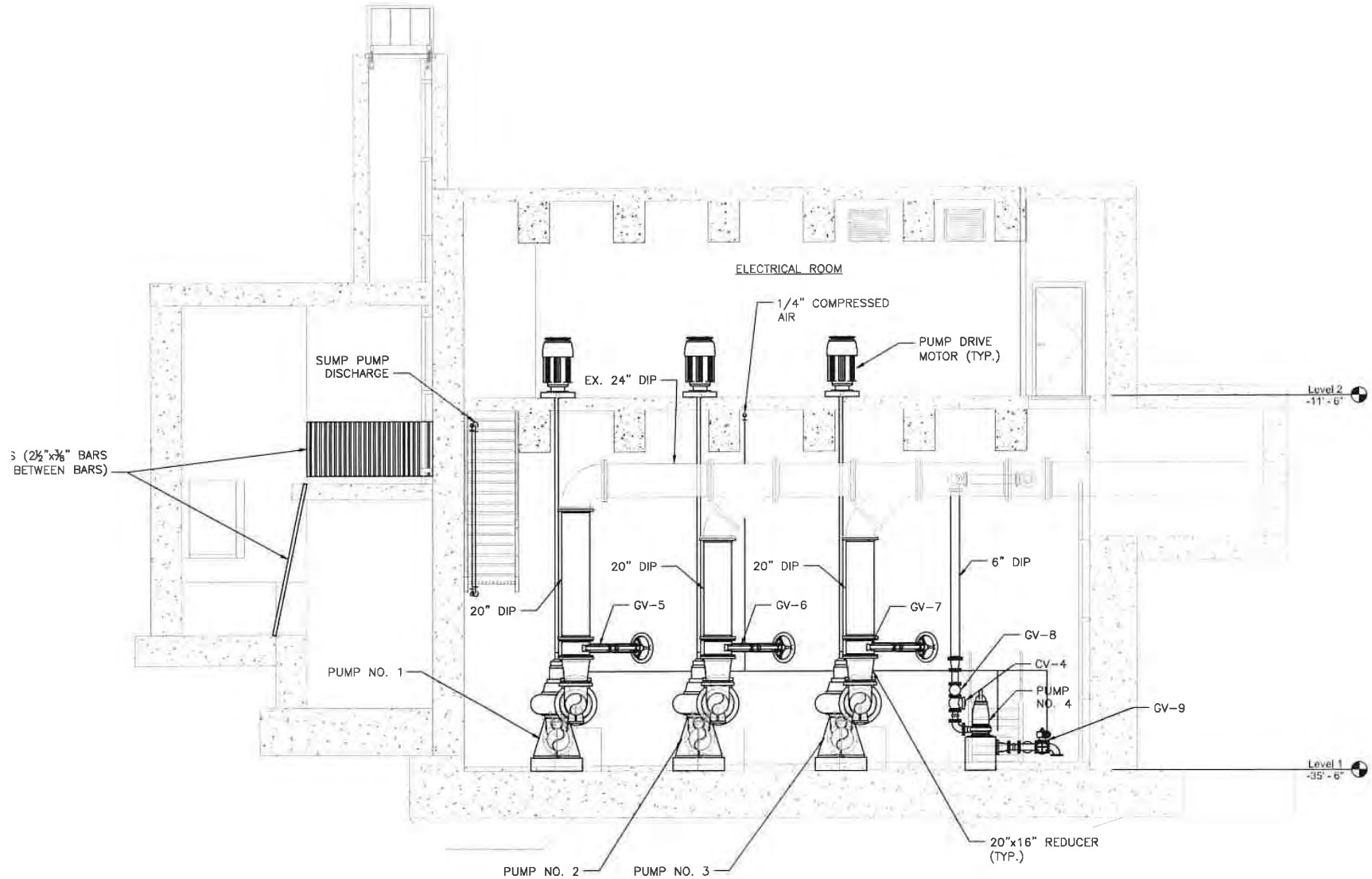




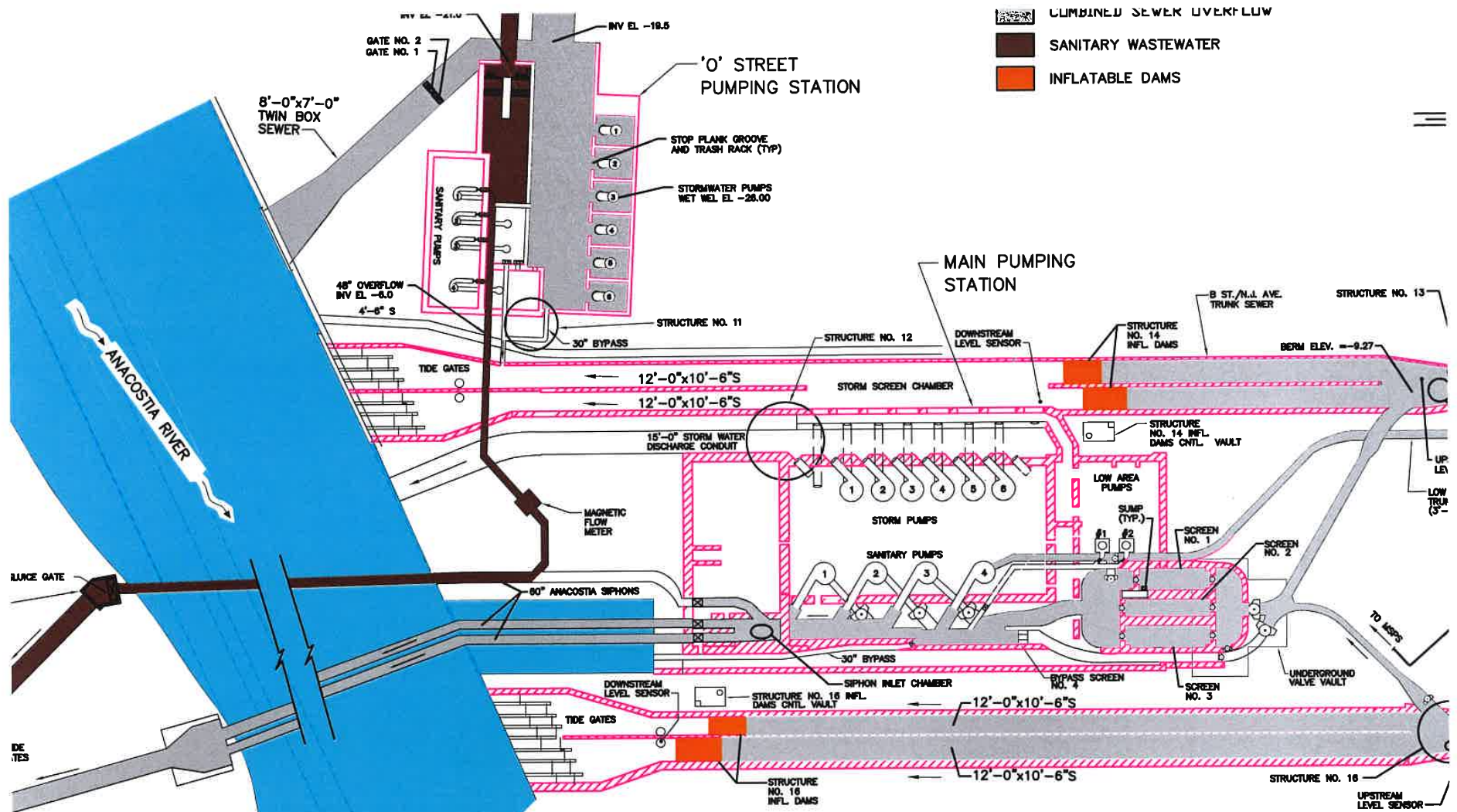








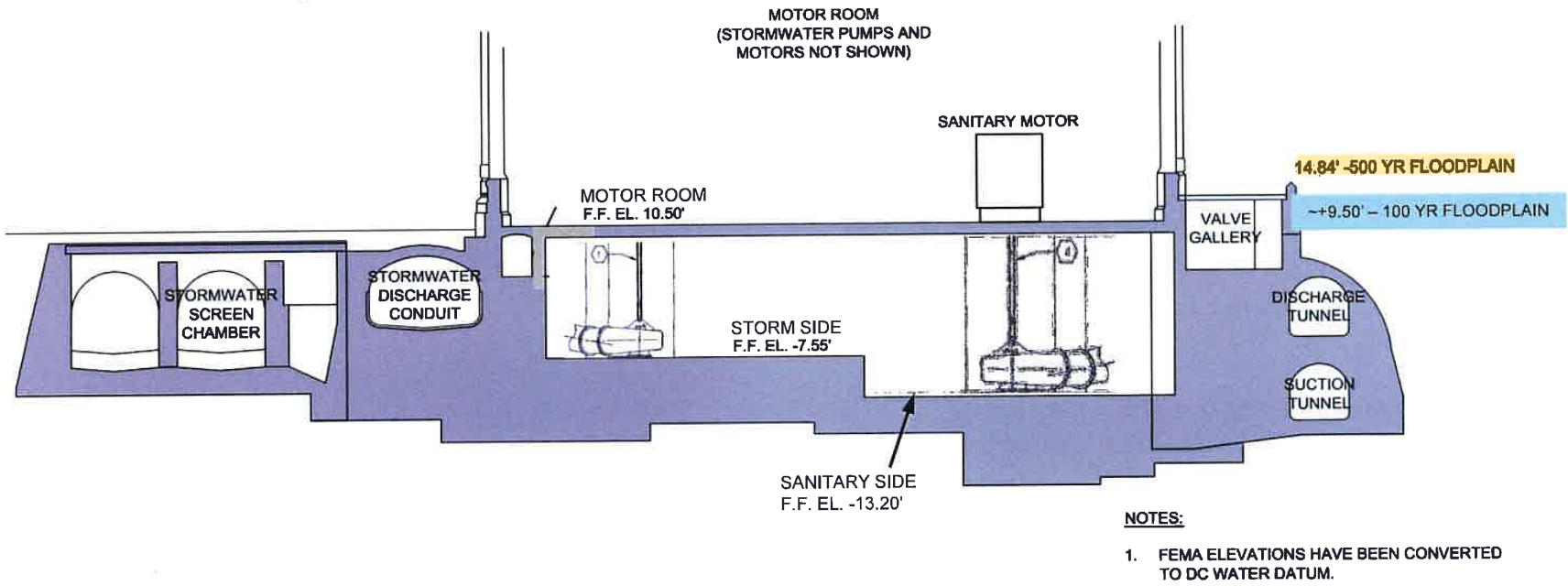
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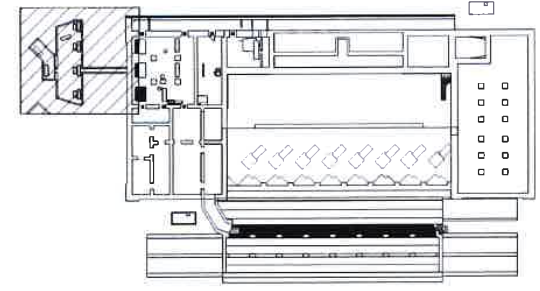
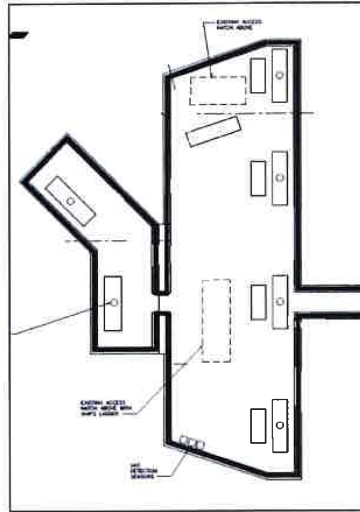


MAIN AND 'O' ST PUMPING STATIONS



# Main Sewage PS





**KEY PLAN**







**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

*DC Retail Water and Sewer Rates Committee*

Tuesday, September 25, 2018

9:30 a.m.

**MEETING MINUTES**

**Committee Members in Attendance**

Rachna Bhatt, Chairperson  
Tommy Wells, Chairman  
Howard Gibbs  
Ellen Boardman  
Ivan Frishberg  
David Franco  
Anthony Giancola  
Jed Ross  
Emile Thompson  
Reverend Kendrick Curry

**DC Water Staff**

David Gadis, CEO & General Manager  
Matthew Brown, Chief Financial Officer  
Henderson Brown, General Counsel  
Linda Manley, Secretary to the Board

**Call to Order**

Chairperson Rachna Bhatt convened the meeting at 9:33 a.m.

**Stakeholder Alliance Update**

Mr. Brown gave a brief update on the first Stakeholders Alliance meeting held on September 20<sup>th</sup> at DC Water's O Street facility. He mentioned that ten of the nineteen stakeholders attended the meeting. Two sub-committees were formed: 1) infrastructure, and 2) Clean Rivers IAC (CRIAC). One of the sub-committees will focus on the condition of our infrastructure and those conversations will feed into what kind of capital program the General Manager will propose to the Board in January. Mr. Brown mentioned that there was good discussion and there were some pointed questions on the CRIAC regarding what was presented at the public hearings when the CRIAC was implemented in 2009. He noted that stakeholder's questions were written down for future discussions.

Mr. Brown informed the Committee that there will be two additional sub-committee meetings this fall while the Stakeholders Alliance meetings will be quarterly. GM/CEO Gadis commented that it was great to sit in the same room and at the table with DC Water customers that have the same concerns we have and it was good to see customers involved. Chairperson Bhatt asked if DC Water will provide a memo to the stakeholders with answers to questions before the next meeting. Mr. Brown replied that there will be a combination of big topics and clarifications in the memo. GM/CEO Gadis mentioned that we have an outside facilitator who's leading us through the topics during the meeting, and that she did a great job. Mr. Frishberg asked if the stakeholders would be aware of the basic contours of what DC Water and the

District has committed to on the CAP expansion programs. Mr. Brown replied that we know the CRIAC and rates will be discussed at the next meeting however we are still figuring what other topics will be on the agenda. GM/CEO Gadis stated that the Stakeholder Alliance group is not meant to take the place of the Board, therefore we will not be getting into such details on anyone topic, but rather to inform the stakeholders on what DC Water is faced with on a daily basis and to get their involvement and advice.

Reverend Curry inquired about how many of the stakeholders attended the meeting and how many seats are vacant from the various wards. GM/CEO Gadis replied that ten out of nineteen stakeholders attended the first meeting and two seats are vacant from wards six and eight. He noted that the stakeholders are representatives from each ward along with non-profits organizations and District residents.

### **Customer Assistance Program Expansion Update (Attachment A)**

Mr. Brown briefed the Committee on the Customer Assistance Program Expansion. He noted that DC Water has worked collaboratively with the District on this effort. There have been on-going discussions with the Mayor's office and DOEE to try to formulate a program that would expand eligibility beyond our current Low Income Home Energy Assistance Program (LIHEAP) eligibility criteria for customers and a family of four with an eligibility level at \$59,457. He stated that he has worked with the District to maximize how the dollars are allocated, first with the \$12.0 million and then with the \$13.0 million after the District Council added an additional \$1.0 million. He further noted that we worked through a number of scenarios which included suggestions from the District to provide percentage discounts and whether to include Ccf, Payment-in-Lieu of Taxes (PILOT), Right-of-Way Fee (ROW) discounts. We have worked to determine the number of eligible households with estimates provided by the District and DC Water. We have sought outside advice with regard to what is the impact this program may have on our credit rating and our finances. He mentioned that this has been a long process and we have put in a lot of work into trying to ensure that we can accomplish the goals of the program expansion.

Mr. Brown informed the Committee that the District has requested that we use our \$6.0 million to fund a program that provides three Ccf of water and sewer services, and 50 percent off of the Clean Rivers Impervious Surface Area (CRIAC), which will be retroactive to October 1, 2018. At an average monthly discount of \$43.48 (3 Ccfs of water and sewer and 50 percent off one ERU), DC Water can serve 10,541 customers. The District's Office of Revenue Analysis estimates that 14,450 households could be eligible for this program. We are recommending that \$0.5 million of the total \$6.0 million go towards DC Water administrative costs. The original legislation that was passed by the District Council recognized those costs and said that the District of Columbia should pay those administrative costs to DC Water. We have not sought reimbursement from the District of those costs but we do need to recognize their costs. There are programming costs for the new customer service system and administrative costs for developing and monitoring the program. Mr. Brown stated that DC Water also pays an administrative fee to DOEE based on the amount of benefits that we provide. Chairperson Bhatt asked if DC Water will go back to the District and ask for reimbursement of the costs. Mr. Brown replied that we do not plan to ask the District for reimbursement of the costs. Chairperson Bhatt asked if the nine or ten percent is reasonable for administrative costs. Mr. Brown replied that he would report back to the Committee as we get further into negotiating the Memorandum of Understanding (MOU) and launching the program. To the extent that we have allocated more than we need for administrative costs we would release those funds and make them available for benefits to the program.

Mr. Franco inquired if the \$0.5 million for administrative costs include the District's CAP3 program costs. Mr. Brown replied in the affirmative. Mr. Franco stated that DC Water administrative costs should be matched by the District. Chairperson Bhatt suggested that DC Water should inquire if the District will reimburse DC Water for its share of the administrative costs. Mr. Frishberg mentioned that there are costs related to the operations such as programming our billing systems and implementing the programs and DOEE has a whole set of costs that relate to CRIAC such as paying staff to do sight visits and needs assessments, therefore he would encourage us to not get stuck in the details of figuring it out. Mr. Brown stated that the District has allocated \$0.65 million for administrative costs related to their program. Mr.



Giancola stated that his concern is the 80 percent AMI eligibility criteria may be too high and we may run out of money while customer's expectations are that they will receive a discount.

Mr. Brown updated the Committee on the background of the customer assistance program expansion. He mentioned that on July 5, 2018 the Board adopted a resolution authorizing the General Manager to develop a program to serve customers up to 80 percent of AMI, provide a discount up to three Ccfs of water and sewer services and percent discounts on the impervious area charge but cap the program at \$6.0 million. Because there have been questions on the number of households that might be able to qualify for the program based on the income limits, we sent a request with the District Budget Director to the District's Office of Revenue Analysis seeking their assistance with providing estimates of households that might qualify. The District has approved \$7.0 million in FY 2019 to provide benefits of upto 100 percent of AMI and CRIAC credits to non-profits.

Mr. Brown explained the definitions of the CAP, CAP2, CAP3 and CRIAC (Clean Rivers Impervious Area Charge) Non-profit Relief Programs. He noted that the CAP3 was previously named CAPE.

Mr. Brown updated the Committee on the existing CAP program. He stated that the existing CAP provides benefits for a household of 4 at 100 percent of \$59,457. The first four Ccf of water and sewer services and the associated PILOT and ROW are waived, 100 percent of Water System Replacement Fee (WSRF) and fifty percent of the CRIAC is waived. Eligibility is determined by DOEE.

Mr. Brown explained the household income limits for the new DC Water CAP2 and District CAP3 programs. He stated that the median family income for the D.C. metro area is \$117,200 and 80 percent of that number the household income is \$93,760. He noted that the U.S. Department of Housing and Urban Development (HUD) uses two different calculations: 1) Uncapped limit of a family of four is \$93,760, 2) Capped low (80 percent income limit for a family of four is \$77,450).

The District has offered to cover \$1.2 million of additional costs associated with the CAP2 program. The CAP3 and CRIAC Non-profit Relief Program costs are entirely covered by the District.

Mr. Franco asked how will customers qualify for the CAP2 program. Mr. Brown replied that customers go to DOEE to apply for the benefits. DOEE qualifies the customers and then sends the names of the customers to DC Water for benefits to be applied to their monthly bill. He noted that there are about twenty-two thousand LIHEAP eligible customers in the District and only about four thousand take advantage of the CAP program mostly due to whether they are customers of DC Water. We believe that most of the low-income individuals who are above the four thousand and below the twenty-two thousand live in multi-unit buildings. Chairperson Bhatt asked what will happen if we do not use the entire \$6.0 million. Mr. Brown replied that the benefits are sized at the highest amount of 3 Ccf of water and sewer services and a discount of 50 percent on CRIAC. The numbers state that we have more eligible households than we have funding for. There are provisions to cap the benefits if we over qualify individuals. We will monitor the programs and let the Board know the status of the run rate and expenditures.

Chairperson Bhatt inquired about how will DC Water roll out the communication plan. Mr. Brown replied we are working through the details of the CAP expansion program. First the regulations will be published. Public Affairs has sent out a press release in July when the Board approved the program and that we will send out a similar press release to inform customers of the regulations. He noted that DOEE has some suggestions regarding placing inserts in the January bills. Chairperson Bhatt suggested that the word needs to get out using news channels, radio, and social media, etc. GM/CEO Gadis mentioned that staff will bring back a communications plan to the Committee in the October meeting.

Mr. Brown updated the Committee on the general information of CAP2. He stated that the program is capped at \$6.0 million with \$0.5 million for administrative costs. The program will be discontinued when the \$6.0 million level has been reached. He noted that the \$1.2 million DOEE offered to DC Water to

administer the CAP2 program would not require Board approval but DC Water will use the funds to provide benefits to customers. Customers will be provided an exemption of up to three Ccfs of water and sewer services and a discount of 50 percent on the CRIAC. Ms. Boardman inquired about how long will it take to implement the CAP2 program and will the money be given in the way of credits to customers' monthly bills. Mr. Brown replied that credits will be applied to customers' bills. The program will be launched on January 1, 2019 and credits will be retroactive to October 1, 2018. Chairperson Bhatt asked if DC Water does not have enough money to provide a qualifying customer a retroactive credit back to October what will be the process. Mr. Brown stated that we have started discussing with DOEE how we will forecast and monitor the participants, retroactive credits and metrics to not exceed the \$5.5 million. Ms. Boardman inquired if LIHEAP has a cap. Chairman Wells replied that LIHEAP has a cap and typically the funds ran out in June and DOEE would have to turn people away. Under the current Mayor sufficient funds are appropriated for the entire year. He noted that DC Water is being extremely conservative in its estimates compared to participation rates across the country. DC Water's representatives are starting at the maximum participation for budgeting and DOEE believes there would be far less participation based on their experience.

Mr. Brown provided an update on the District government CAP3 and CRIAC Non-Profit Relief Programs. Single-family households and individually metered tenants with household income at or above 80 percent AMI and below 100 percent AMI will be eligible for CAP3 Program. He mentioned that the CAP3 will provide a discount for one Ccf of water and sewer services and 50 percent of the CRIAC. The CRIAC Non-Profit Relief Program will provide a credit of 90 percent off of the monthly billed CRIAC and it will be provided retroactively for the entire year. Chairperson Bhatt inquired about the split of the \$7.0 million for the District's programs. Mr. Brown replied that the breakdown is: 1) \$2.0 million for CAP3 residential which includes \$1.2 million as a contribution to CAP2, 2) \$4.35 million for the Non-Profit Relief Program, 3) \$0.65 million for administrative costs.

Mr. Brown provided an update on the additional information regarding capping the programs. DC Water will cap the programs at the dollar amounts allocated (\$5.5 million for the DC Water program). Upon receipt of CAP2 eligibility notice from DOEE, DC Water will provide CAP2 credits to the customer's account, retroactively for Fiscal Year 2019, October 1, 2018 to September 30, 2019. CAP3 and CRIAC Non-Profit Relief Program benefits will be provided upon receipt of notice of eligibility and funds from DOEE. Subject to availability of District funds, CAP3 benefits will be provided as of the date of approval for one calendar year; and CRIAC Non-Profit Relief benefits will be provided for Fiscal Year 2019, retroactive from October 1, 2018 to September 30, 2019.

Mr. Brown updated the issues and next steps of the CAP expansion. He noted that the proposed regulations for DC Water's program requires a public hearing. If DC Water draft regulations are approved by the October Board meeting, implementation can be done by January 1, 2019. DC Water is providing comments on the draft DOEE Emergency Proposed Rulemaking.

#### **Action Item (Attachment B)**

Chairperson Bhatt asked the Committee to move action item 1 to the full Board. The Committee concurred to refer the item to the full Board.

- Approval of Proposal to Expand DC Water's Customer Assistance Program (Action Item 1)

#### **DC Retail Water and Sewer Rates Committee Workplan**

There were no comments on the Committee workplans.

#### **Agenda for October 23, 2018 Committee Meeting (Attachment E)**

There were no comments on the October 23, 2018 agenda.

**Other Business**

No other business

**Executive Session**

There was no executive session.

**Adjournment**

The meeting was adjourned at 10:37 a.m.

**FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (September 25, 2018)**

There were no follow up items.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**BOARD OF DIRECTORS  
STRATEGIC PLANNING COMMITTEE**

**SEPTEMBER 25, 2018**

**MEETING MINUTES**

**Committee Members Present**

Tommy Wells, Chairman, District of Columbia  
Emile Thompson, District of Columbia  
Kendrick Curry, District of Columbia  
James Patteson, Fairfax County  
Anthony Giancola, District of Columbia

**Other Committee Members Present**

Ivan Frishberg, District of Columbia  
Howard Gibbs, District of Columbia  
Jed Ross, District of Columbia

**D.C. Water Staff Present**

David Gadis, CEO/General Manager  
Henderson Brown, General Counsel  
C. Mustaafa Dozier, Chief of Staff  
Linda R. Manley, Board Secretary

**I. Call to Order**

Chairman Wells called the meeting to order. He stated that the Strategic Plan refresh process began when D.C. Water was searching for a new CEO/General Manager. It was determined that the Plan review process could serve as a guide in determining what the Board wanted the new CEO/General Manager to do. The Board was surveyed to assist in the refresh process, and that along with the old Strategic Plan, were utilized to identify what was helpful and what was not.

**II. The Blueprint**

Sarah Neiderer, Strategic Planning Officer, briefed the Committee on the new version of the Strategic Plan which is called The Blueprint. She indicated a number of reasons to have a Strategic Plan and why the Plan would be refreshed in 2018 and over the next two years. The number one reason is to refocus the priorities and resources and determine how to leverage D.C. Water's people and dollars to make sure they are focusing on the right priorities. The second reason is to ensure that employees and other stakeholders are working toward common goals, the reasons why D.C. Water exists as a utility. Ms. Neiderer stated that outcomes and impacts on the priorities are important.

Background on the Blue Horizons 2020 Strategic Plan was provided. The Strategic Plan process was commenced in 2013 and refreshed in 2015. The vision was to be a world-class utility. There were nine goals and 200 task-oriented milestones. A number of

lessons were learned between 2013 and 2018. Ms. Neiderer stated that the Plan engaged staff who were responsible for executing the tasks. About 98 percent of the Plan was accomplished before the decision was made to undertake the new refresh, The Blueprint. The vision was great at the time, but it lacked focus. What does it mean to be world-class and what does that mean for the workforce? The focus needed to be redefined. Everything was important, all nine objectives (Finance, Customer Services, Wastewater, Engineering, etc.), and it was difficult to prioritize. About 50 staff members were involved, instead of all 1,200 members. The Plan was very task oriented with no ties to outcomes.

In 2016 Blue Horizon was audited and there were two moderate and one low finding. The first moderate finding related to the monitoring of the Plan since some tasks were ongoing and never ending. There was a problem with performance monitoring and there was no indication of whether performance goals were met, and outcomes achieved. The second related to the Strategic Planning Committee meetings which were scheduled to be twice a year. It met infrequently and over the years, sometimes not at all. The low finding related to the assignment of people to the right tasks within the Plan.

Ms. Neiderer reported that the following key objectives are addressed in the new refreshed Plan: redefine D.C. Water's vision and focus; staff-driven with Board input; increase Board oversight; focus priorities; greater staff engagement; connecting enterprise interdependencies; and a two-year outlook. Ms. Neiderer stated that the Committee will meet twice yearly going forward. The Strategic Programs are interdependent, and some issues and priorities will affect everyone either internally or the customers in all areas.

The Blueprint is designed to be agile and nimble and there will be the ability to refresh every two years as to what the priorities are. The Strategic Planning Committee will make sure everything in The Blueprint is on course and at the end of the two years they will determine if changes are needed.

The Blueprint utilizes the following three groups for developing and implementing the Plan:

- The Board of Directors initially made input through interviews and the information was used to leverage priorities that are right for the Utility. The Board will continue to review, provide feedback, and adopt The Blueprint.
- The Executive Advisory Team (General Manager, Chief of Staff, Chief Financial Officer, Chief Operating Officer, and Assistant General Manager for Customer Care and Operations) helped to formulate and further develop the strategic programs and took them to D.C. Water's Executive Team for agreement.
- The Core Team is comprised of 15 middle and senior staff members from every department across the Utility. The Core Team helped to select the core values.

Ms. Neiderer reported that the framework of The Blueprint consists of two parts:

- (1) Where are we going, the vision which indicates who we want to become, and the mission, what we will do.

- (2) How will we get there (strategic programs) and where D.C. Water must focus to meet its vision. The Plan includes shared challenges of how all staff contribute to achieving D.C. Water's vision. Values are principles that guide how everyone will behave or execute the programs in the Plan. The values will be leveraged to improve how the staff behaves in the workplace. The values are accountability, trust, teamwork, customer focus, safety, and wellbeing.

Since the Blue Horizon 2020 Strategic Plan was first implemented, the mission statement has not changed. The vision has, and it is as follows: We will be known for superior service, ingenuity, and stewardship to advance the health and well-being of our diverse workforce and communities. Ms. Neiderer stated that 900 staff members voted on two visions and this vision was selected.

Ms. Neiderer indicated that there are six Strategic Programs and there are executive sponsors for each who are responsible for finding resources and selecting the approach to tackling the program. The programs are as follows: The Employee Experience, Leveraging Technology, Driving Performance, Operational Safety, Customer Affordability, and Resilience and Readiness. Each program has an objective to tie it back to the customer and focus areas. The strategic programs will have strategic liaisons who will serve as leads and task teams for executing the programs.

Outcomes will continue to be defined in the coming months. Ms. Neiderer stated that there is a shared challenge with the goal of strengthening the mental and emotional connection employees have with their work, their team, and D.C. Water. The objective is to establish D.C. Water as a preferred employer utilizing a comprehensive total rewards strategy to drive performance and employee engagement. The outcome sought is to improve in year one the employee experience utilizing the following three measures to demonstrate success: quality of hire, performance, and engagement. The second outcome is to increase the pipeline of internal talent through a learning organization mode and succession planning. The last outcome is to improve the employee engagement score by two percent each survey cycle.

Ms. Neiderer stated that the logistics of the Plan and execution include development of a comprehensive Communication Plan which will be provided to the staff, customers and stakeholders. This will be completed within the next few months. The purpose of the Plan is to strengthen staff engagement in strategic planning and execution and awareness of D.C. Water's priorities.

Ms. Neiderer stated that Board oversight will be increased. The Committee will meet bi-annually. It was recommended that the full Board become a Committee of the Whole for Strategic Planning. The Board will have a full understanding of the priorities moving forward and decide how this Committee should work with the other committees on this issue. A dashboard will be developed to present information and data to the Board every six months.

Ms. Neiderer presented the next steps in the process. The first step was review of The Blueprint which was accomplished in this Committee meeting. She stated that the action item before the Committee should be recommended for approval to the full Board on October 4, 2018. The Strategic Planning Committee will meet again in February 2019.

At the Senior Staff Advancement in November an entire day will be dedicated to discussing The Blueprint and further developing it. Implementation of the Communication Plan will begin as soon as the Board approves the Strategic Plan, The Blueprint. Implementation and execution will continue over the next two years. The Strategic Programs will be further developed beginning in November.

Chairman Wells thanked Ms. Neiderer for her presentation and asked for questions.

Mr. Giancola stated that he was delighted with the framework and supports it. He asked a question about the Executive Sponsors and whether under Operational Safety the Safety Officer will continue to report to Mr. Gadis. Mr. Gadis replied that the position reports to Maureen Holman, Acting Chief Administrative Officer, as does Safety and Security. She appears as an Executive Sponsor.

The second issue related to Customer Affordability. Mr. Giancola thought there should be someone included from the Billing side who receives and assists customers daily. Mr. Gadis stated that Armon Curd will be Chief of the Customer Service Experience when he comes aboard on October 28, 2018. They have separated the Customer Services area and the Customer Operations area.

Mr. Giancola said that in the Resilience and Readiness areas he believes Facilities should be involved because they already are very familiar with the status of the facilities and equipment. He noted that he is also very concerned about cybersecurity. Mr. Gadis replied that they want to include cross functional and getting everyone in the organization involved instead of having a silo. These people will be leading the cross functional teams, so they will all be involved.

Under Shared Challenges and the desired outcome to improve employee engagement by two percent each survey cycle, Mr. Giancola wanted to know why the percentage is not higher. Mr. Gadis stated that the professionals had told them that two percent is aggressive from year to year. He and the Chief of Staff have discussed this and concluded that this is correct since it takes some time to change people's processes and their thoughts.

Lastly, Mr. Giancola recommended that the Committee meet quarterly instead of bi-annually, at least during the first year.

Mr. Thompson stated that he is glad that the process began with someone from the outside and now it is in-house which gives you something that everyone at D.C. Water can get behind. He wanted to clarify that The Blueprint will be refreshed after two years. Mr. Gadis replied that it would be and that they built this into the process so that it would be nimble and change on a dime. Mr. Thompson indicated that refreshing every two years makes this a living document

Mr. Patteson thanked the staff for their outreach and listening to the Board. He stated that this is a nice Plan. Rev. Curry thanked the staff and believes the Plan can be used as a roadmap. His question related to performance metrics and why if the Committee is scheduled to meet again in February they will not begin working on the metrics until January. Rev. Curry believed development of the metrics should run parallel with

program development. Mr. Gadis stated that the Senior Staff Advancement is in November and they will start now building the metrics. At the Advancement they will continue to develop and fine tune the metrics into the holidays.

Mr. Gibbs agreed with Mr. Giancola that the Committee should meet quarterly because he believes meetings should be more frequent to keep the Board apprised of what is going on. Even if it does not meet quarterly, there should be some way to keep the Board up to date. Mr. Gadis said that it was a good suggestion.

Mr. Gadis stated that this Plan becomes a living document, the D.C. Water bible from a water standpoint. They will live by it daily. He believes bringing the Plan before the Board on a quarterly basis is a good suggestion and it will be done.

Chairman Wells stated that he knew everyone around the table had been involved in Strategic Planning and that it is difficult because you have both bottom line people and process people asking what are we going to do, how are we going to measure it, and when will it be done. Process people saying how do we bring everyone along, is there ownership, and the journey is as important as the destination. They come from different angles. Chairman Wells indicated that he is pleased that the new General Manager came on board at the right time to shape this Plan. This is a very good process.

### **III. Adjournment**

Chairman Wells asked if the Committee was recommending the refreshed version of the Strategic Plan, the Blueprint, to the full Board for approval. The members indicated their agreement. Chairman Wells asked if there were other comments or concerns, and there being none, he adjourned the meeting.





**CEO and GENERAL MANAGER'S REPORT**

David L. Gadis – October 2018

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**Color Key**

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

## Message from the CEO/GM

### October GM Report

#### **New Anacostia Second High Pressure Zone**

DC Water completed the long-planned increase in water pressure for 6,000 residential and commercial connections in parts of Ward 8. DC Water invested more than \$100 million in system improvements in preparation for the pressure new Anacostia Second High Pressure Zone.

The effort to create the new pressure zone was a complicated process involving a number of departments across the Authority that included the Department of Engineering and Technical Services (DETS), Distribution and Conveyance Systems (DDCS), Marketing and Communications, Water Quality, Office of Emergency Management, Water Services and Customer Services.

Public outreach was a major initiative, because of the size of the pressure increase up to 22 psi that occurred over the month. We also had to address the customers in the new pressure zone that would be above 85 psi that involved installing more than 1,000 pressure reducing valves, free of charge, for customers who were expected to see their pressure increase above 80 psi to avoid internal plumbing problems. A filter distribution program was also developed to address customer concerns over the impact of a pressure increase on old pipes.

Along with the construction of the new tank, new water mains were needed to connect the tank to our existing infrastructure. This effort required coordination to properly disinfect, connect and commission all the new infrastructure associated with the new 2nd High pressure zone. The 83 million gallons a day Anacostia Pump Station that was commissioned in 2009 in preparation for this pressure increase also needed to be evaluated and tested before the tank was brought on-line. A plan was created to check and test the status of each of the systems inside the station that supported the commissioning of the new zone. A valve plan was also created for the water distribution system, so the new zone could be isolated from the existing pressure zone and was executed as part of the commissioning process.

DETS and DDCS developed the plan to change the operation of the Anacostia Pump Station to allow a gradual increase in pressure. These start-up operations were tested in several steps to ensure operators understood the system and were comfortable with the start-up operations as well as standard operations. Emergency Management created the drill for a large transmission break at the Anacostia Pump Station to further test staff's ability to problem solve with the new system. Water Services took many proactive measures to successfully minimize the main breaks. The installed air release valves, monitored pressures, check air release valves to release air before, during, and now after the pressure increase.

We anticipated main breaks associated with the pressure increase especially on some of our older pipes and our crews were at the ready to respond so staff limited operational work in the new pressure zone. A total of 22 main breaks were reported over the month with some attributable to the pressure zone increase mostly on our older pipes. The team has responded quickly to minimize the impact to our customers.

Overall, this project is a true success story for the Authority as we have been able to resolve a decades old problem of low water pressure for residents East of the River in Anacostia.

#### **The Stakeholder Alliance**

In September, DC Water created the Stakeholder Alliance to serve as a permanent external sounding board for ideas and concerns from individuals and organizations in the city. My hope is that this group will complement the role our Board plays by giving us a wider perspective on community issues, while

## Message from the CEO/GM

still deferring to the Board for setting the direction and making decisions. I created the Alliance by soliciting ideas from all 8 ward Council members, as well as identifying important representatives from several industries across the city – from hotels to universities. We also made sure to include the voices of clergy and environmental groups. My plan is for the Alliance to meet once a month this fall, and to transition to quarterly meetings in 2019 and beyond.

### **National Association of Clean Water Agencies (NACWA) Awards Blue Plains Advanced Wastewater Treatment Plant**

DC Water's Blue Plains Wastewater Treatment has earned National Association of Clean Water Agency's (NACWA) Platinum 6 Peak Performance Award for excellence in permit compliance. The award was presented to the Authority in recognition of six years of complete and consistent National Pollutant Discharge Elimination System (NPDES) permit compliance. The Authority and other honorees were recognized during NACWA's Annual Utility Leadership Conference held on July 24, 2017 in Boston, Massachusetts

### **AMR Replacement Program**

The AMR Replacement Program, which focuses on small diameter meters is nearing completion towards the end of this fiscal year. As of 09/24/2018, the AMR program completed 79,646 installations against the total of 88,000. Overall, the AMR program has been successful and is helping to provide timely and accurate bills for our customers. In FY2019, DC Water will focus on a long-term maintenance plan for all small meters, which includes approximately 123,400 customers. Simultaneously, DC Water will launch a large meter replacement program to address meters 3 inches and above, which account for more than 45% of DC Water's billed revenue.

### **National Search for Director of Occupational Safety and Health**

DC Water has begun a nation-wide search for its next Director of Occupational Safety and Health (OSH). This role is vital to DC Water continuing to advancing the OSH program to be a pillar within the safety arena. Human Capital Management (HCM) has engaged the search firm of Polihire, a local DC minority run search firm with deep connections to the region and familiarity with DC Water to manage the search.

### **Office of Marketing and Communications (OMAC)**

#### *Government Relations*

- The GR team held check-in meetings with several council members about current topics, including:
  - Meeting with Councilmember Gray at his neighborhood block party
  - Meeting with Councilmember Allen about flooding at a middle school
  - Meeting with Councilmember Cheh about CRIAC
- The GR team has taken the lead in pushing ahead with two key DC Water priorities: Working with residents and stakeholders of Sutton Place on installing a Pressure Reducing Valve (PRV) and working with residents and stakeholders at Danbury Station on installing individual water meters. Both issues continue to move forward.

#### *Customer Newsletter*

The customer newsletter for September was the annual double issue celebrating National Preparedness Month. It included a message from the GM regarding the boil water advisory as well as articles on: signing up for emergency alerts, finding the emergency shut-off valve, how to conserve water in a crisis,

## Message from the CEO/GM

how much water to store for an emergency, what to do for flooding and sewer back-ups, “if you see something, say something,” and an article about DC Water’s Office of Emergency Management.

### Drinking Water Marketing and Communications

- The OMAC team is coordinating with several other departments including Water Quality & Technology and Customer Service to prepare for a mailer campaign that will contact 12,000 customers with known lead service pipes. The bilingual letter & FAQ will encourage customers to replace their lead service pipes. The letter will be mailed out at the end of September and first week of October.
- OMAC joined the national conversation during Water Quality Month to promote the environmental and health benefits of drinking tap water, steps to protect public health from lead exposure in water, and source water protection via the proper disposal of medication. OMAC continued those conversations at multiple residential buildings where staff presented on a variety of water quality topics to resident groups and answered pressing questions about the safety of District tap water.

### Emergency Communication

- OMAC is working with several cross-functional teams addressing processes for Public Notification, including the Critical Customer database, template development, and the Public Notification Plan update.
- OMAC is developing processes and forms for DC Water staff to use for emergency deployments under EMAC/WARN (FEMA-reimbursable) requests. Processes inform supervisors and provide guidance for developing proposals for official requests by qualified personnel.

### Media Relations

Media team worked hard on the challenge posed by an individual opening hydrants and spraying water on streets. We conducted multiple interviews with newspaper, television, radio and bloggers on the topic. The media team developed strategy for releasing the report on the pressure loss and boil water advisory, on preparations for Hurricane Florence and on the water pressure increase for parts of Ward 8. The team also answered media inquiries on various water main breaks.

### Press Releases:

Sept 12 DC Water prepares for Hurricane Florence  
 August 16 DC Water Releases Comprehensive Report on Pressure Drop and Boil Water Advisory  
 August 27 DC Water improves water pressure in parts of Ward 8

### [D.C. Water Authority says it will overhaul emergency alerts after boil-water fiasco](#)

(Washington Post / August 16, 2018)

### [Getting Somewhere with the Potomac Interceptor Rehab Project](#)

(Connection Newspapers / August 20, 2018)

### [How Safe Is Local Tap Water?](#)

(WAMU / August 22, 2018)

### [Runoff Fees Close Churches](#)

(Georgetowner / August 29, 2018)

### [Man arrested and charged with opening fire hydrants in Northeast D.C.](#)

(Washington Post / September 11, 2018)

## Message from the CEO/GM

### Meetings and Presentations

- In support of the Greater Washington Urban League’s Health and Wellness Back To School Festival, DC Water made a generous donation of adult sized water bottles, kids sized water bottles, and reusable bags.
  - In ongoing partnership with the DC Department of Parks and Recreation (DPR), DC Water is supporting a number of events hosted by DPR:
- 5th Annual Chuck Brown Day Celebration-Provided the Misting Tent, Cooling Station, assorted giveaways (including water bottles and special designed graphic tee-shirts), information, and guest appearance by Wendy
  - DC Water attended Matthews Memorial Baptist Church’s First Annual Back To School Block Party. In support of this event, we provided our Cooling Station, information, assorted giveaways (including kids sized water bottles) and guest appearance by Wendy.
  - This summer, DC Water is increasing its presence and outreach at more events that reflect the diversity of the customers we serve! As part of this, we have initiated what we’ve termed our “#EveryonesWater summer event tour,” in which we are participating in events hosted by many diverse agencies and organizations. Stops we have made on the tour this month include the following:
- 3rd Annual Taste of the World Festival, an event sponsored by the Mayor’s Office of Latino Affairs, in partnership with DPR. In support of this event, we provided our Misting Tent, Cooling Station, informational brochures (in both English and Spanish), assorted giveaways (including adult sized water bottles), and guest appearance by Wendy.
  - DC Water attended the 2nd Annual Ward 7 Business and Community Festival, sponsored by the Office of Councilmember Vincent Gray. In support of this event, we provided our Cooling Station, information, assorted giveaways (including adult sized water bottles), and guest appearance by Wendy.
  - As part of our “Let’s Talk Construction” initiative, DC Water hosted its pilot Infrastructure Forum on Saturday, September 8. Launched this year in Ward 1, this was an interactive open house incorporating a number of displays, visuals and information geared toward better educating the public about the condition of our city’s aging infrastructure, our construction processes, selection/prioritization of construction projects, and the ways in which customers can help us maintain water and sewer pipes. The preparation for this event was similar to that of our annual town halls, as we employed a wide number of outreach activities including social media, email, neighborhood list serves, paid media (community newspapers), hand delivery of printed fliers, promotion of the event via the Mayor’s Office of Latino Affairs, and even circulation of a media advisory! Additionally, this event involved a number of DC Water departments including OMAC, DETS, IT, Facilities, Security, DWS, DSS, Procurement, and Wastewater Management. This event was met with great gratitude and enthusiasm by all members of the public who were in attendance, and it furthered communications on Twitter regarding the proper disposal of wipes-a successful event, indeed!
  - DC Water attended the 40th Annual Adams Morgan Day Festival. In support of this event, we provided our Quench Buggy, Misting Tent, Cooling Station, informational brochures (in both English and Spanish), assorted giveaways (including adult sized water bottles, kids sized water bottles and reusable bags), and guest appearance by Wendy.
  - DC Water attended the September monthly meeting of ANC 6D to provide an update on its B Street/New Jersey Avenue Trunk Sewer Rehabilitation and Cleaning Project.

## Message from the CEO/GM

### *Tours*

- DC Residents 2 Adults
- DC Residents 5 Adults
- DC Residents 5 Adults
- Knaapps Fellowship 25 Adults
- Alliance to Save Energy 25 Adults
- Homeschoolers 2 Adults 10 Children
- American University 22 Adults
- RSM 18 Adults
- State Department 21 Adults
- Environment Forum China 16 Adults

Message from the CEO/GM

SOCIAL MEDIA



Group Audience Growth

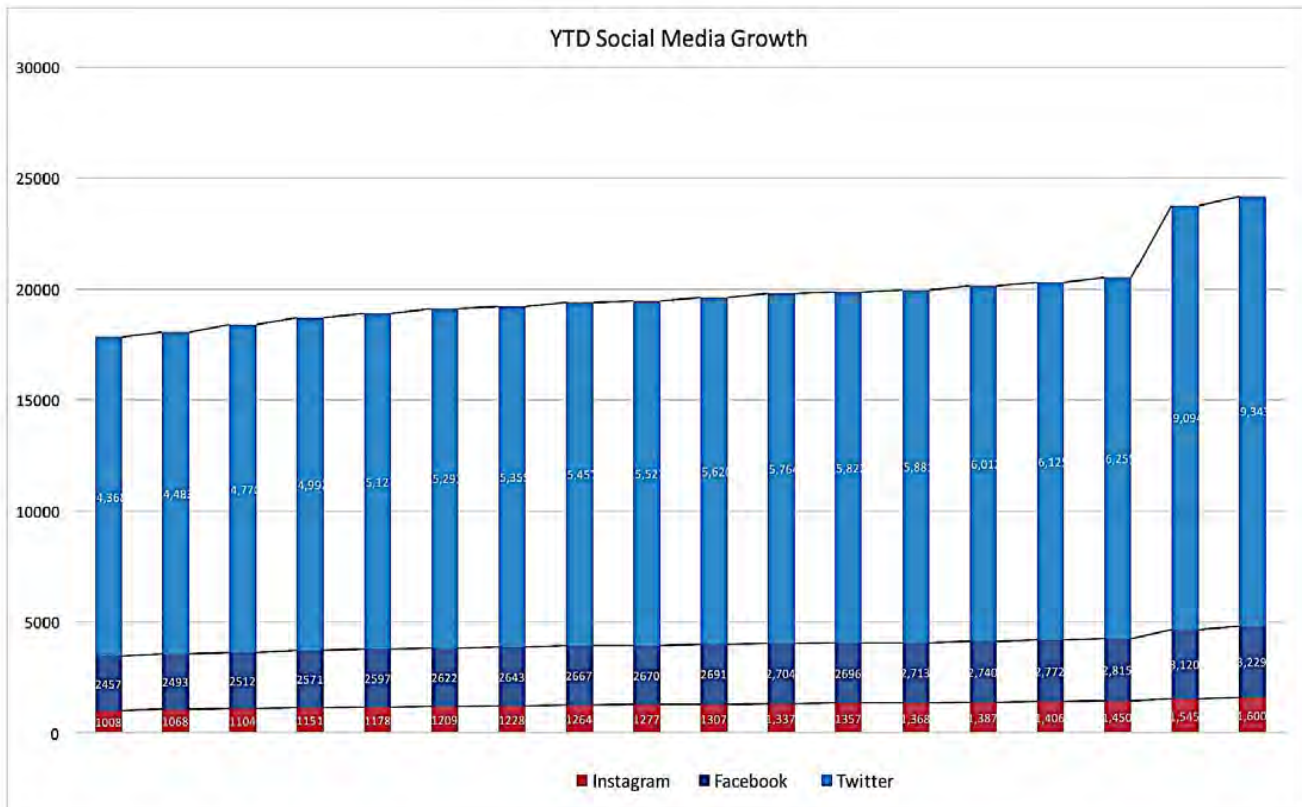
■ Twitter ■ Facebook ■ Instagram

Audience Growth Metrics	Totals	% Change
<b>Total Fans</b>	<b>27.3k</b>	<b>0.8%</b>
New Twitter Followers	184	<b>0.8%</b>
New Facebook Fans	2	<b>0.1%</b>
New Instagram Followers	20	<b>1.3%</b>
<b>Total Fans Gained</b>	<b>206</b>	<b>0.8%</b>

Total followers increased by

**▲ 0.8%**

since previous date range





Message from the CEO/GM

Website

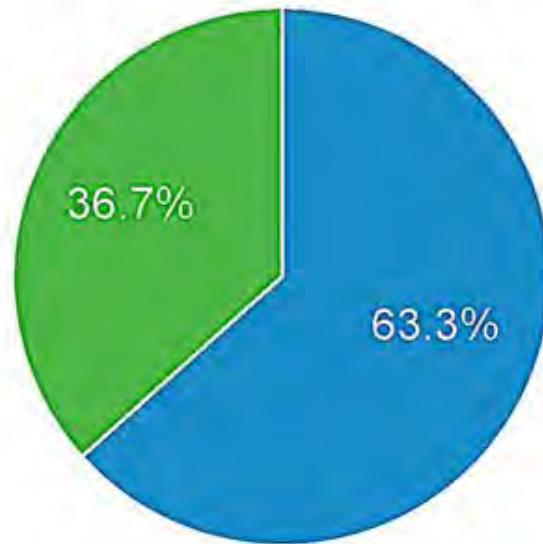
Sessions  
61,562

Pages / Session  
2.36

Avg. Session Duration  
00:02:08

Bounce Rate  
31.44%

■ New Visitor ■ Returning Visitor



Top 10 Visited DCWater.com Web pages

Page	Pageviews		Percentage
1 /default.cfm	34,997	■	24.09%
2 /my-dc-water-upgrade	31,993	■	22.03%
3 /paying-your-bill	11,174	■	7.69%
4 /careers	7,046	■	4.85%
5 /contact	5,429	■	3.74%
6 /payment-and-billing	1,938		1.33%
7 /projects	1,551		1.07%
8 /internal-job-board	1,252		0.86%
9 /rates-and-billing	1,250		0.86%
10 /management	1,230		0.85%

## ORGANIZATIONAL PERFORMANCE DASHBOARD (August 2018)

### Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	138,604	Actual	590	Actual	469	Actual	461
Target	75,768	Target	569	Target	515	Target	425
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	164	Actual	3	Actual	2.15	Actual	1.77
Target	126	Target	3	Target	2.64	Target	2.05
	(\$ mil)		(%)		(%)		(%)

### Customer Care and Operations Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	85		85		75		90
Aug	93	Aug	91	Aug	73	Aug	100
	(% of calls rec)		(% of calls rec)		(% of calls rec)		(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	45		973		250		87
Aug	(count)		(count)	Aug	(YTD count)		(%)

### Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	95	Previous	88
Target	73	Current	156
	(\$ tho)		(\$ tho)

### Operational Highlights

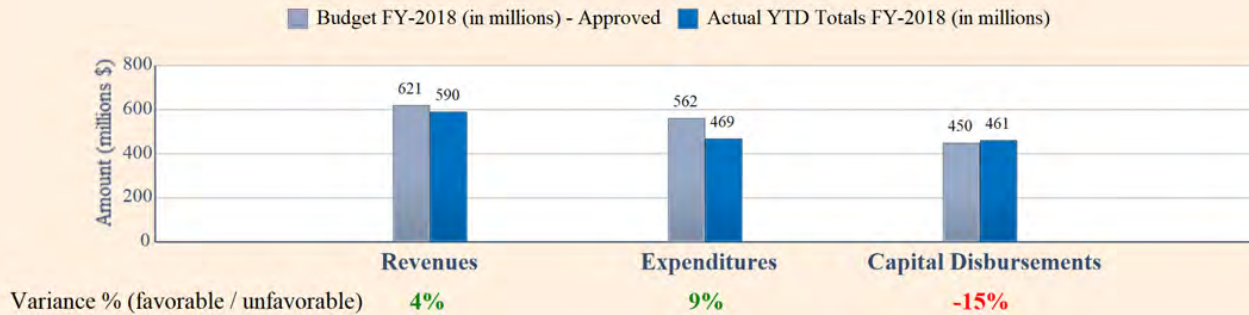
Lead Concentration (ppb)		Total Coliform Rule (%)		Biosolids Production		Total Nitrogen (lbs/yr mil)	
	5		0.8%		504		3.02
	(ppb)		(%)		(wet tons)		(lbs/yr mil)
Plant Effluent Flow (gal mil)		Excess Flow		Water Main Leaks		Water Valve Leaks	
	319.1		63		16		1
	(gal mil)		(gal mil)		(count)		(count)
Non-Revenue Water		Sewer Main Backups		Sewer Lateral Backups		Dry Weather CSO	
Sold	9.45		7		88		0
Purchased	11.4		(count)		(count)		(events)
	(CCF mil)						
Recruitment Activity		Electricity Usage		Employee Lost Time Accidents		Vendor Payments	
Filled	20		19		4	Actual	97
Open	67		(MWh)		(count)	Target	97
	(count)						(%)

## FINANCIAL HIGHLIGHTS

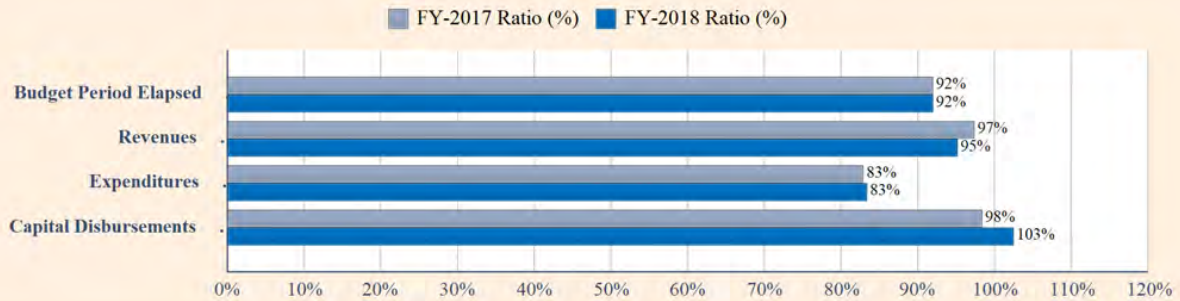
### FINANCIAL PERFORMANCE SUMMARY

#### REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

*Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget*

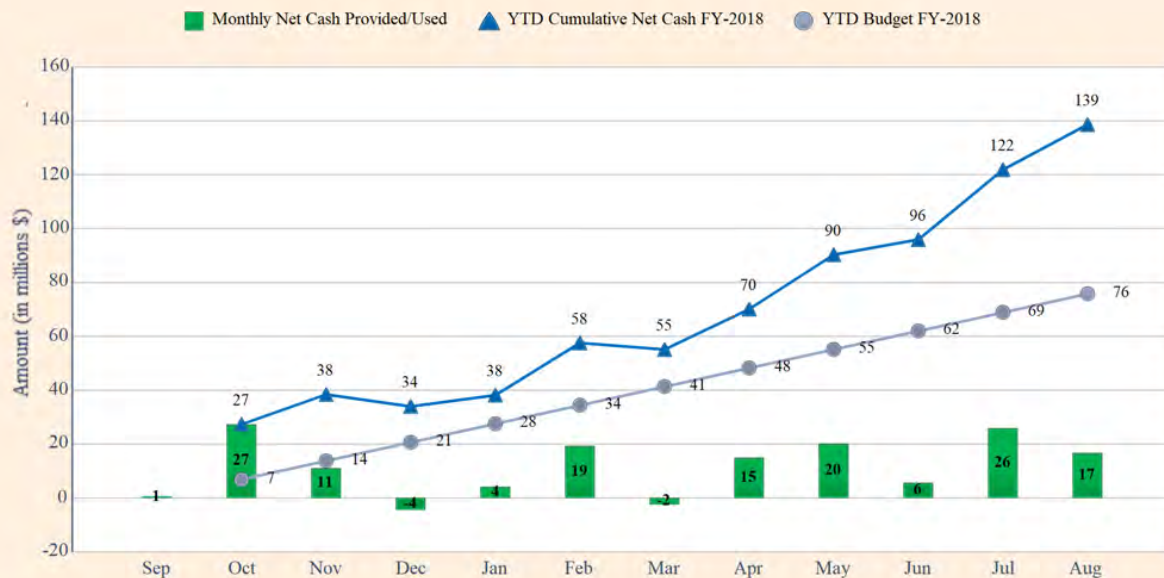


#### YEAR TO DATE ANALYSIS



#### NET OPERATING CASH

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



*Net cash to date for August was above budget by \$63 Million*

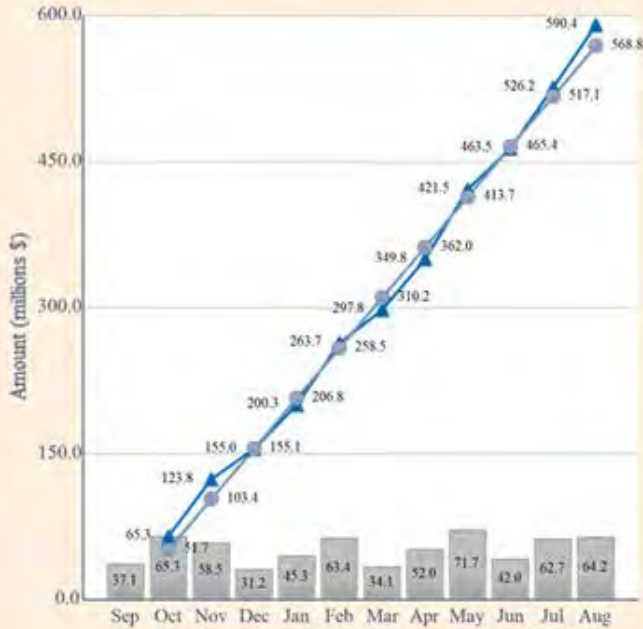
**FINANCIAL HIGHLIGHTS**

**REVENUES AND OPERATING EXPENSES**

**OPERATING REVENUES**

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- ▲ YTD Cumulative Revenue FY-2018
- YTD Cumulative Budget FY-2018

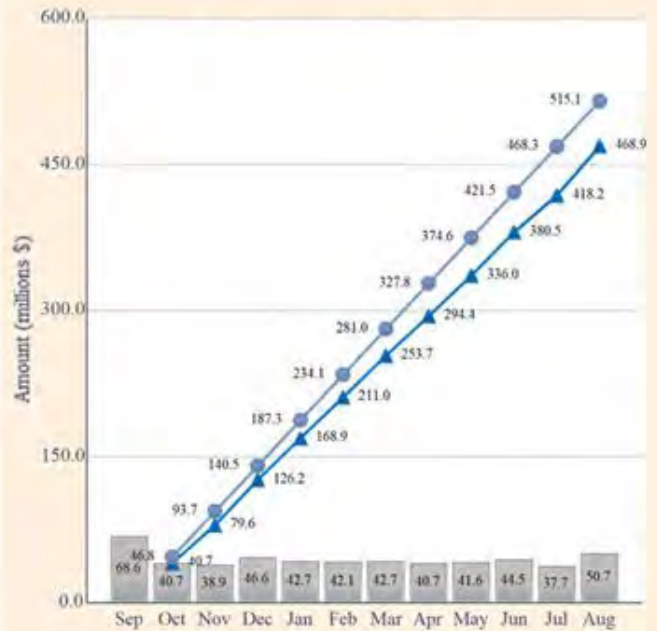


Revenue to date for August was above Budget by \$21.6 Million

**OPERATING EXPENSES**

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- ▲ YTD Cumulative Expenditure FY-2018
- YTD Cumulative Budget FY-2018



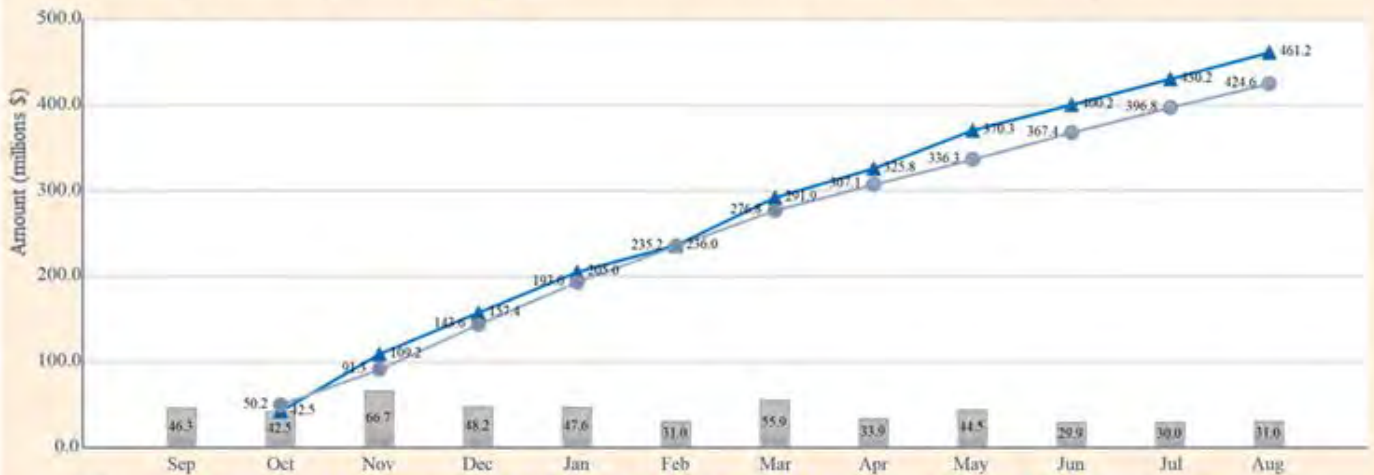
Expenditure to date for August was below budget by \$46.2 Million

**CAPITAL SPENDING**

**CAPITAL DISBURSEMENTS**

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- ▲ YTD Cumulative Disbursements FY-2018
- YTD Cumulative Budget FY-2018



Disbursements to date for August was above budget by \$36.6 Million. YTD Spending reflects comparison to the straight lined approved budget.

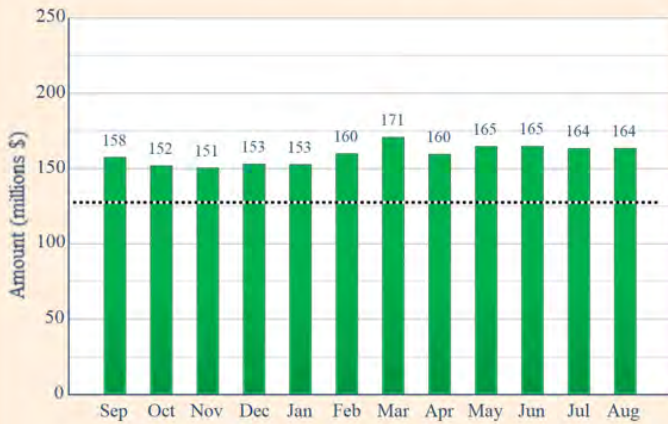
## FINANCIAL HIGHLIGHTS

### OPERATING CASH AND RECEIVABLES

#### OPERATING CASH BALANCE

*Average Daily Cash Balance compared to Operating Reserve Target*

- Actual Cash Balance FY-2018
- Operating Reserve Target - (125.5 Million)

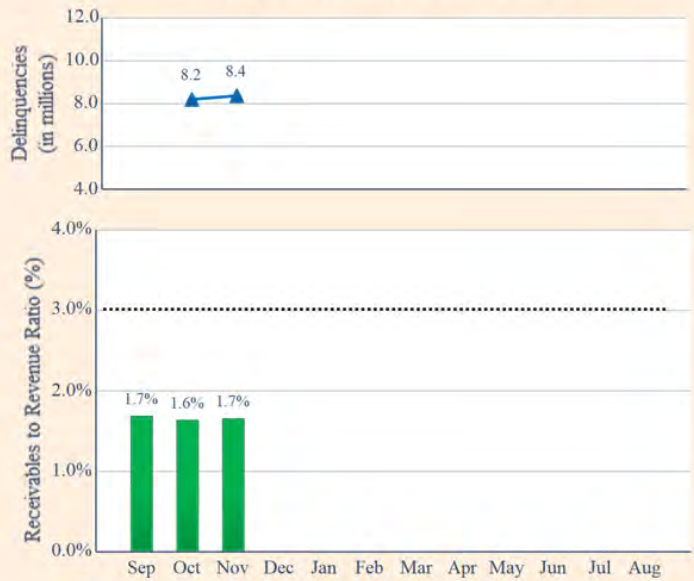


*Cash Balance for August was above target by \$38.1 million*

#### DELINQUENT ACCOUNT RECEIVABLES

*Delinquency & Receivables to Revenue Ratio compared to Target*

- Receivables to Revenue Ratio
- Delinquencies (in millions)
- Target: Receivables to Revenue Ratio (3%)



*August Receivables to Revenue Ratio info is pending, Delinquency info is pending*

### INVESTMENT EARNINGS

#### INVESTMENT CASH EARNINGS

*Monthly & Cumulative Earnings compared to YTD Budget*

- Monthly Earnings
- YTD Cumulative Earnings FY-2018
- YTD Cumulative Earnings Budget FY-2018



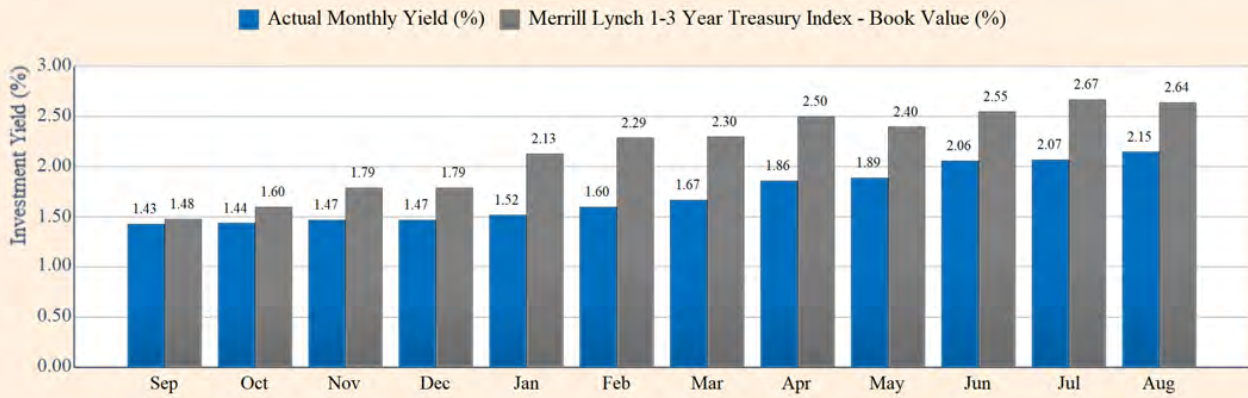
*Earnings to date for August were below Projected Budget by \$79,000*

## FINANCIAL HIGHLIGHTS

### INVESTMENT YIELD

#### CORE INVESTMENTS YIELD

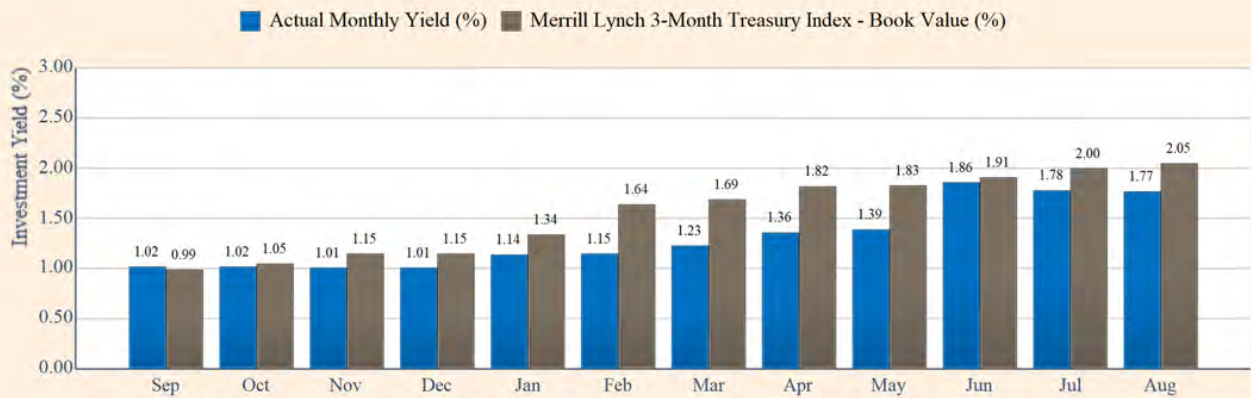
*Monthly Yield compared to Merrill Lynch Benchmark*



*Yield for August was less than the treasury index by 0.49%*

#### SHORT TERM INVESTMENT YIELD

*Short Term Yield compared to Merrill Lynch Benchmark*



*Short Term Yield for August was less than the Merrill Lynch yield by 0.28%*

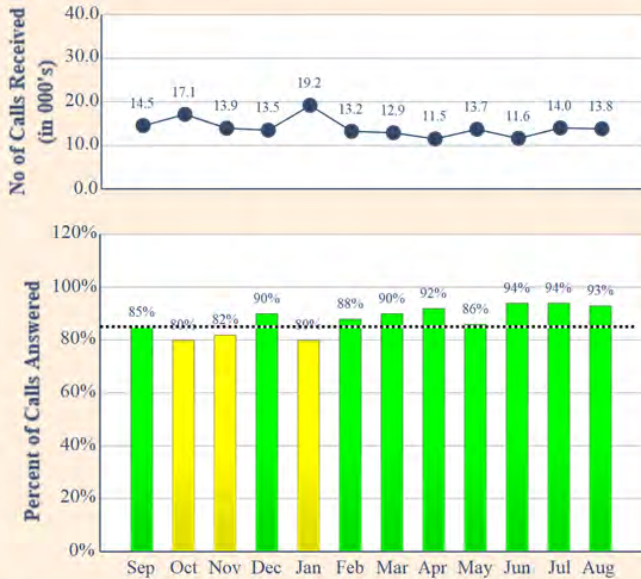
**CUSTOMER CARE AND OPERATIONS HIGHLIGHTS**

**CUSTOMER SERVICE**

**CALL CENTER PERFORMANCE**

*Calls Answered within 40 Seconds compared to Target*

- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target - Call Center (85%)

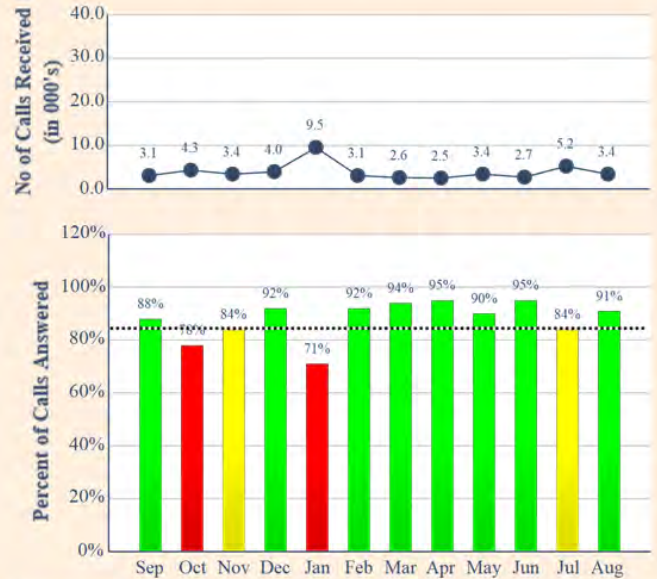


*Performance for August was above target by 8%*

**COMMAND CENTER PERFORMANCE**

*Calls Answered within 40 Seconds compared to Target*

- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target - Command Center (85%)

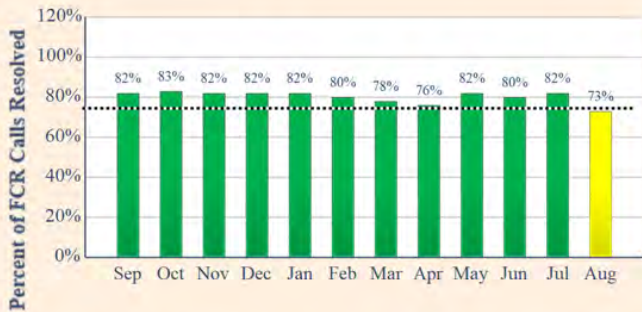


*Performance for August was above target by 6%*

**FIRST CALL RESOLUTION (FCR)**

*Calls resolved on first contact compared to Target*

- FCR (%)
- FCR Target (75%)

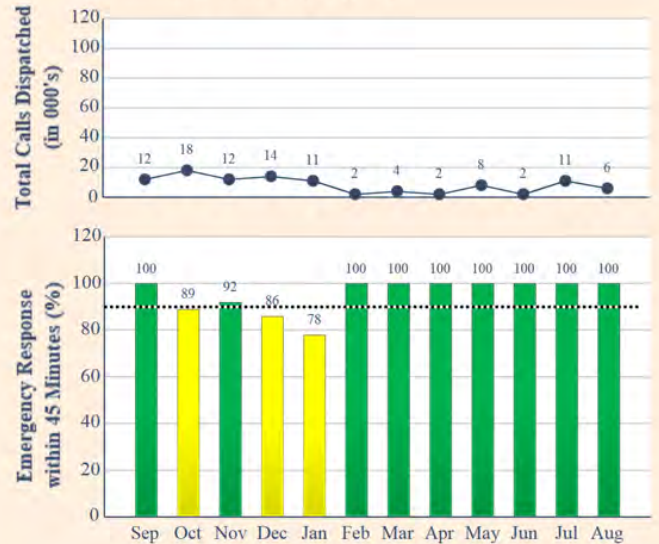


*Performance for August was below target by 2%. Decreased first call resolution due to collection activity beginning in August. Customers calling concerning pending disconnection of service caused repeat calls.*

**EMERGENCY RESPONSE TIME**

*Calls responded to within 45 Minutes compared to Target*

- Response (%) within Target
- Total Emergency Calls Dispatched
- Response Target (90%)



*Performance for August was above target by 10%*

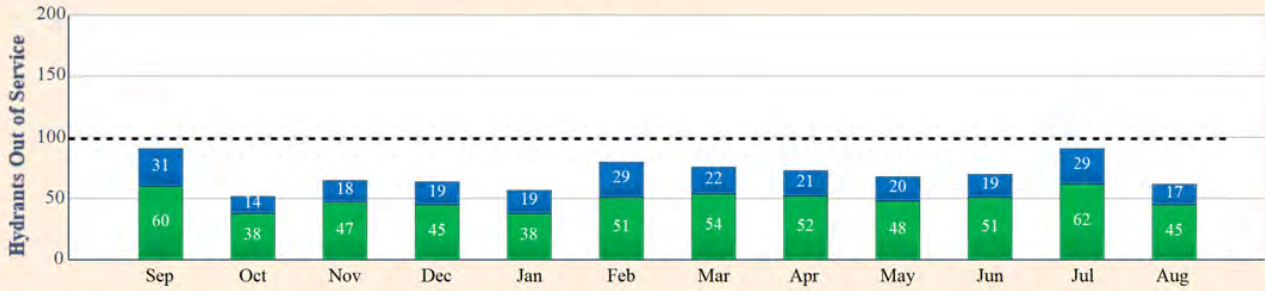
**CUSTOMER CARE AND OPERATIONS HIGHLIGHTS**

**FIRE HYDRANTS**

**Fire Hydrants Out of Service (OOS)**

*Total Hydrants Out of Service against Target*

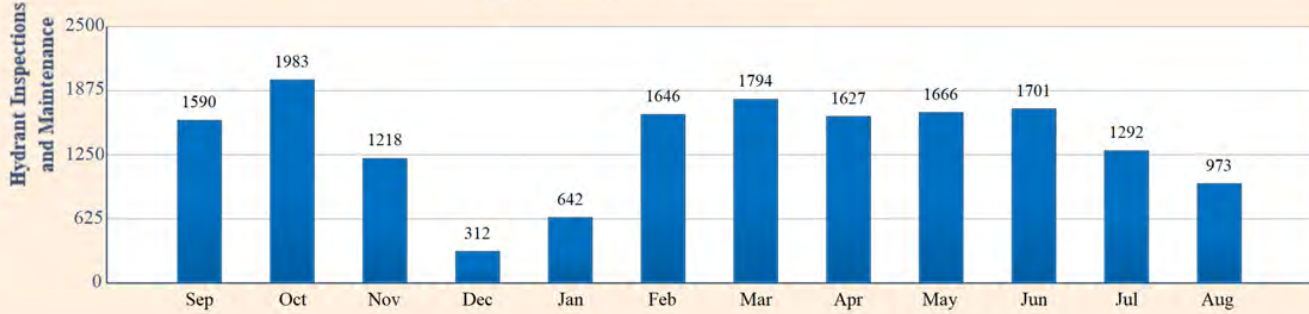
- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



**Fire Hydrant Inspections and Maintenance**

*Total Hydrant Inspection and Maintenance Work Orders Completed per Month*

- Hydrant Inspections and Maintenance



**Total Hydrant Replacements Per Month**

*Annual Replacement Target (250)*

- Hydrants Replaced

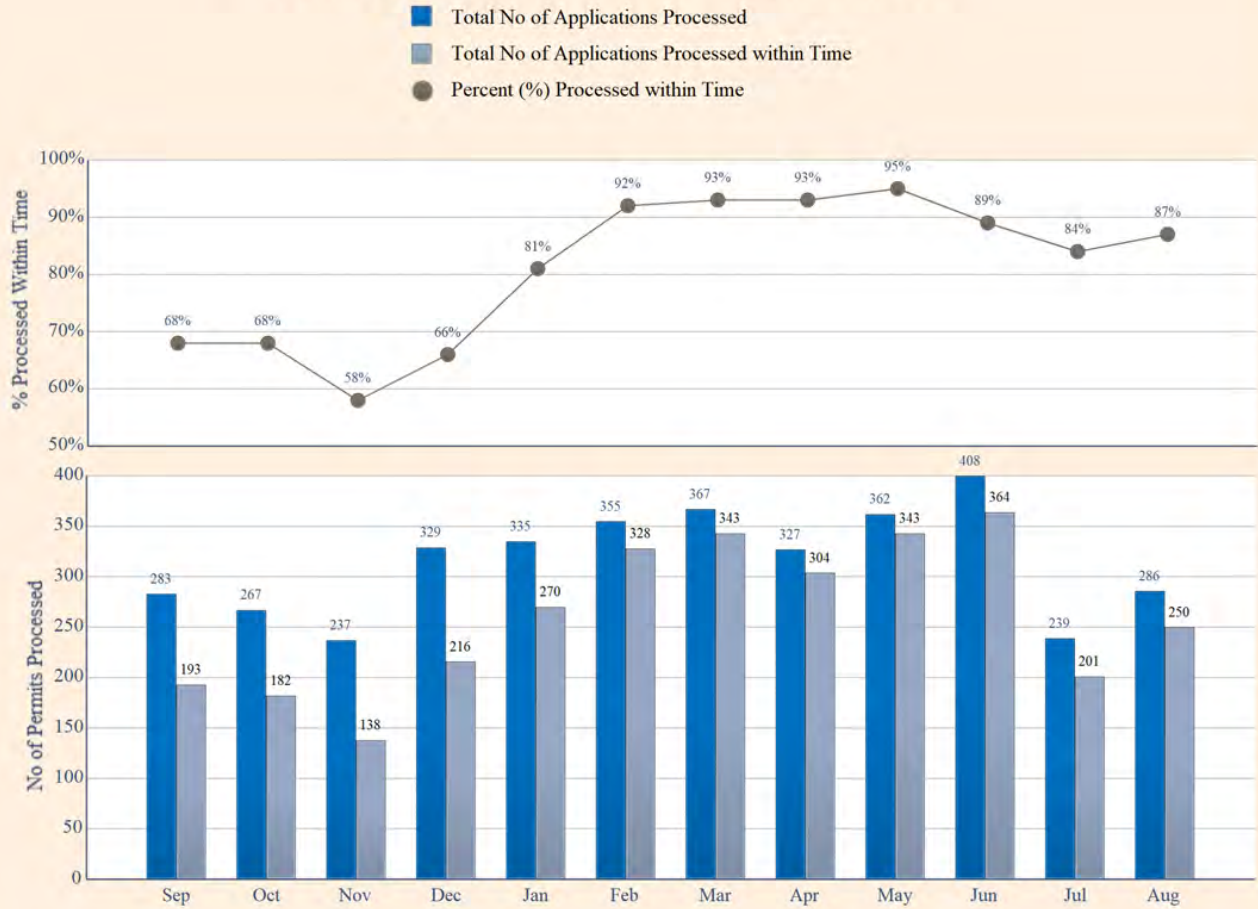




CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



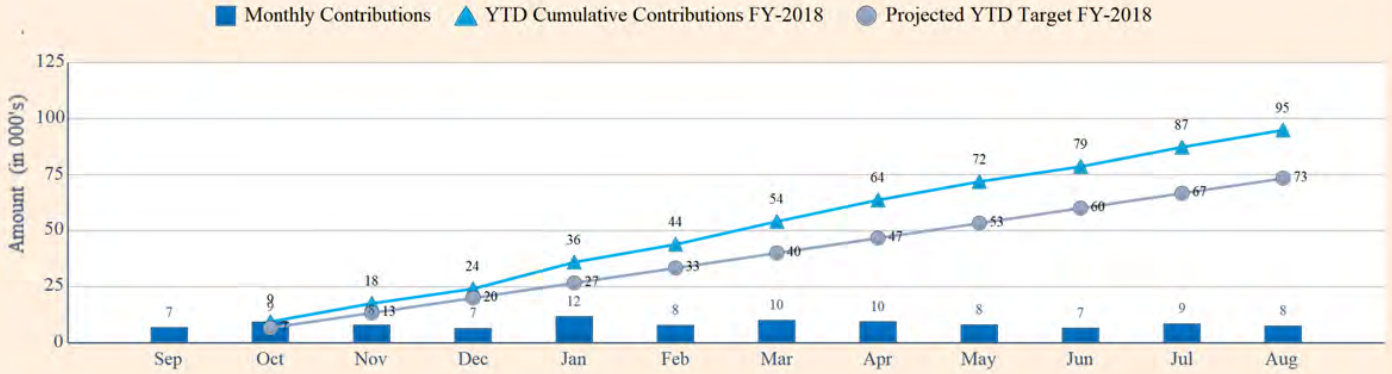
Permits processed in August were 2% above the SLA target of 85%

**LOW INCOME ASSISTANCE PROGRAM**

**SPLASH PROGRAM**

**SPLASH CONTRIBUTIONS**

Monthly and Cumulative Contributions compared to YTD Target

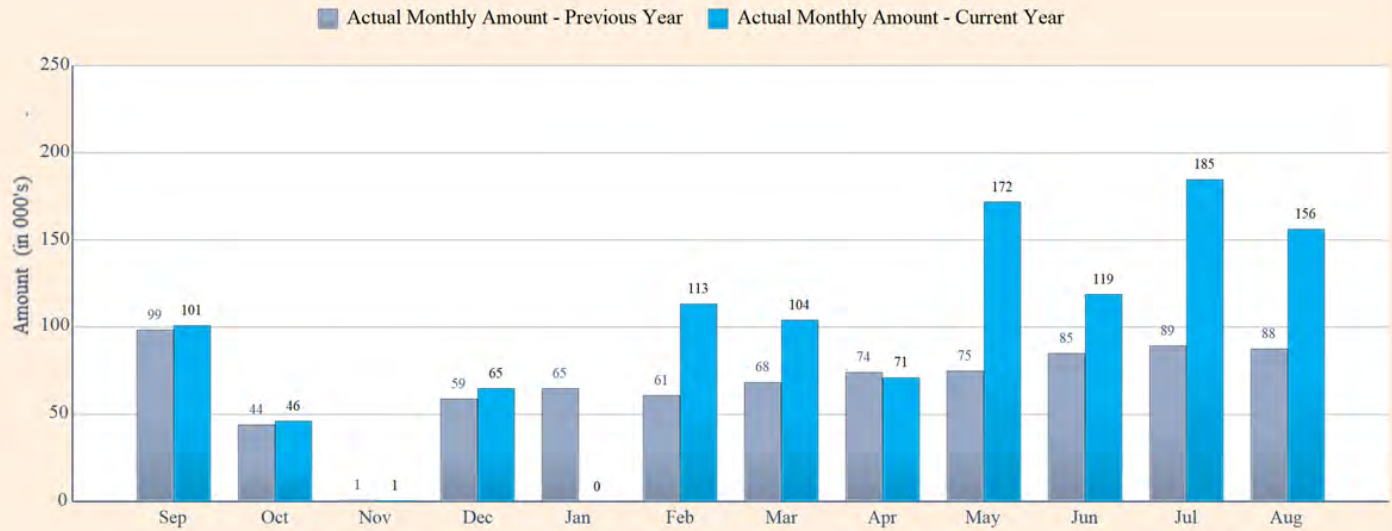


Total SPLASH Contributions to date for August were above target by \$21,530

**CUSTOMER ASSISTANCE PROGRAM (CAP)**

**CUSTOMER ASSISTANCE PROVIDED**

Monthly Assistance Provided compared to corresponding Previous Year Periods

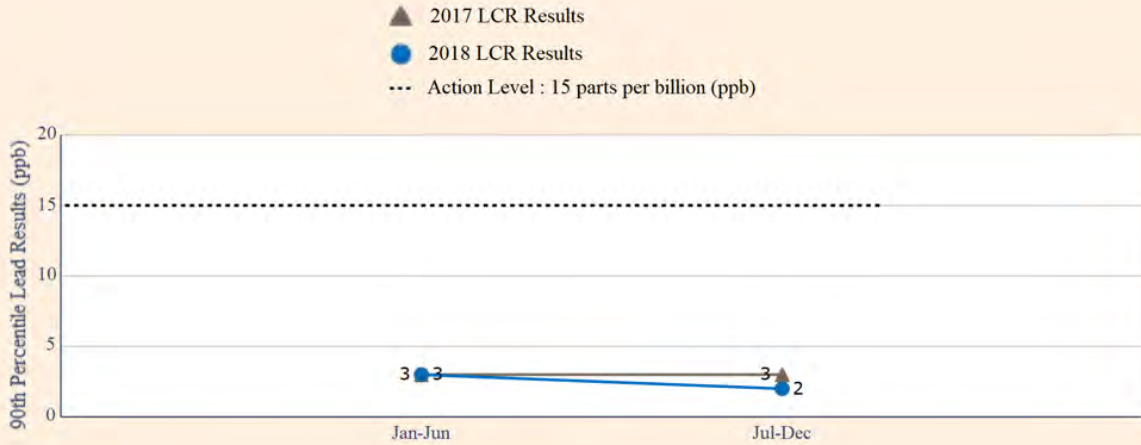


**OPERATIONAL HIGHLIGHTS**

**DRINKING WATER QUALITY**

**LEAD AND COPPER RULE (LCR) COMPLIANCE**

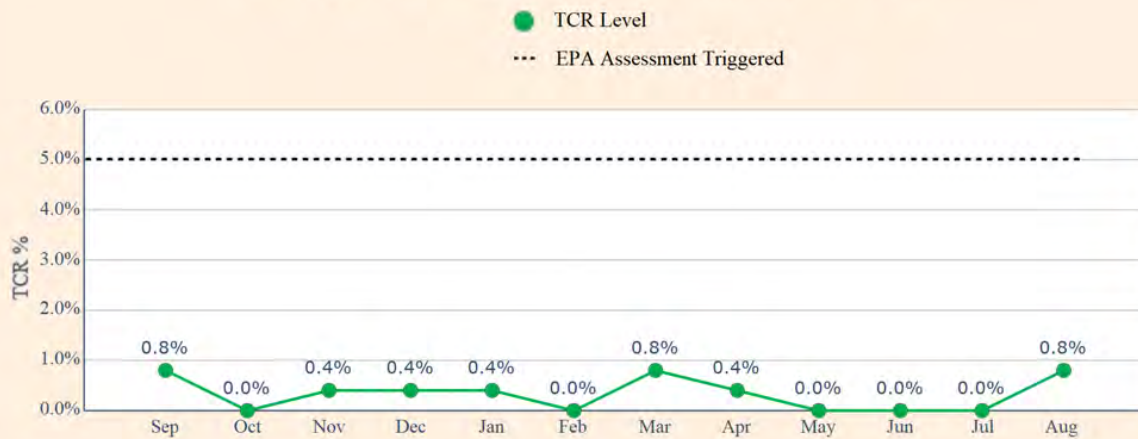
*Semi-Annual LCR Monitoring Results*



*Jul-Dec 2018 results to date*

**TOTAL COLIFORM RULE (TCR) COMPLIANCE**

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



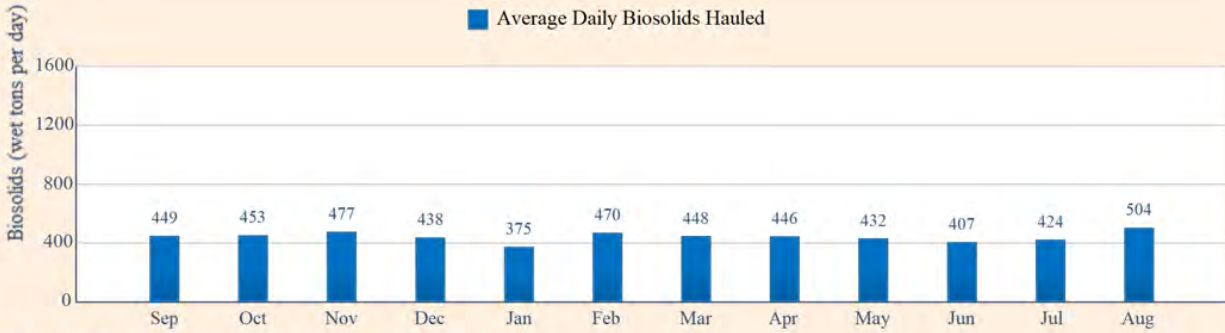
*Coliform Positive was recorded at 0.8% in August*

**OPERATIONAL HIGHLIGHTS**

**WASTEWATER TREATMENT**

**BIOSOLIDS PRODUCTION**

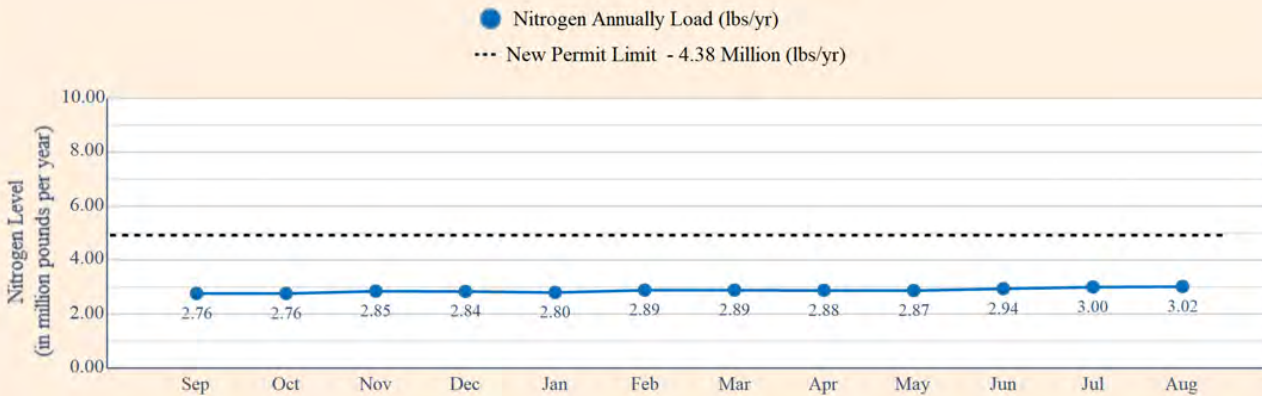
*Average Daily Biosolids Production*



*Biosolids Daily Production for August were 504 wet tons per day*

**TOTAL NITROGEN**

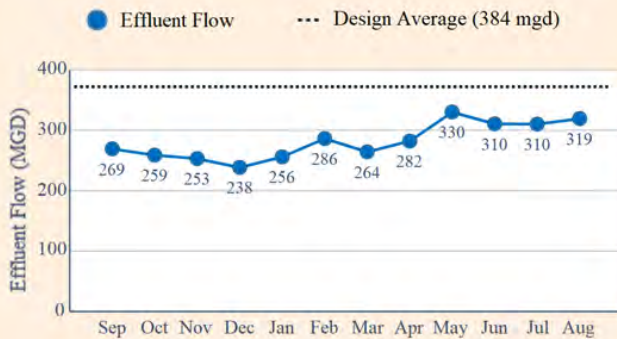
*Total Nitrogen Compared to New Permit Levels*



*Nitrogen level for August were below permit by 1.36 million lbs/yr*

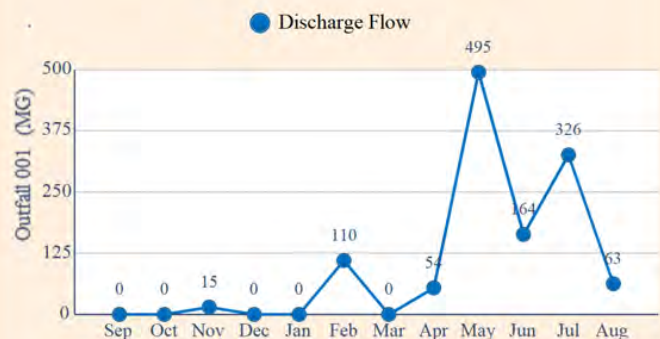
**OUTFALL 002 - PLANT EFFLUENT FLOW**

*Effluent Flow compared to Plant Design Average Limit*



*In August Influent flow was below design by 65 MGD*

**OUTFALL 001 - DISCHARGE FLOW**

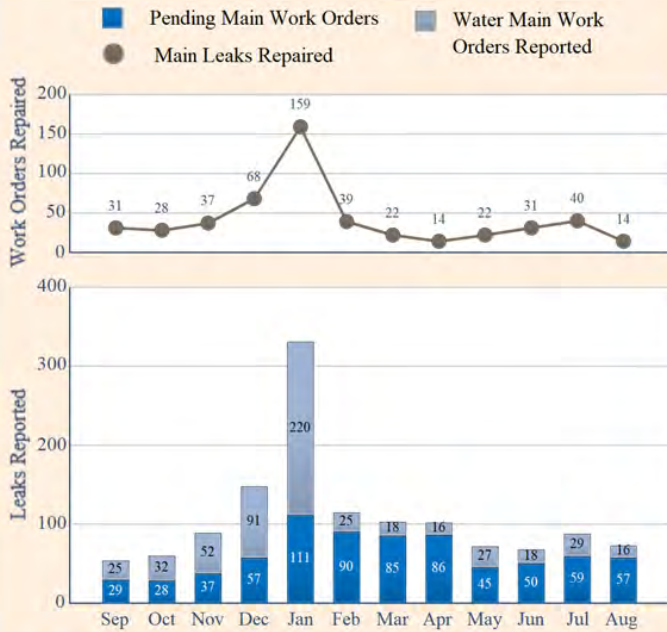


*Excess flow events were recorded at 62.68 MG in August*

**OPERATIONAL HIGHLIGHTS**

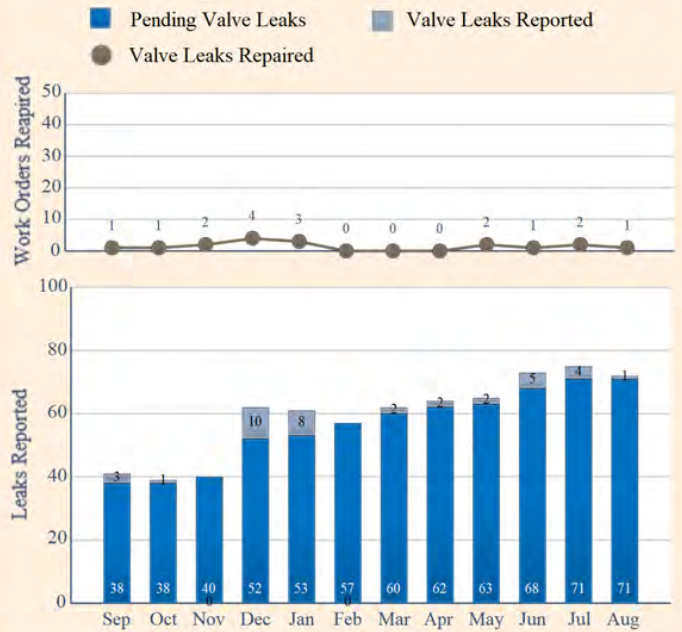
**WATER DISTRIBUTION OPERATIONS**

**WATER MAIN LEAKS**



There were 16 Water Main Work Orders reported in August

**WATER VALVE LEAKS**

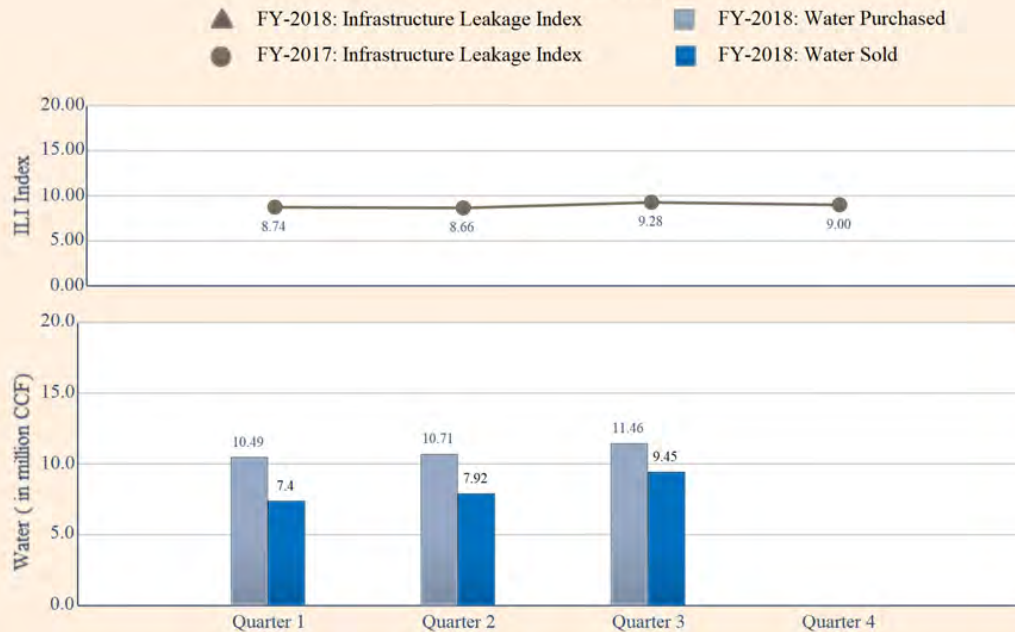


1 leak was resolved in August

**WATER BALANCE**

**NON-REVENUE WATER**

Volume of Water Purchased and Sold per Quarter



In the 3rd quarter of FY 2018, 9.45 out of 11.46 million cubic feet of water was sold

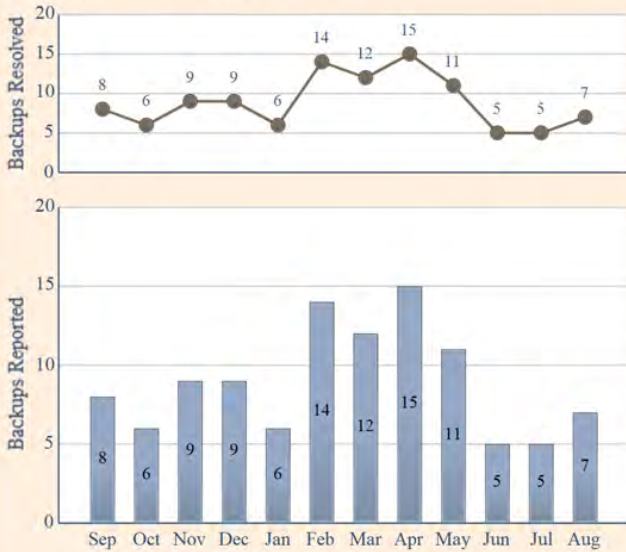
**OPERATIONAL HIGHLIGHTS**

**SEWER SYSTEM OPERATIONS**

**SEWER MAIN BACKUPS**

*Sewer Mains Backed Up and Relieved per Month*

- Pending Main Backups
- Main Backups Reported
- Main Backups Resolved

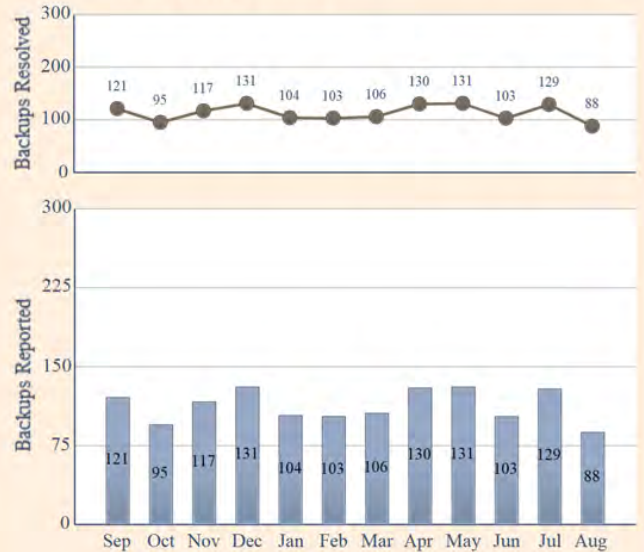


*No pending main backups reported*

**SEWER LATERAL BACKUPS**

*Sewer Laterals Backed Up and Relieved per Month*

- Pending Lateral Backups
- Lateral Backups Reported
- Lateral Backups Resolved



*No pending lateral backups reported*

**COMBINED SEWER SYSTEM**

**DRY WEATHER CSO EVENTS**

*Combined Sewer Overflow Volume and No of Events per Month*

- Overflow Volume (MG)
- Number of CSO Events



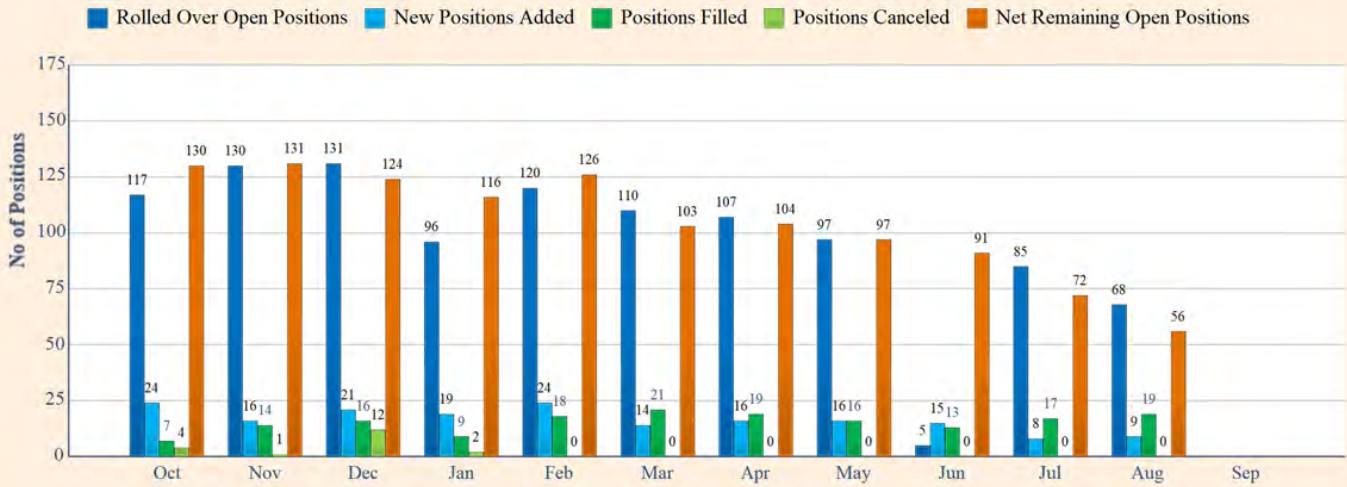
*No dry weather Combined Sewer Overflow events were recorded in August 2018*

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

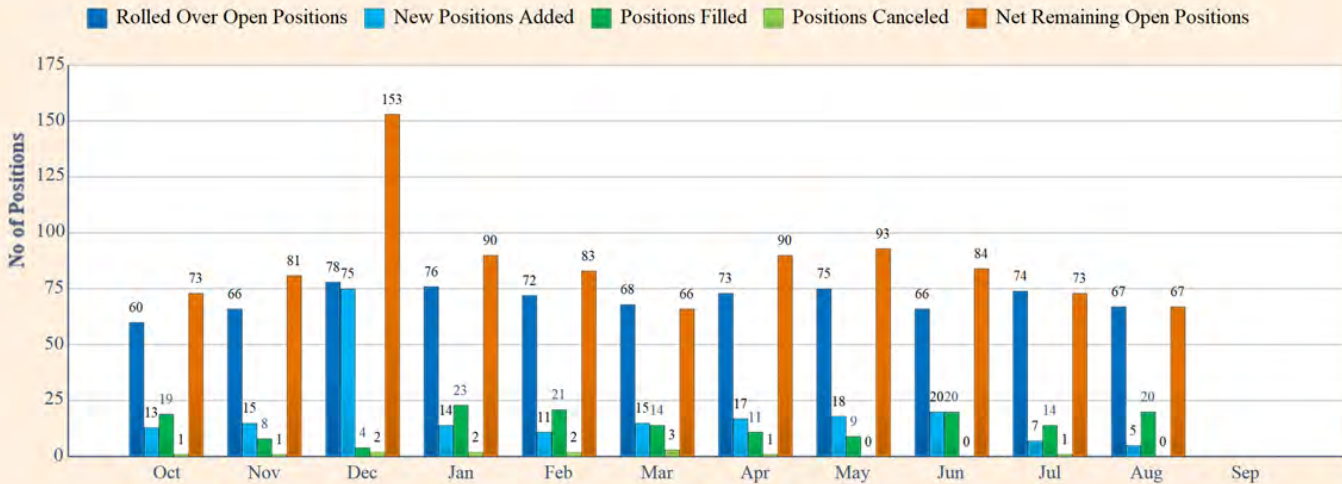
RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR

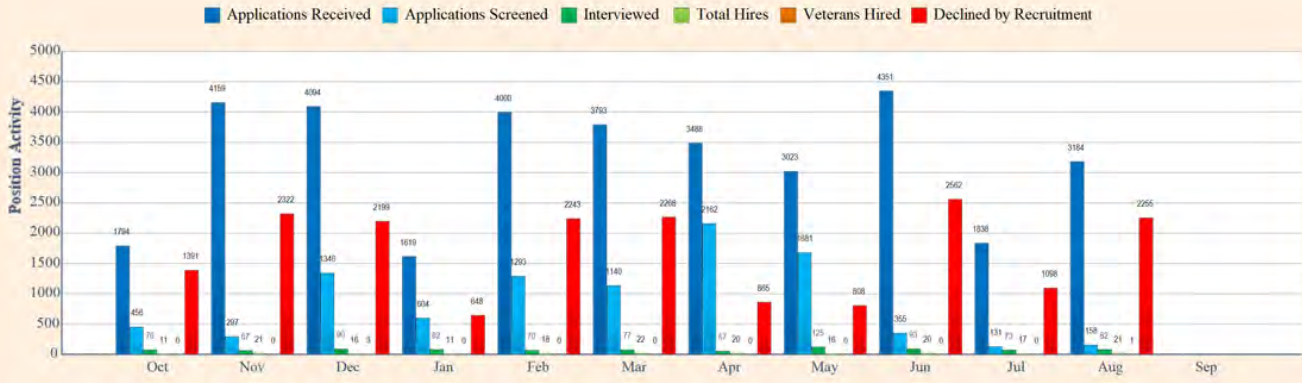


RECRUITMENT ACTIVITY

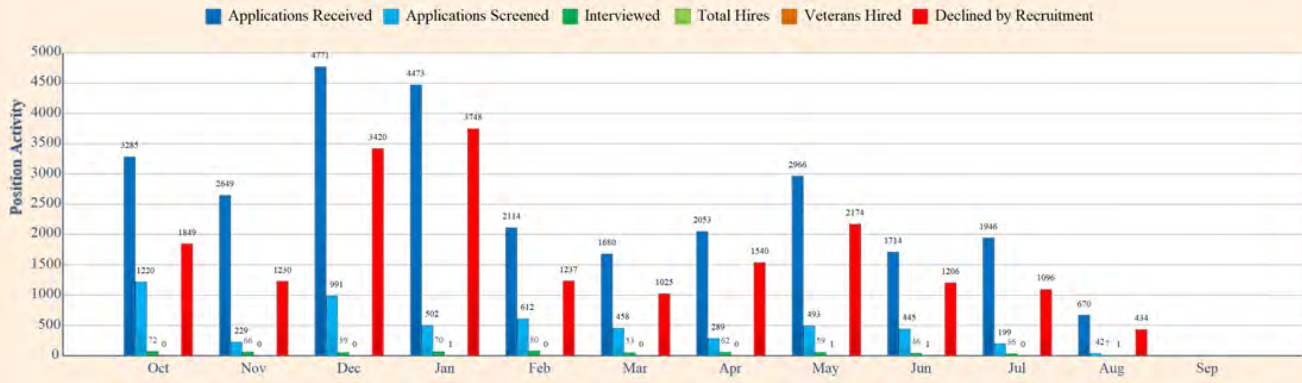
CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC  
PREVIOUS FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC  
CURRENT FISCAL YEAR

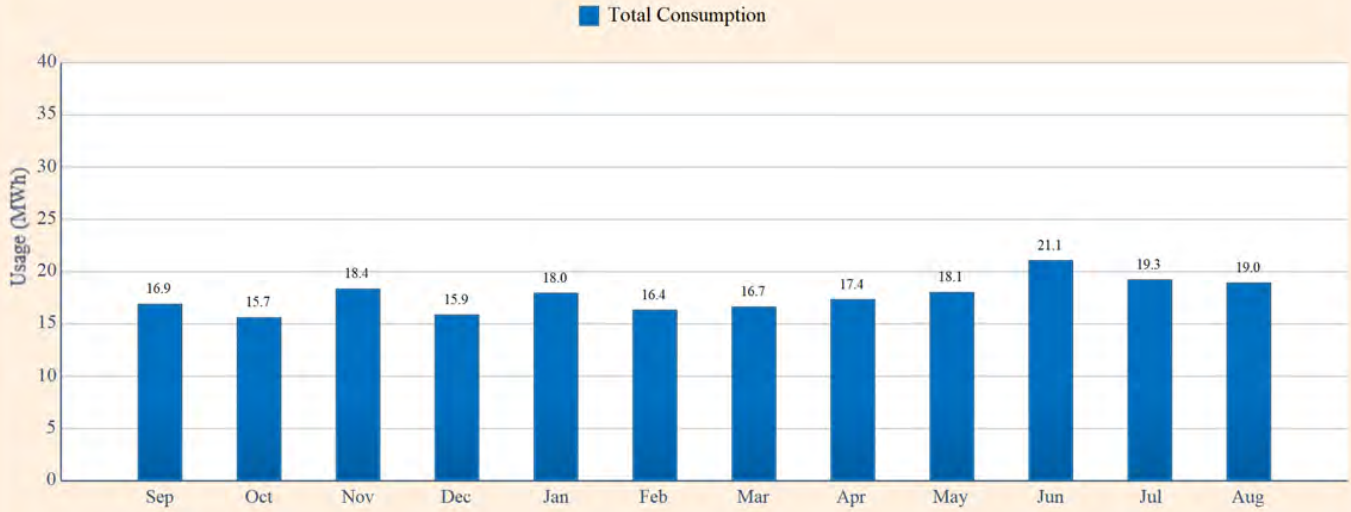




**OPERATIONAL HIGHLIGHTS**

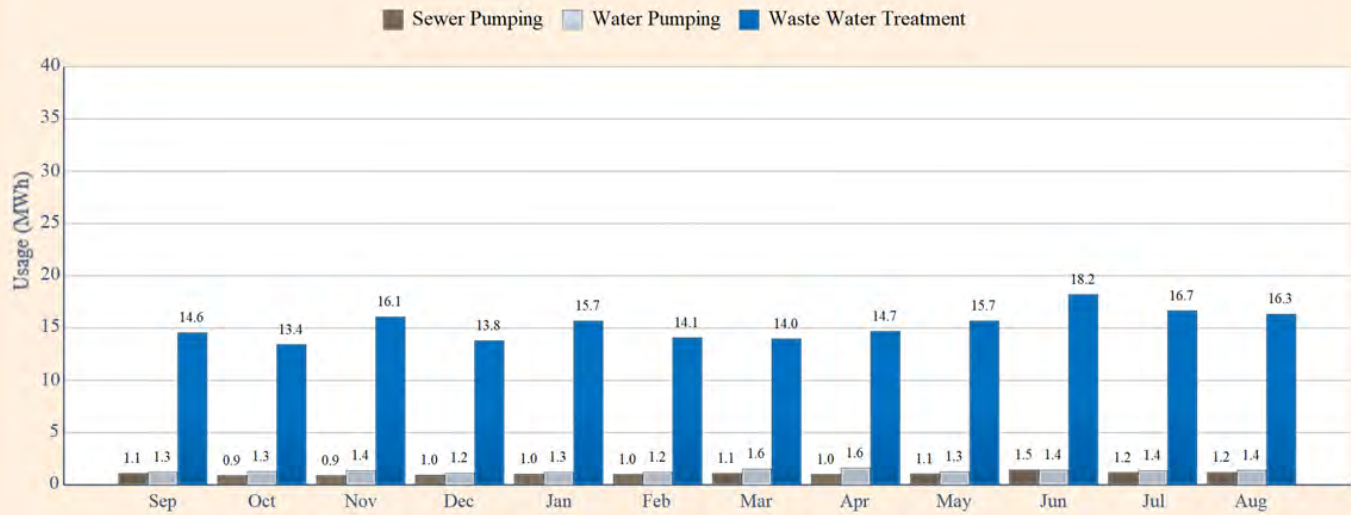
**ENERGY CONSUMPTION**

**ELECTRICITY USAGE SUMMARY**



*Electricity Consumption in August was 18,971 KWh*

**ELECTRICITY USAGE BY SERVICE AREA**



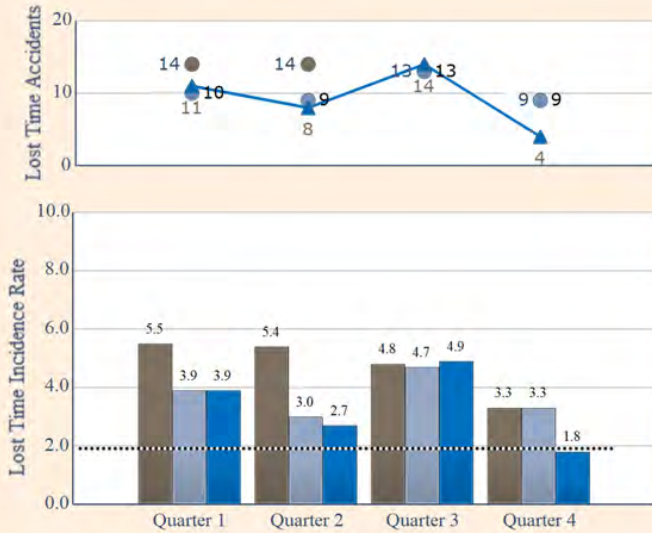
*Waste Water Treatment had the highest electricity consumption in August at 16,349 KWh*

**OPERATIONAL HIGHLIGHTS**

**SAFETY**

**EMPLOYEE LOST TIME INCIDENCE RATE**

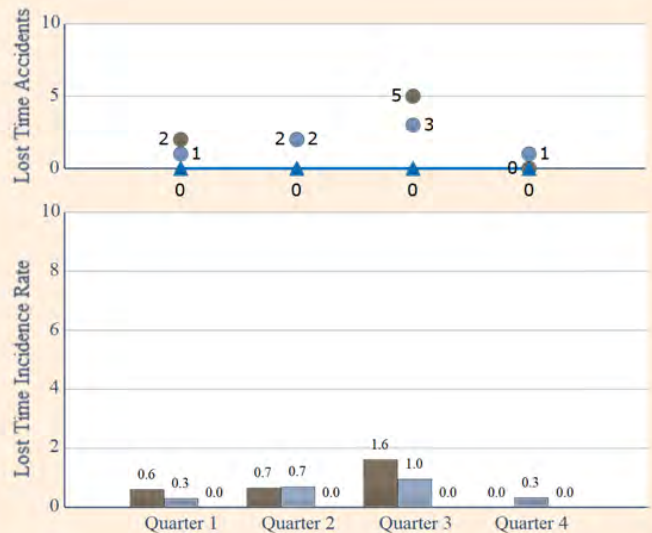
- FY-2016: No of LT Accidents
- FY-2016: LT Incidence Rate
- FY-2017: No of LT Accidents
- FY-2017: LT Incidence Rate
- ▲ FY 2018 No of LT Accidents
- ▲ FY 2018 LT Incidence Rate
- Target/National: LT Incidence Rate



*In the 4th quarter, 4 lost time accidents were reported*

**CONTRACTOR LOST TIME INCIDENCE RATE**

- FY-2016: No of LT Accidents
- FY-2016: LT Incidence Rate
- FY-2017: No of LT Accidents
- FY-2017: LT Incidence Rate
- ▲ FY 2018 No of LT Accidents
- ▲ FY 2018 LT Incidence Rate

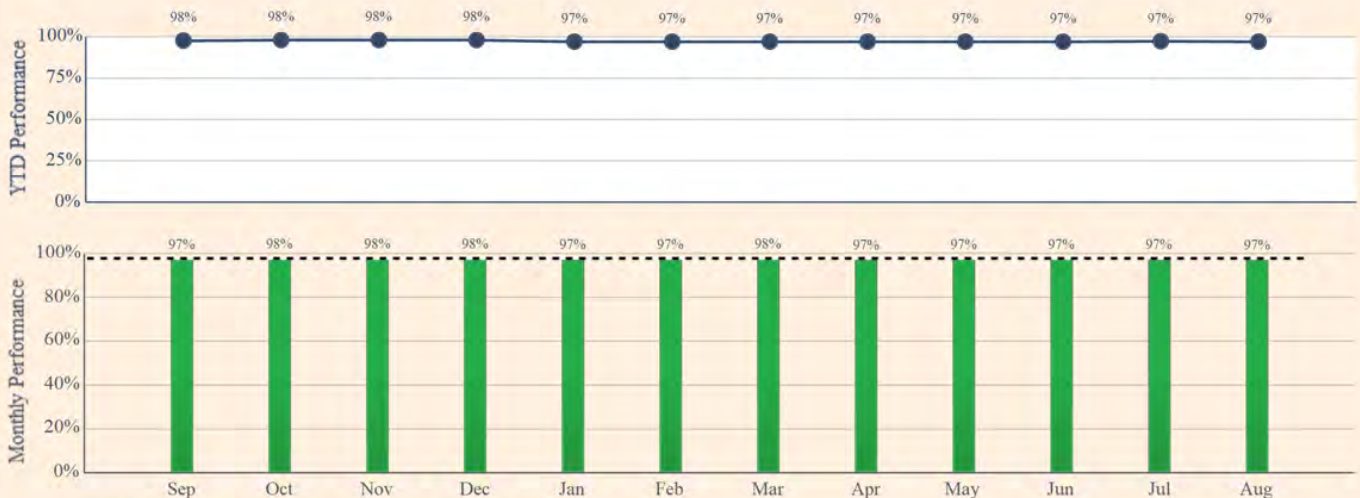


*In the 4th quarter, 0 lost time accidents were reported*

**VENDOR PAYMENTS**

**VENDOR PAYMENT PERFORMANCE**

- Monthly Performance (%)
- YTD Performance (%)
- Monthly Target - (97%)



*Monthly performance for August met the monthly target of 97%*

**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

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

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

A

**CUSTOMER CARE AND OPERATIONS HIGHLIGHTS**

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**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 Inspections and Maintenance**

- 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

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

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

**LOW INCOME ASSISTANCE PROGRAM**

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**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**

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

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

**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

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

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

**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

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

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

E



**Consent Agenda**

**Summary of Contracts**

**246th Meeting of the DC Water Board of Directors**

**Thursday, October 4, 2018**

**Joint Use Contracts**

1. **Resolution No. 18-64, Add funding to Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc.** The purpose of the additional funding is to continue the supply and delivery of Ferric Chloride to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The additional funding amount is \$1,100,000. **(Recommended by the Environmental Quality and Operations Committee 09/20/18)**
  
2. **Resolution No. 18-65, Execute Option Year Two of Contract No, 16-PR-DFS-71, BFPE International Inc.** The purpose of the option is to continue providing labor, materials, equipment and tools to maintain and service the Fire Protection Service for the Authority. The option amount is \$688,384. **(Recommended by the Environmental Quality and Operations Committee 09/20/18)**
  
3. **Resolution No. 18-66, Execute Option Year Three of Contract No. 15-PR-DWT-21, Kuehne Chemical Co., Inc.** The purpose of the option is to continue the supply and delivery of Sodium Hypochlorite to the Blue Plains Advanced Wastewater Treatment Plan. The option amount is \$3,600,000. **(Recommended by the Environmental Quality and Operations Committee 09/20/18)**



**Presented and Adopted: October 4, 2018**

**SUBJECT: Approval to Appoint David L. Gadis as the Chairperson of the Board of Directors and Member Representative for Blue Drop, LLC**

**18-63  
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 Sewer Authority (“DC Water”) at its Board meeting held on the October 4, 2018, upon consideration of a joint-use matter, decided by a vote of ( ) in favor and ( ) opposed, to take the following actions to appoint the Chairperson of the Board of Directors and Member Representative for Blue Drop, LLC (“Blue Drop”).

**WHEREAS**, on January 4, 2018, the Board through Resolution #18-00, appointed the then Interim General Manager and Chief Executive Officer of DC Water, Henderson J. Brown as Chairperson of the Board of Directors for Blue Drop and Member Representative; and

**WHEREAS**, Henderson J. Brown, IV, resigned from the positions of Chairperson of the Board of Directors for Blue Drop (the “Blue Drop Board”) and as Member Representative, effective October 4, 2018; and

**WHEREAS**, the Board, as the Member of Blue Drop, desires to appoint the General Manager and Chief Executive Officer of DC Water, David L. Gadis, as Chairperson of the Blue Drop Board of Directors and as Member Representative, in accordance with Sections 5.3 and 8.1 of Blue Drop’s Operating Agreement (effective November 3, 2016) and Paragraph 16 of Blue Drop’s By-laws (effective October 27, 2017).

**NOW THEREFORE BE IT RESOLVED THAT:**

1. David L. Gadis, as an individual, is hereby appointed to serve as the Chairperson of the Blue Drop Board. Such appointment shall commence on the effective of this Resolution, and shall continue so long as the Chairperson is the General Manager and Chief Executive Officer of DC Water, unless such appointment is terminated sooner by this Board, or upon the Chairperson’s resignation, death, or intervening incapacity.
2. As Chairperson, Mr. Gadis shall have the requisite power and authority to exercise all the Chairperson’s duties in accordance with Blue Drop’s Operating Agreement, By-Laws, rules, and procedures.

3. David L. Gadis, as an individual, is also appointed as DC Water's Member Representative for Blue Drop. Such appointment shall commence on the effective of this Resolution, and shall continue so long as the Member Representative is the General Manager and Chief Executive Officer of DC Water, unless such appointment may be terminated sooner by this Board, or upon the Member Representative's resignation, death, or intervening incapacity.
4. As the Member Representative, Mr. Gadis shall report to the Board on the progress and operations of Blue Drop as he determines necessary, but not less than annually.

This Resolution is effective immediately.

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Secretary to the Board of Directors

**Presented and Approved: October 4, 2018**  
**SUBJECT: Approval for Additional Funding to Contract No. 15-PR-  
WWT-53A, Carter & Carter Enterprises Inc.**

**#18-64**  
**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 October 4, 2018 upon consideration of a joint use matter, decided by a vote of \_\_\_() in favor and \_\_\_() opposed to approve additional funding to Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc.

**Be it resolved that:**

The Board of Directors hereby authorizes the General Manager to execute the additional funding to Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc. The purpose of the additional funding is to continue the supply and delivery of Ferric chloride to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The additional funding amount is \$1,100,000.

This Resolution is effective immediately.

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Secretary to the Board of Directors

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

**ACTION REQUESTED**

**GOODS AND SERVICES CONTRACT OPTION YEAR**

**Ferric Chloride  
(Joint Use)**

This contract action is to add additional funding of \$1,100,000 in funds to option year two (2).

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Carter & Carter Enterprises Inc. 212 Van Buren Street, NW Washington, D.C. 20012 LSBE	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> 100%
-----------------------------------------------------------------------------------------------------------------	---------------------	-------------------------------

**DESCRIPTION AND PURPOSE**

Original Contract Value:	\$3,325,000.00
Original Contract Dates:	01-10-2016—01-09-2017
No. of Option Years in Contract:	4
Option Year 1 Value:	\$3,281,775.00
Option Year 1 Dates:	01-10-2017—01-09-2018
Option Year 2 Value:	\$3,600,000.00
Option Year 2 Dates:	01-10-2018—01-09-2019
<b>Option Year 2 Additional Funding:</b>	<b>\$1,100,000.00</b>
<b>Option Year 2 Dates:</b>	<b>01-10-2018—01-09-2019</b>

**Purpose of the Contract:**

The purpose of this contract is to secure the consistent supply and delivery of ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. Ferric chloride removes phosphorous and suspended solids in wastewater’s primary and secondary treatment stages, which are required to meet DC Water’s discharge permits. Ferric chloride is dual-sourced to ensure supply security. The second contract is with PVS.

**Reason for this Request**

Ferric chloride use has increased significantly in the current year due to heavy rain and incremental consumption in the TDPS/ECF units. Additional Option Year 2 supply and funding are required to meet demand. The extra amount will solely come from Carter & Carter.

**Spending Previous Year:**

Cumulative Contract Value:	01-10-2016 to 01-09-2019: \$10,206,775.00
Cumulative Contract Spending:	01-10-2016 to 08-03-2018: \$9,508,775.00

**Contractor’s Past Performance:**

According to the COTR, the Contractor’s quality of product and services; timeliness of deliverables; conformance to DC Water’s policies, procedures and contract terms; and invoicing, all meet expectations and requirements.

**PROCUREMENT INFORMATION**


<b>Contract Type:</b>	Good and Services	<b>Award Based On:</b>	Best Value
<b>Commodity:</b>	Ferric Chloride	<b>Contract Number:</b>	15-PR-WWT-53A
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

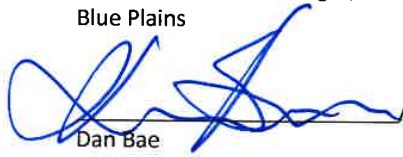
**BUDGET INFORMATION**

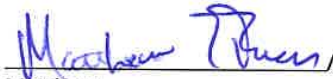
<b>Funding:</b>	Operating	<b>Department:</b>	Wastewater Treatment
<b>Project Area:</b>	Blue Plains	<b>Department Head:</b>	Salil M. Kharkar

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$460,900.00
Washington Suburban Sanitary Commission	43.10%	\$474,100.00
Fairfax County	9.59%	\$105,490.00
Loudoun Water	4.64%	\$51,040.00
Other (PI)	0.77%	\$8,470.00
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$1,100,000.00</b>

 / 9-6-18  
 Akile Tesfaye Date  
 Assistant General Manager,  
 Blue Plains

 9/6/17  
 Dan Bae Date  
 Director of Procurement

 9/10/18  
 Matthew T. Brown Date  
 Chief Financial Officer

 9/26/18  
 David L. Gadis Date  
 CEO and General Manager

**Presented and Approved: October 4, 2018**  
**SUBJECT: Approval to Execute Option Year Two of Contract No. 16-PR-DFS-71, BFPE International Inc.**

**#18-65**  
**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 October 4, 2018 upon consideration of a joint use matter, decided by a vote of \_\_() in favor and \_\_() opposed to approve Option Year Two of Contract No. 16-PR-DFS-71, BFPE International Inc.

**Be it resolved that:**

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. 16-PR-DFS-71, BFPE International Inc. The purpose of the option is to continue providing labor, materials, equipment and tools to maintain and service the Fire Protection Service for the Authority., The option amount is \$688,384.

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**

**GOODS AND SERVICES CONTRACT EXERCISE OPTION YEAR  
Fire Protection Systems  
(Joint Use)**

Approval to execute option year 2 for DC Water's Fire Protection Systems contract in the amount of **\$688,384.00**

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b>	<b>SUBS:</b>	<b>PARTICIPATION:</b>
BFPE International Inc. 7512 Connelly Dr. Hanover, MD 21076	N/A	N/A

**DESCRIPTION AND PURPOSE**

Original Contract Value:	\$199,600.00
Base Contract Period:	10-10-2016 – 10-11-2017
Number of Option Years:	2
Option Year 1 Value:	\$199,600.00
Option Year 1 Dates:	10-10-2017 – 10-11-2018
Contract Modification No 2 Value:	\$99,771.45
Contract Modification No 2 Dates:	07-01-2018 – 10-11-2018
<b>This Option Year 2 Value:</b>	<b>\$688,384.00</b>
<b>This Option Year 2 Dates:</b>	<b>10-12-2018 – 10-13-2019</b>

**Purpose of the Contract:**

DC Water requires a qualified contractor to furnish all labor, materials, equipment and tools to maintain and service the Fire Protection Service.

**Contract Scope:**

To provide preventative and operational maintenance for the fire protection system, including routine preventative maintenance and repairs of all fire protection systems.

**Contract Modification Scope:**

- Capital equipment: New command console, fire alarm system, emergency infrastructure, software, sensors, and other system elements required to upgrade the current obsolete fire system in multiple buildings. The amount for this onetime capital cost is **\$ 350,008.00**.
- Operations Scope: The New Headquarters will be added to the Scope of work. Additionally, DC Water needs to address open issues identified by Fire Marshal including semiannual testing of all devices. A full-time fire specialist is added to service all DC Water-Wide fire protection systems. This will eliminate emergency calls and transportation expenses and thus more cost-efficient solution with the guaranteed timely service. The new amount for Operations and Maintenance with increased scope is **\$ 338,376.00**.

**Spending Previous Year:**

Cumulative Contract Value:	10-10-2016 to 10-11-2018:	\$ 498,971.45
Cumulative Contract Spending:	10-01-2016 to 08-30-2018:	\$ 498,971.45

No LSB/LSBE participation.

**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Fixed Rates	<b>Award Based On:</b>	Highest Ratings
<b>Commodity:</b>	Good and Services	<b>Contract Number:</b>	16-PR-DFS-77
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Facilities
<b>Project Area:</b>	DC Water Wide	<b>Department Head:</b>	Steve Caldwell

**ESTIMATED USER SHARE INFORMATION**

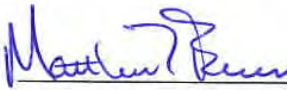
User – Operating	Share %	Dollar Amount
District of Columbia	83.76%	\$283,423.74
Washington Suburban Sanitary Commission	12.09%	\$40,909.66
Fairfax County	2.69%	\$9,102.31
Loudoun Water	1.30%	\$4,398.89
Other (PI)	0.17%	\$575.24
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$338,376.00</b>

**BUDGET INFORMATION**

<b>Funding:</b>	Capital Equipment	<b>Department:</b>	Facilities
<b>Project Area:</b>	DC Water Wide	<b>Department Head:</b>	Steve Caldwell

User – Capital Equipment (EQP3410)	Share %	Dollar Amount
District of Columbia	72.37%	\$253,300.79
Washington Suburban Sanitary Commission	21.49%	\$75,216.72
Fairfax County	3.97%	\$13,895.32
Loudoun Water	1.78%	\$6,230.14
Other (PI)	0.39%	\$1,365.03
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$350,008.00</b>

  
 Maureen Holman  
 Acting Chief Administrative Officer  
 9/11/18  
 Date

  
 Matthew T. Brown  
 Chief Financial Officer  
 9/13/18  
 Date

  
 Dan Bae  
 Director of Procurement  
 9/11/18  
 Date

  
 David L. Gadis  
 CEO and General Manager  
 9/26/18  
 Date



**Presented and Approved: October 4, 2018**  
**SUBJECT: Approval to Execute Option Year Three of Contract No, 15-PR-DWT-21, Kuehne Chemical Co. Inc.**

**#18-66**  
**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 October 4, 2018 upon consideration of a joint use matter, decided by a vote of \_\_\_() in favor and \_\_\_() opposed to approve Option Year Three of Contract No. 15-PR-DWT-21, Kuehne Chemical Co., Inc.

**Be it resolved that:**

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. 15-PR-DWT-21, Kuehne Chemical Co., Inc. The purpose of the option is to continue the supply and delivery of Sodium Hypochlorite to the Blue Plains Advanced Wastewater Treatment Plan. The option amount is \$3,600,000.

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**

**GOODS AND SERVICES CONTRACT OPTION YEAR**

**Supply and Delivery of Sodium Hypochlorite  
(Joint Use)**

Approval to exercise Option Year 3 for the sodium hypochlorite supply and delivery contract in the amount of \$3,600,000.00.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Kuehne Chemical Co. Inc. 86 N. Hackensack Ave. S. Kearny, NJ 07032	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> N/A
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**DESCRIPTION AND PURPOSE**

<b>Original Contract Value:</b>	<b>\$3,656,900.00</b>
<b>Original Contract Dates:</b>	<b>10-16-2015 – 10-15-2016</b>
<b>No. of Option Years in Contract:</b>	<b>4</b>
<b>Option Year 1 Value:</b>	<b>\$3,804,300.00</b>
<b>Option Year 1 Dates:</b>	<b>10-16-2016 – 10-15-2017</b>
<b>Option Year 2 Value:</b>	<b>\$3,300,000.00</b>
<b>Option Year 2 Dates:</b>	<b>10-16-2017 – 10-15-2018</b>
<b>Option Year 3 Value:</b>	<b>\$3,600,000.00</b>
<b>Option Year 3 Dates:</b>	<b>10-16-2018 – 10-15-2019</b>

**Purpose of the Contract:**

To supply and deliver sodium hypochlorite. The sodium hypochlorite is used as disinfection and odor control.

**Contract Scope:**

DC Water has an on-going need for sodium hypochlorite. At the Blue Plains Advanced Wastewater Treatment Facility, it is primarily used for outfall disinfection, but also to control biological growth control on multimedia filters, and for odor control in the scrubbers. Exercising Option Year 3 will provide an uninterrupted service by the supplier.

The use of sodium hypochlorite solution in DC Water’s wastewater treatment processes is required to ensure continuous compliance with the National Pollution Discharge Elimination System (NPDES) permit requirements, as well as the Clean Water Act (CWA).

**Spending Previous Year:**

Cumulative Contract Value:	10-16-2015 to 10-15-2018: \$10,761,200.00
Cumulative Contract Spending:	10-16-2015 to 08-13-2018: \$9,826,181.00

**Contractor’s Past Performance:**

According to the COTR, the Contractor’s quality of products and services, timeliness of deliverables; conformance to DC Water’s policies, procedures and contract terms; and invoicing, all meet expectations and requirements.

No LSB/LSBE participation

**PROCUREMENT INFORMATION**

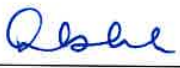
<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Lowest Bid
<b>Commodity:</b>	Services	<b>Contract Number:</b>	15-PR-DWT-21
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Wastewater Treatment
<b>Project Area:</b>	Blue Plains AWTP	<b>Department Head:</b>	Salil Kharkar

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$1,508,400.00
Washington Suburban Sanitary Commission	43.10%	\$1,551,600.00
Fairfax County	9.59%	\$345,240.00
Loudoun Water	4.64%	\$167,040.00
Other (PI)	0.77%	\$27,720.00
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$3,600,000.00</b>

 / 9-6-18  
 Akile Tesfaye  
 Assistant General Manager,  
 Blue Plains  
 Date

 / 9/6/18  
 Dan Bae  
 Director of Procurement  
 Date

 / 9/10/18  
 Matthew T. Brown  
 Chief Financial Officer  
 Date

 / 9/26/18  
 David L. Gadis  
 CEO and General Manager  
 Date

**Presented and Adopted: October 4, 2018**

**SUBJECT: Approval of “The Blueprint: A DC Water Strategic Plan”**

**#18-67  
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” or “DC Water”), at its meeting on October 4, 2018, decided by a vote of \_\_\_ () in favor and \_\_\_() opposed to take the following action.

**WHEREAS**, the services provided by DC Water are essential and central to assuring a sustained vitality for the Washington, D.C. metro area; and

**WHEREAS**, the operations, management, finance, and governance of DC Water, like many water-sector utilities, are directly impacted by global, national, and local trends and challenges; and

**WHEREAS**, some of the more significant trends and challenges include: controlling rates and affordability while also funding a capital program that fully complies with consent decree requirements and advances a comprehensive asset management strategy, increasing customer expectations, more stringent regulatory requirements, technology advances, aging infrastructure, resiliency, and workforce issues; and

**WHEREAS**, this convergence of issues has been characterized by increases in operational and capital costs, rising rates and customer affordability issues, all of which, if not properly addressed, could result in an unsustainable financial model, decreasing customer confidence and disruptions to service continuity; and

**WHEREAS**, DC Water staff with guidance from the Board of Directors developed an organizational vision, operational framework comprised of strategic programs and a shared challenge in furtherance of the DC Water’s strategic goals and objectives; and

**WHEREAS**, annually, the Board evaluates the Blue Horizon 2020 Strategic Plan to ensure the Plan continues to establish strategic goals aligned with DC Water’s mission

and is responsive to industry trends, regulatory mandates, operational and ratepayer priorities; and

**WHEREAS**, at a meeting of the Strategic Planning Committee of the Board, at its regularly scheduled meeting on September 25, 2018, recommended the adoption of The Blueprint: A DC Water Strategic Plan;

**WHEREAS**, the Committee further recommended that The Blueprint: A DC Water Strategic Plan be monitored by a newly structured Strategic Planning Committee of the Board of Directors that will become a Committee of the Whole meeting quarterly during 2019 and at least biannually in 2020; and

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board hereby approves The Blueprint: A DC Water Strategic Plan for the District of Columbia Water and Sewer Authority Board of Directors as set forth in the attachments to this resolution.
2. The Board directs the General Manager to develop and implement strategic programs that will ensure the accomplishment of The Blueprint and to report progress with such efforts to the Board of Directors.
3. The Board directs the General Manager to develop mechanisms for reporting on the progress and achievement of the Board's strategic programs.
4. This resolution is effective immediately.

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Secretary to the Board of Directors



# The Blueprint: A DC Water Strategic Plan

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY



DC Water Strategic Planning Committee  
September 25, 2018



## Background

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### • Strategy:

- Used to set priorities, focus energy and resources, and strengthen operations
- Ensures that employees and other stakeholders are working toward common goals
- Establishes agreement around intended outcomes/results, and assesses and adjusts the organization's direction in response to a changing environment



# Blue Horizon 2020

- Blue Horizon 2020
  - Adopted in 2013
  - Revised in 2015

## Vision

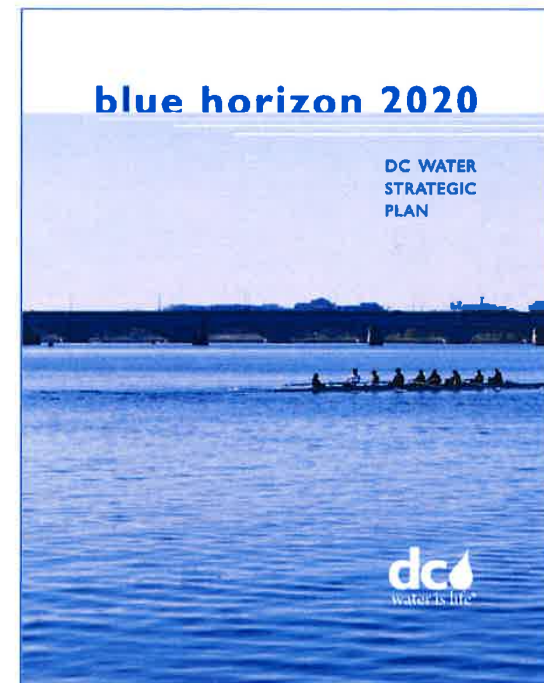
To be a world-class water utility

## Values

Respect, Ethics, Vigilance, Accountability

## Mission

Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner







## Blue Horizon 2020

### Strengths

- Complete
- Available to all - no secrets
- Sense of accomplishment (% complete)

### Weaknesses

- Vision – lacks focus
- Everything is important
- Task-oriented with no ties to outcomes
- Involves 50, not 1200 staff

### What's Missing?

- Performance measures
- Staff engagement
- Board oversight
- Consistency in reporting
- Interdependencies



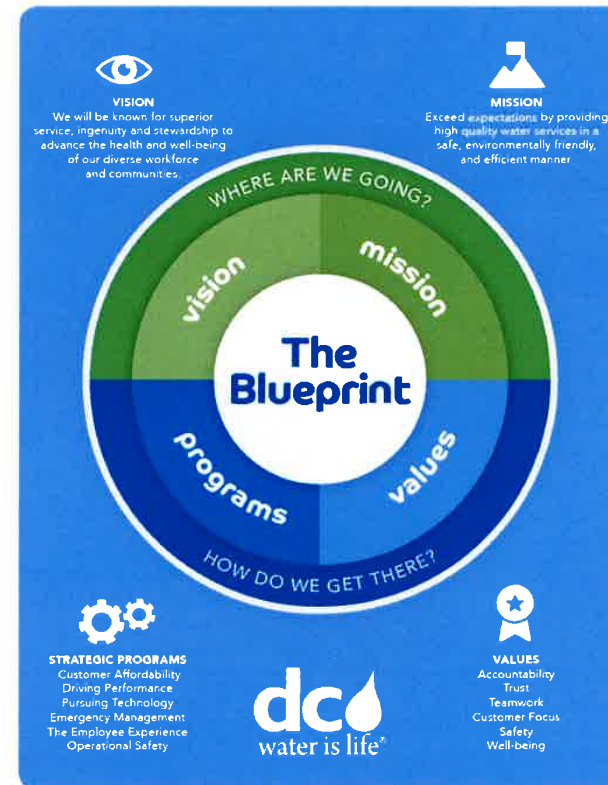
# 2016 Audit Findings

Summary of Observations	
Observations	Rating
<p><b>1. <u>Monitoring Progress and Completion of Strategic Plan</u></b></p> <p>There were multiple issues identified regarding the consistency and process for monitoring the strategic plan. We noted that no formalized, comprehensive monitoring tool is in place to track progress and status of completion, as well as documented, clearly defined performance measurements. The use of this type of tool could address these inconsistencies and provide transparency in accountability over the goals and objectives of the plan. The inconsistencies noted during our review included the following:</p> <ul style="list-style-type: none"> <li>• There are inconsistencies in how the percentages of completion are tracked between each goal, objective, initiative and milestone.</li> <li>• There are 23 milestones and 10 initiatives listed as past due without any explanation or estimate of when they will be completed.</li> <li>• As of 08/01/2016, there were 10 milestones without due dates.</li> <li>• All milestones associated with the goals are not captured or tracked.</li> <li>• Milestones, initiatives, objectives, and goals are not tracked for whether or not they are dependent upon the completion of another milestone, initiative, objective or goal.</li> </ul>	<b>Moderate</b>
<p><b>2. <u>Committee and Board Reporting</u></b></p> <p>The Strategic Planning Committee has historically only met annually, which is inconsistent with the initial strategic plan, stating there would be semi-annual progress reports to the DC Water Strategic Planning Committee and full Board. Though each goal is assigned to a Board Committee, they do not receive quarterly updates as intended and the responsibilities of the Strategic Planning Committee are unclear.</p>	<b>Moderate</b>
<p><b>3. <u>Goal and Initiative Champion Assignments</u></b></p> <p>As of 08/01/2016, there were 7 milestones and 2 initiatives assigned to an individual who is no longer employed by DC Water.</p>	<b>Low</b>



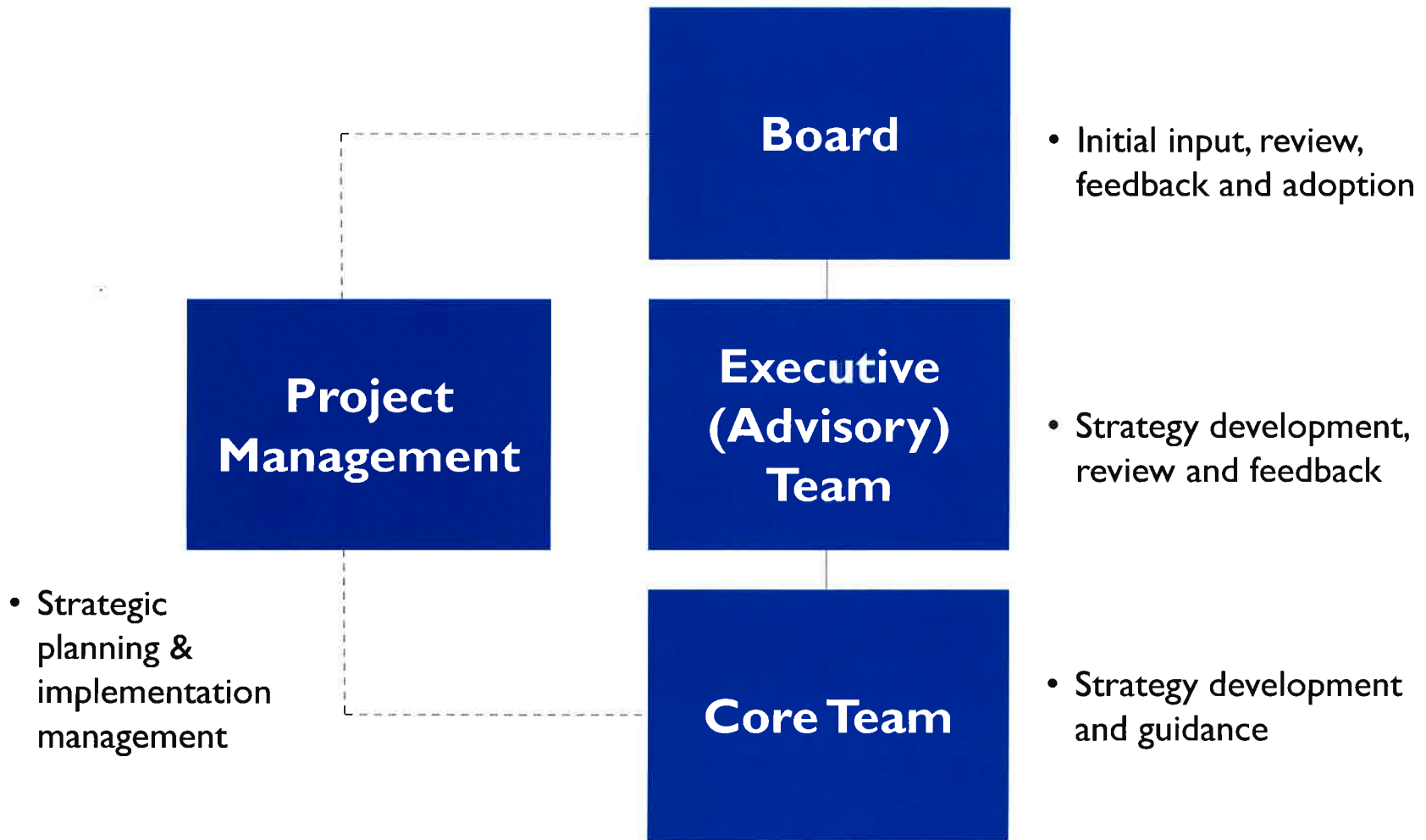
# The Blueprint

- Redefined vision and focus
- Staff-driven with Board input
- Increased Board oversight
- Focused priorities
- Performance-based
- Greater staff engagement
- Connects enterprise interdependencies
- Two-year outlook





# The Blueprint





## Capabilities and Trends

### • **Capabilities** (*Where we need to be strong*) –

- Excellent Service – We are committed to understanding customer needs and expectations.
- Running and Sustaining Operations – We will lead by prioritizing assets; making appropriate and timely investments; and staying committed to core operations and safety.
- Engaging the Workforce – We will establish/reinforce a clear connection of work to mission and strategy.

### • **Trends** (*What's changing around us that impacts our strengths*)

- Customer Expectations: Expectations for more frequent and accurate information and increasing stability of service and rates.
- Regulatory Dynamics: Heavily impacted by even small changes in regulatory requirements at local and federal level and must aggressively track and influence shifts.
- Technology Advances: Increased ability to monitor the system, connect components and people, and algorithms introduces new approaches to work and efficiency.
- Resiliency: Heightened awareness of natural disasters, man-made threats, and expectations for pro-active, communicated strategies.
- War for Talent: Need to adjust to the next generation of employees and their expectations and mindsets.



# The Blueprint Framework

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## 💧 Where are we going?

- **Vision:** Who we want to become.
- **Mission:** What we will do.

## 💧 How will we get there?

- **Strategic Programs:** Where we need to focus DC Water to meet our vision.
- **Shared Challenge:** How all-staff contribute to achieving our vision.
- **Values:** Principles that guide how we will behave.



## Our Vision





## Vision and Mission

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### **Vision**

We will be known for superior service, ingenuity and stewardship to advance the health and well-being of our diverse workforce and communities.

### **Mission**

Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner.





## Strategic Programs

Strategic Programs	Executive Sponsors*
Driving Performance	Wayne Griffith, Chief of Performance Salil Kharkar, Director – Wastewater Operations
The Employee Experience	Mustaafa Dozier, Chief of Staff Armon Curd, Chief of Customer Service Experience
Leveraging Technology	Tom Kuczynski, Chief Information Officer Biju George, Chief of Operations
Operational Safety	Aklile Tesfaye, AGM - Wastewater Maureen Holman – Chief Administrative Officer
Customer Affordability	Matt Brown, Chief Financial Officer Henderson Brown, General Counsel
Resilience & Readiness	Charles Kiely, AGM – Customer Care & Operations Len Benson, Chief Engineer

\* Subject to change



## Strategic Programs: Driving Performance

- 🔹 **Objective:** To operate a high-performing utility and to deliver best-in-class services to our customers.

### Focus Areas:

- 🔹 To establish an accountability structure for the cost of delivering services
- 🔹 To establish a clear understanding of the utility's vulnerability, tolerance and strategies for managing & mitigating risk
- 🔹 To identify and validate service levels
- 🔹 To define and capture value-added business process improvements

Financial  
Disciplines

Risk  
Management

Service  
Levels

Process  
Improvement



# Strategic Programs: The Employee Experience

- **Objective:** To support and engage a workforce that is aligned with our vision to provide superior service to our customers.

## Focus Areas:

- To create a more strategic and innovative human capital management program
- To deliver focused alignment with strategic and operational priorities
- To distinguish itself as an innovative employer in the public sector by leveraging best practices and emerging trends



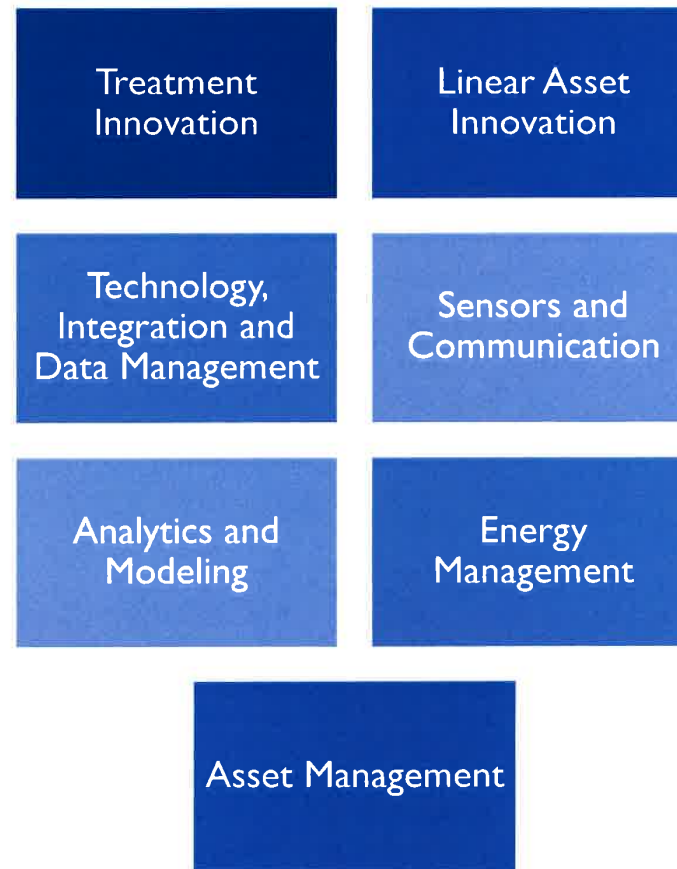


# Strategic Programs: Leveraging Technology

- 💧 **Objective:** To optimize the assets and systems responsible for delivering high-quality services to our customers.

## Focus Areas:

- 💧 To develop an integrated set of solutions that leverages people, process and technology to improve reliability, increase efficiency and drive innovation
- 💧 To optimize the distribution, collection, treatment and energy systems by leveraging digital utility platforms
- 💧 To reduce costs and generate potential revenue



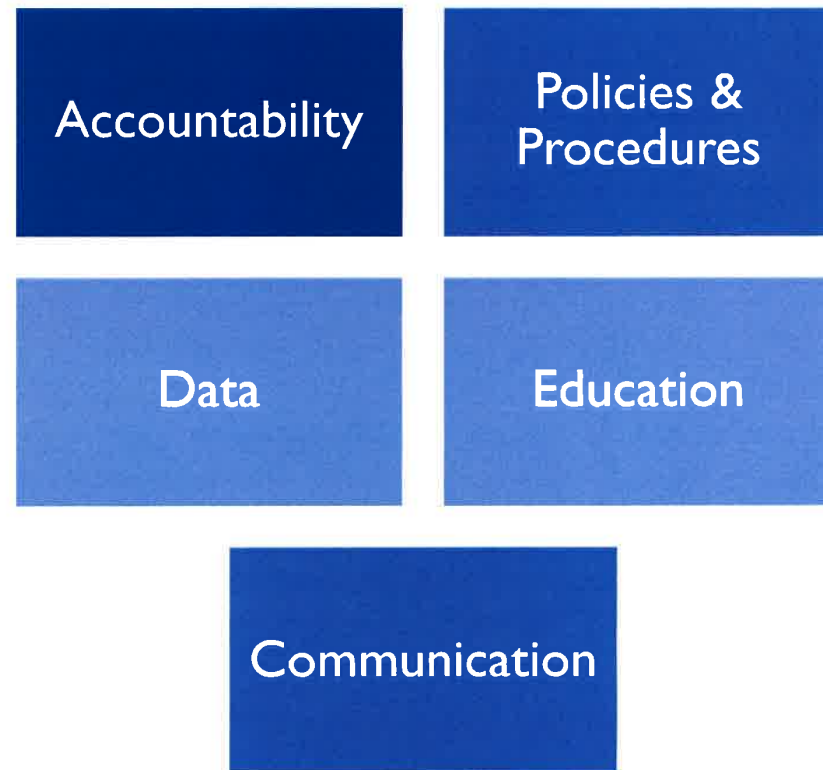


## Strategic Programs: Operational Safety

- **Objective:** To ensure a safe workplace that supports safety and the continuity of operations and services to our customers.

### Focus Areas:

- To improve performance by preventing injuries and accidents
- To leverage leadership and staffing structures to achieve a renewed focus on safety
- To effectively utilize systems for accurate data monitoring and reporting
- To elevate communication to ensure a culture of safety and transparency
- To ensure the integration of safety training for all employees





## Strategic Programs: Customer Affordability

- **Objective:** To establish rate structures and programs that promote affordability and quality of services.

### Focus Areas:

- To ensure adequate revenues for system investment
- To align costs of service and recovery of costs
- To evaluate options for long-term infrastructure and consent decree funding
- To enhance customer and stakeholder understanding of rates, fees, and charges
- To maximize partnerships with the Mayor, DC Council and District Agencies to leverage additional resources





## Strategic Programs: Resilience and Readiness

- **Objective:** To protect and maintain the resources, systems and operations necessary to deliver safe and reliable services to our customers.

### Focus Areas:

- To ensure continuous performance and mitigation of disruptions to essential functions and operations
- To embed emergency preparedness and response into infrastructure life cycle planning
- To build a workplace culture of preparedness
- To prepare for and mitigate risks related to climate change impacts





## Shared Challenge

- **Goal:** To strengthen the mental and emotional connection our employees feel toward their work, their team and DC Water
- **Objectives:**
  - To establish DC Water as a preferred employer utilizing a comprehensive total rewards strategy (pay, benefits, performance management, talent development, work-life balance, rewards and recognition) to drive performance and employee engagement.
- **Outcomes:**
  - Improve year one employee experience utilizing 3 measures to demonstrate success: 1) quality of hire; 2) performance; and 3) engagement.
  - Increase pipeline of internal talent through a learning organization model and succession planning;
  - Improve employee engagement score by 2% each survey cycle.





## Values

- At DC Water, our values guide our actions, behaviors and decision making:
  - **Accountability:** We conduct ourselves in a manner that surpasses ordinary standards and take responsibility for our actions and their collective outcomes to our workplace, community and environment at all times.
  - **Trust:** We strive to achieve the highest standards of professionalism and ethical behavior by always seeking to be open, honest, fair and respectful.
  - **Teamwork:** We approach all we do in a collaborative way, delivering superior service and outcomes through enthusiasm, helpfulness, positivity, skills, knowledge and a collective commitment to excellence.
  - **Customer Focus:** We see every engagement with our customers as an opportunity to deliver an exceptional customer experience that improves customer satisfaction and the overall perception of DC Water among the communities we serve.
  - **Safety:** We are uncompromising in our commitment to the health and safety of our employees, customers, and community. We require individual accountability, expecting all employees to strictly adhere to our safety standards, and actively participate in and support the advancement of our safety practices.
  - **Well-being:** We recognize DC Water's number one resource is our people. We are committed to seeing that our team thrives physically, mentally and emotionally by endeavoring to create a culture that increases awareness, inspires individual responsibility, promotes healthy choices and encourages work/life balance.



# Communication Plan

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## 💧 **Goals:**

- To strengthen staff engagement in strategic planning and execution
- To improve staff awareness of DC Water's strategic plan and priorities

## 💧 **Target Audiences**

- Existing Employees
- New Employees
- Customers
- Stakeholders



## Board Oversight

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### Recommendations:

- Strategic Planning Committee to become a committee represented by the full Board
- Strategic Planning Committee to convene bi-annually



## Next Steps

- 💧 **Board Review, Adoption and Oversight**
  - Strategic Planning Committee Meeting – September 25, 2018
  - Full Board of Directors Meeting – October 4, 2018
  - Strategic Planning Committee Meeting – February 2019
- 💧 **Development of Strategic Programs**
- 💧 **Communication**
- 💧 **Implementation and Execution**

Activity	Oct	Nov	Dec	Jan	Feb	Mar
Develop Strategic Programs						
Establish Performance Metrics						
Strategic Planning Committee Meeting						
Communication						
Implementation						



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# Comments?

**Presented and Adopted: October 4, 2018**

**SUBJECT: Approval to Publish Notice of Proposed Rulemaking to Expand the Customer Assistance Program (CAP) to Establish Rules for DC Water's CAP2 Program and Rules for Implementing the District's CAP3 and CRIAC Nonprofit Relief Programs**

**#18-68  
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 October 4, 2018 upon consideration of a non-joint use matter decided by a vote of \_\_\_ (\_\_) in favor and \_\_\_ (\_\_) opposed to Publish Notice of Proposed Rulemaking to Expand the Customer Assistance Program (CAP) to Establish Rules for DC Water's CAP2 Program and Rules for Implementing the District's CAP3 and CRIAC Nonprofit Relief Programs.

**WHEREAS**, on July 5, 2018, the Board accepted the recommendations of the DC Retail Water and Sewer Rates Committee and the Finance and Budget Committee, to adopt Resolution 18-57, which directed the General Manager to 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; and

**WHEREAS**, in Resolution 18-57, the Board expressly determined that it was "important to the financial management of the Authority and performance of its statutory mission" that the transferred funds be used to "assist low income residential customers;" and

**WHEREAS**, Resolution 18-57 directed the General Manager to design adjustments to existing CAP regulations to ensure that the allocation of funds required in Resolution 18-57 "not impede the Authority's ability to accomplish its statutory mission or impair other programs designated as priorities by the Board," yet still provide expanded benefits "up to three CCFs of water and sewer services and percent discounts on the impervious area charge" to low income customers not eligible for CAP "using metrics, including but not limited to household size, median income or other factors deemed reasonable by the General Manager" with household incomes up to eighty-percent of the Area Median Income ("AMI"); and

**WHEREAS**, the General Manager has proposed changes to CAP adding a new program to be known as CAP2, that will offer benefits of three Hundred Cubic Feet (3 CCF) credit on the water and sewer service charges and fifty percent (50%) credit on the Clean Rivers

Impervious Area Charges (CRIAC) to low income customers who do not qualify for CAP, but whose household incomes are equal to or greater than 60% of State Median Income (“SMI”), but below eighty percent (80%) of the Area Median Income (“AMI”), considering size of household and not capped by the United States median low-income limit; and

**WHEREAS**, effective September 5, 2018, the District of Columbia Council (Council) set aside \$7 Million in the *Fiscal Year 2019 Budget Support Act of 2018* (D.C. Act 22-0442, projected enactment date of October 27, 2018) and directed the Mayor to establish a financial assistance program to assist District residential customers and Nonprofit organizations located in the District with payment of CRIAC; and

**WHEREAS**, the Council required that “at least \$4 Million” of the funds set aside be available to Nonprofit organization applicants that: a) demonstrate significant hardship in paying the CRIAC; b) permit DOEE to inspect their property; and c) commitment to evaluate on site stormwater management projects or alternative stormwater mitigation measures or activities; and

**WHEREAS**, the Council authorized the Mayor to establish a financial assistance program to assist residential customers with incomes “not exceeding 100% of the area median income” with payment of CRIAC; and

**WHEREAS**, the District’s low income residential customer assistance program is currently known as CAP3, will be funded exclusively with District funds, and will provide benefits to residential customers whose household incomes are greater than 80% of the Area Median Income, but less than 100% of the Area Medium Income; and

**WHEREAS**, CAP3 eligible applicants will receive credit of 1 Ccf on the water and sewer service charges and 50% off of the CRIAC; and

**WHEREAS**, the District’s nonprofit assistance program is currently known as Clean Rivers Impervious Surface Area Charge (CRIAC) Nonprofit Relief Program, will be funded exclusively with District funds, and will provide benefits to nonprofit customers, certain tax exempt religious and charitable institutions and cemeteries; and

**WHEREAS**, eligible nonprofit organizations will receive credits of 90% on their CRIAC; and

**WHEREAS**, on September 25, 2018, the DC Retail Water and Sewer Rates Committee reviewed the CAP2 program proposed by the General Manager, and has recommend that proposed regulations be published which, if adopted, will implement the CAP2 program and will authorize the procedures the Authority will utilize to credit DOEE approved customer accounts with the funds received from the District for the CAP3 and CRIAC Nonprofit Relief Programs; and

**WHEREAS**, On September 25, 2018, the Chief Financial Officer reported to the DC Retail Water and Sewer Rates Committee that the District is considering providing additional

funds to DC Water to supplement the Boards authorized funds for DC Water's CAP2 program if less than \$7 Million is spent on the CAP3 and CRIAC Nonprofit Relief Programs; and

**WHEREAS**, the Board has determined that the CAP2 program described in the proposed regulations describe benefits which, subject to review of the administrative record to be developed, can mitigate the impact of increases in retail water and sewer rates, CRIAC and other charges on low income residential customers that do not qualify for CAP; and

**WHEREAS**, the proposed regulations define the eligibility requirements for benefits provided under the CAP2 program and designate the Department of Energy and the Environment (DOEE) as the agency that will determine eligibility of applications for CAP2 benefits; and

**WHEREAS**, CAP2 program benefits described in the proposed regulations include an exemption from water service and sewer service charges for the first three Hundred Cubic Feet (3 Ccf) per month of water used and a credit of fifty percent (50%) on monthly billed CRIAC; and

**WHEREAS**, the CAP2 program expenditures will be capped at \$6 million that was authorized by the Board of which \$5.5 million will be allocated for CAP2 benefits to customers and \$0.5 million for program administrative costs; and

**WHEREAS**, CAP3 program benefits funded by the District described in the regulations proposed by DOEE include an exemption from water service and sewer service charges for the first One Hundred Cubic Feet (1 Ccf) per month of water used and a credit of fifty percent (50%) on monthly billed CRIAC; and

**WHEREAS**, the proposed regulations allow the Authority to suspend processing of CAP2 benefits if budgeted funds are not sufficient to provide benefits; and

**WHEREAS**, the proposed regulations allow the Authority to apply CAP3 credits to customer accounts provided funds are delivered to the Authority by the District; and

**WHEREAS**, the proposed regulations allow the Authority to stop applying credits to CAP3 eligible customers' accounts upon receipt of notice from DOEE that the customer is no longer eligible for benefits and upon receipt of notice from DOEE that funds for CAP3 are no longer available; and

**WHEREAS**, the proposed regulations allow the Authority to apply CRIAC credits to Nonprofit organization accounts determined eligible by DOEE and to stop applying credits upon receipt of notice from DOEE that the customer is no longer eligible for benefits and upon receipt of notice from DOEE that funds for the program are no longer available; and

**WHEREAS**, the Board intends that eligibility for benefits provided under the CAP2 program will be provided only for the period October 1, 2018 through September 30, 2019.



**NOW THEREFORE, BE IT RESOLVED THAT:**

1. The General Manager is authorized to amend the CAP regulations to expand DC Water's Customer Assistance Program benefits for CAP2 (eligible households and tenants) of 3 Ccf off of their water and sewer service charges and 50% off of their monthly billed CRIAC charges and to adopt regulations to implement the District Department of Energy and Environment (DOEE) CAP3 and CRIAC Non-Profit Relief Programs, effective January 1, 2019 as summarized below and as stated in Attachment A:

**Customer Assistance Program Expansion Summary**

- (1) Adopt regulations to expand DC Water's Customer Assistance Program (CAP):

- a. Proposal to expand DC Water's CAP benefits to eligible single-family or individually-metered Residential Customers:

**CAP2 (Residential Customers)**

- Effective January 1, 2019, Eligible single-family or individually metered Residential customers shall receive a discount of 3 Ccf on their billed water and sewer service charges and 50% on their billed Clean Rivers Impervious Area Charge (CRIAC).
- CAP2 program expenditures will not exceed \$6 million authorized by Board; \$5.5 million in benefits to customers and \$0.5 million for administrative costs.
- DOEE will determine the CAP2 applicant's financial eligibility based on household-income limits equal to or above 60% of the state medium income and below 80% of the area medium income, not capped by the U.S. median low-income limit.
- CAP2 benefits will be provided retroactive for Fiscal Year 2019 from October 1, 2018 and terminate on September 30, 2019.
- If DC Water determines that budgeted funds are not sufficient, DC Water will suspend accepting new CAP2 applicants, or suspend providing CAP2 benefits.

- (2) Adopt regulations to implement the District Department of Energy and Environment (DOEE) CAP3 and CRIAC Non-Profit Relief Programs:

- a. Proposal to establish procedures to provide credits to certain single-family or individually-metered Residential Customers authorized by DOEE to receive the DOEE's Customer Assistance Program Expansion (CAP3) credits:

CAP3 (Residential Customers)

- Effective January 1, 2019, eligible single-family or individually-metered Residential customers shall receive CAP3 benefits as defined by DOEE, subject to the availability of District funds.
  - CAP3 credits will be applied to eligible Residential customers' accounts provided DOEE notifies DC Water of the customers' eligibility, and DC Water receives funds from DOEE to apply the credits.
  - CAP3 credits will be provided from the date DOEE approves the CAP3 applicant's financial eligibility for one calendar year, subject to the availability of District funds.
- b. Proposal to establish procedures to provide credits to certain nonprofit customers authorized by DOEE to receive the District's CRIAC Nonprofit Relief Program credits:

CRIAC Nonprofit Relief Program (Non-Residential Customers)

- Effective January 1, 2019, Eligible non-residential customers shall receive CRIAC Nonprofit Relief Program benefits as defined by DOEE, subject to the availability of District funds.
  - CRIAC Nonprofit Relief Program benefits will be applied to non-residential customers' accounts provided DOEE notifies DC Water of the customers' eligibility, and DC Water receives funds from DOEE to apply the credits.
  - CRIAC Nonprofit Relief Program benefit period will be the entire Fiscal Year 2019, beginning October 1st and ending September 30th, subject to the availability of funds.
  - CRIAC Nonprofit Relief Program customers are required to reapply for the benefits at least 30-days, and no more than 60-days before the end of the benefit period.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process, publish the Notice of Proposed Rulemaking as provided in Attachment A and Notice of Public Hearing in the manner provided by the District of Columbia's Administrative Procedure Act and 21 DCMR Chapter 40.

This Resolution is effective immediately.

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Secretary to the Board of Directors

**Attachment A**

**DC Water's CAP Expansion Proposed Rulemaking**

**Chapter 41, RETAIL WATER AND SEWER RATES, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:**

**Section 4102, CUSTOMER ASSISTANCE PROGRAM, is amended to read as follows:**

**4102 CUSTOMER ASSISTANCE PROGRAMS**

**4102.1 CUSTOMER ASSISTANCE PROGRAM**

- (a) Participation in the Customer Assistance Program (CAP) shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
  - (1) The applicant is responsible for paying for water and sewer services and/or the Clean Rivers Impervious Surface Area Charge (CRIAC); and
  - (2) The Department of Energy & Environment (DOEE) has determined that the CAP applicant's annual household income meets the household income-eligibility requirements for the District's Low Income Home Energy Assistance Program (LIHEAP), below sixty percent (60%) of the State Median Income (SMI) for the District of Columbia.
- (b) DOEE-approved CAP customer shall receive the following benefits:
  - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Four Hundred Cubic Feet (4 Ccf) per month of water used. If the customer uses less than Four Hundred Cubic Feet (4 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
  - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
  - (3) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon receipt of notice from DOEE that the CAP applicant meets the financial eligibility requirements, DC Water shall provide the CAP discounts to the CAP customer's account from the date that DOEE accepts

a completed CAP application to the end of the fiscal year in which the application was submitted.

- (d) To continue receiving CAP benefits without interruptions, the CAP customer must submit a renewal CAP application to DOEE in accordance with the Utility Discount Program renewal deadline. A CAP customer that submits their renewal CAP application after this period, and is subsequently approved by DOEE, will receive CAP benefits as of the date of the application.

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (a) Participation in the CAP2 Program shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
  - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC; and
  - (2) DOEE has determined that the CAP2 applicant's annual household income is equal to or above the household income-eligibility limits for the District's LIHEAP, sixty percent (60%) of the SMI for the District of Columbia and below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) DOEE-approved CAP2 customer shall receive the following benefits, subject to the availability of funds:
  - (1) Exemption from water service charges and sewer service charges for the first three Hundred Cubic Feet (3 Ccf) per month of water used. If the customer uses less than three Hundred Cubic Feet (3 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage; and
  - (2) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for the entire Fiscal Year 2019, beginning October 1, 2018 and terminating on September 30, 2019, subject to the availability of budgeted funds.
- (d) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP2 benefits, DC Water may:

- (1) Suspend the process for accepting CAP2 applicants; or
    - (2) Suspend providing CAP2 benefits to CAP2 recipients.
  - (e) The CAP2 Program shall terminate on September 30, 2019.
- 4102.3 Eligibility for the CAP and CAP2 Programs shall be determined by DOEE based on the income eligibility criteria provided in § 4102.1(a)(2) and § 4102.2(a)(2).
- 4102.4 **DOEE CUSTOMER ASSISTANCE PROGRAM III FOR SINGLE-FAMILY AND INDIVIDUALLY METERED HOUSEHOLDS**
- (a) DC Water shall apply DOEE Customer Assistance Program III (CAP3) benefits to an eligible single-family or individually-metered Residential Customer's account in accordance with the following:
    - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC;
    - (2) DOEE has notified DC Water that the customer has met the requirements of 20 DCMR Chapter 37 and is eligible to receive the CAP3 benefits;
    - (3) DOEE has notified DC Water of the amount of the CAP3 benefits to be applied to the CAP3 customer's account each billing period; and
    - (4) DOEE has transferred funds to DC Water for the benefits applied to the customer's account.
  - (b) DC Water shall stop applying CAP3 benefits to a CAP3 customer's account upon receipt of notice from DOEE that the customer is no longer eligible for the CAP3 benefits, or receipt of notice from DOEE regarding the unavailability of funds.
  - (c) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP3 benefits, DC Water may:
    - (1) Suspend the process for accepting CAP3 applicants; or
    - (2) Suspend providing CAP3 benefits to CAP3 recipients.
- 4102.5 **DOEE CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE RELIEF PROGRAM FOR NONPROFIT ORGANIZATIONS**

- (a) DC Water shall apply DOEE CRIAC Relief Program for Nonprofit Organizations (CRIAC Nonprofit Relief Program) benefits to an eligible non-profit organization's account in accordance with the following:
  - (1) The applicant maintains an active DC Water account and is responsible for paying for the CRIAC charges;
  - (2) DOEE has notified DC Water that the customer has met the requirements provided in 21 DCMR § 561 and is eligible to receive CRIAC Nonprofit Relief Program benefits;
  - (3) DOEE has notified DC Water of the amount of the benefits to be applied to the nonprofit organization's account each billing period; and
  - (4) DOEE has transferred funds to DC Water for the CRIAC Nonprofit Relief Program benefits applied to the customer's account.
- (b) DC Water shall stop applying CRIAC Nonprofit Relief Program benefits to a customer's account upon notice from DOEE that the customer is no longer eligible for the CRIAC Nonprofit Relief Program benefits.
- (c) If DC Water determines that the remaining budgeted funds are insufficient to provide CRIAC Nonprofit Relief Program benefits, DC Water may:
  - (1) Suspend the process for accepting CRIAC Nonprofit Relief Program applicants; or
  - (2) Suspend providing CRIAC Nonprofit Relief Program benefits to CRIAC Nonprofit Relief Program recipients.

4102.6 Nothing in this section shall be interpreted to mean that the benefits provided through DC Water's CAP or CAP2 Programs or DOEE's CAP3 or CRIAC Nonprofit Relief Programs are an entitlement, continuing or otherwise.

4102.7 For the purposes of this section, the term "SMI" means the state median income as determined on an annual basis by the U.S. Department of Health and Human Services (HHS).

4102.8 For the purposes of this section, the term "AMI" means the Area Median Income (AMI), alternately referred to as the HUD Area Median Family Income (HAMFI), determined on an annual basis by the U.S. Department of Housing and Urban Development (HUD).