



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
249th MEETING OF THE BOARD OF DIRECTORS
Thursday, January 3, 2019
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 December 1, 2018 Meeting Minutes and December 19, 2018 16th Special Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Finance and Budget Committee (Sarah Motsch)**
 2. **Environmental Quality and Operations Committee (James Patteson)**
- 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 Exercise Option Year Three of Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises, Inc. – Resolution No. 19-00 (Recommended by the Environmental Quality and Operations Committee 12/18/18)**
 2. **Approval to Exercise Option Year Two of Contract No. 16-PR-DMS-43, Electric Motor & Contracting Co., (EMC) – Resolution No. 19-01 (Recommended by the Environmental Quality and Operations Committee 12/18/18)**
- X. **Consent Item Non-Joint Use**
 1. **Approval to Execute Change Order No. 01 of Contract No. 130140, Fort Myer Construction Corporation – Resolution No. 19-02 (Recommended by the Environmental Quality and Operations Committee 12/18/18)**
- XI. **Executive Session**
- XII. **Adjournment (Chairman Tommy Wells)**

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); 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

- Governance Committee – Monday, January 14, 2019 @ 9:00 a.m.
- Human Resource and Labor Relations Committee w/union presidents – Monday, January 14, 2019 @ 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, January 17, 2019 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, January 22, 2019 @ 9:30 a.m.
- Audit Committee – Thursday, January 24, 2019 @ 9:00 a.m.
- Finance and Budget Committee – Thursday, January 24, 2019 @ 11:00 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Tuesday, December 16, 2018

11:00 a.m.

MEETING MINUTES

Committee Members

Sarah Motsch, Committee Vice Chairperson
Tommy Wells, Board Chairman

DC Water Staff

David L. Gadis, CEO & General Manager
Matthew T. Brown, CFO and EVP of Finance and
Procurement
Gregory Hope, Acting, EVP, Legal Affairs
Linda Manley, Board Secretary

Call to Order

Ms. Sarah Motsch, Committee Vice Chairperson, called the meeting to order at 11:05 a.m.

November 2018 Financial Report

Mr. Matthew Brown, CFO and Executive Vice President of Finance and Procurement, provided the monthly report, noting that DC Water is on track with budgetary expectations. With approximately 16.7 percent of the fiscal year completed, total operating revenues are at \$127.4 million, or 19.6 percent of budget, operating expenditures are at \$84.2 million, or 14.4 percent, and capital disbursements are at \$76.2 million, or 17.4 percent of budget in the respective categories.

CFO Brown explained that revenues are favorable to budget due to quarterly payments by Federal government and wholesale customers, and FY 2018 year-end billing for residential, commercial and multi-family received in the first quarter of FY 2019. He noted that the District has paid the November billing of \$2.5 million in December. CFO Brown highlighted that the variance in personnel services is partially attributable to the absence of the employee merit and bonus payments which will be reflected in next month's report. He stated that management is also reviewing vacancies to assess the needs and will be providing recommendations as part of the upcoming budget process. Detailed analysis of revenue and expenditures will be provided as part of quarterly review next month. Mr. Brown noted that at this early stage in the fiscal year, except for the stated revenue and disbursements variances, there are no other significant variances to report.

Next, Mr. Brown apprised the committee that the FY 2020 budget recommendations will be presented for Board review in February 2019. Furthermore, he acknowledged that the FY 2018 Audit is underway and expected to be completed in December. The A-133 audit and the Comprehensive Annual Financial Report are also underway with anticipated completions in

January. He stated that Requests for Proposal (RFP) were issued and completed for three services including Underwriters, Bond Counsel, and Merchant card services and anticipated for committee review in January/February. He also reported that proposals for the Enterprise Resource Planning (ERP) system have been received and are under review.

Path to Achieve Management

Next, Mr. Brown provided an overview of the various work by the Board Committees regarding the Capital Improvement Program (CIP). The current scenarios that are being presented are the current baseline of \$4.1 million, a modified baseline/ramp up of \$5.0 million, and full Asset Management of \$6.5 million. He explained that the financial plan scenarios for discussion today were developed by running each capital scenario through the financial plan model to understand the impact on customer rates and other financial metrics.

Mr. Brown began by discussing the value of a AAA rating and the impact it has on customer rates. He quantified the approximate value of a AAA rating and noted that DC Water customers save about \$19 million over a ten-year period when compared to the next highest rating of AA+. He cautioned that there are several assumptions in that number, but that it does give an overall magnitude estimate of the savings that result from a high credit rating. He showed a table and discussed how DC Water compares to other AAA and AA rated companies within the water and sewer industry, using various metrics that included debt ratio, outstanding debt levels, coverage ratios, debt service as a percent of total revenues, days of cash on hand and average bill as a percent of median effective buying income. In response to Ms. Motsch's question on why these utilities were chosen for comparison to DC Water, Mr. Brown explained that these utilities are also on the higher end of the credit rating like DC Water. He also noted that there was input from our financial advisors on their selection for comparison. Mr. Davis Gadis, CEO and General Manager, added that the utilities chosen are some of the finest run utilities in the United States and since we consider ourselves in the same light, that it is fitting that we compare ourselves to them.

Ms. Motsch then asked if the services provided by selected utilities include stormwater, drinking water and sewer since DC Water includes all three. Mr. Brown responded that he would provide that information to the Committee. Next, Ms. Motsch asked if there are other factors such as the cost of energy that influences affordability in the various areas and what their impact might be. Mr. Brown suggested that the closest metric to Ms. Motsch's request would be customers' average bill as a percent of the median household income.

Mr. Brown noted that the number of days of cash on hand, which is the number of days that an organization can continue to pay its operating expenses given the amount of cash available, has been at approximately 260 days for FY 2015, FY 2016, and FY 2017. The total cash on hand for these fiscal years were \$192 million, \$214 million and \$209 million, respectively and includes the Rate Stabilization Fund. Mr. Brown explained that 250 days is considered a best practice for AAA rated agencies. DC Water's current policy is to keep 120 days of cash on hand, however, Mr. Brown shared that management anticipates recommending that the Board adopt a policy that holds DC Water to 250 days of cash on hand. This could be accomplished either through year end contributions or planned contributions that do not include the Rate Stabilization Fund. Mr. Brown stressed the importance of days of cash on hand and cautioned that if we hold the ending cash

balance at \$140 million, per the current Board policy, as operating expenditure increase, the days of cash on hand will fall, and this may also result if additional funds are drawn from the Rate Stabilization Fund.

Mr. Brown used a bar graph to depict how DC Water retail rates (with and without District fees) and the DC Water CAP customer rate compare to other large utilities. Ms. Motsch asked if these rates, compared to our peers, could be broken down to reflect the costs for each service area, i.e., water, sewer and stormwater? She also asked for a comparison to those agencies that have consent decrees. Mr. Brown responded that he would provide what he can to the Committee.

Next, CFO Brown reviewed the projected annual water and sewer rate increases and customer impacts for each of the three scenarios for FY 2019 to FY 2028. He noted that the FY 2019 and FY 2020 rates of 13 percent and 5 percent respectively, are the same for all scenarios. The annual rate increases for the remaining future years range from 5 percent to 8 percent for the baseline, 6 percent to 10 percent for the modified, 9 percent to 13 percent for Asset management. He went further to review the related impacts for the average residential, multi-family and commercial customer categories. Starting from FY 2021, the average monthly bill for the retail customer ranges from \$124 to \$164 for the current baseline, \$125 to \$185 for the modified, and \$126 to \$224 for the Asset management through FY 2028. Multi-family customer monthly bill range from \$1,482 to \$2,017 for the current baseline, \$1,503 to \$2,328 for the modified, and \$1,515 to \$2,915 for the Asset management. Commercial customers projected monthly bill ranges from \$2,113 to \$2,848 for the baseline, \$2,141 to \$3,262 for the modified, and \$2,156 to \$4,025 for the Asset management.

Regarding an average customer bill under each scenario, Ms. Motsch inquired as to whether the different scenarios would have a potential impact on DC Water's bond rating. Mr. Brown explained that they could, in that additional debt would mean more debt service, and this would drive up the cost of water and sewer bills. Should that impact affordability, then there could be an impact on our bond rating. Mr. Brown emphasized that the more DC Water borrows, the more that will be paid annually to service the debt. He noted that under the Asset Management scenario, the debt service will double from about \$200 million in FY 2019 to about \$400 million in FY 2028. Mr. Brown advised that there are impacts to Wholesale customers due to additional investments in Blue Plains under the modified and asset management scenarios since they require investments in infrastructure.

Mr. Brown highlighted DC Water's commitment to its community and the various strategies and initiatives undertaken to ensure public outreach and customer engagement. He acknowledged that the District's water and sewer infrastructure, which has served us well for over 100 years, is now showing its age. He noted the need for DC Water to invest more than \$4 billion in utility systems to meet federal mandates and suggested that this may still not be enough. While these investments require rate increases, they will also boost the local economy and provide jobs and other quality of life benefits for residents as can be seen at the Wharf and on the Anacostia River Front, which is experiencing significant economic development activities.

Mr. Brown shared that the strategy is to engage the customer and highlight what DC Water has done to benefit the residences and to educate them on the consequences of not investing

adequately in water and sewer systems. In response to Mr. Wells inquiry on how DC Water accounts for the variability in drinking water charges, Mr. Brown shared that DC Water tries to anticipate and mitigate those risks by making assumptions in the financial plan. He noted, as an example, that DC Water's financial plan assumes an increase in overall costs and a 1% reduction in consumption each year, as that has been the trend over the past several years. Mr. Wells asked if the U.S. Army Corp of Engineers is planning any substantive change in their rates since that is what they use to fund capital investments. Mr. Brown responded that there will be an increase in investments based on conversations with the Aqueduct. Mr. Gadis added that DC Water is in constant contact with the Washington Aqueduct and the U.S. Army Corp of Engineers, and that DC Water has a pretty good handle on what is going on with their capital program. Ms. Motsch asked, with regard to the consequences of not investing adequately, if DC Water does not implement a full capital asset management track, what the financial impact or potential failures might be? Mr. Brown acknowledged that while it's difficult to quantify, in most cases it is cost avoidance. He added that the Budget and Engineering teams are working to include the information for discussion with the committees as part of the budget review process. The committee members and staff agreed it would be more cost effective to be proactive than reactive and that an improved infrastructure will lead to less repairs and failures.

Mr. Wells wanted to know the plan for community outreach and whether there is anything different being done with the City Administrator's Office and the Mayor's Office regarding the budget presentation and DC Water's capital needs. Mr. Brown responded that DC Water is planning to do outreach to the City, specifically regarding the condition of DC Water's assets. He noted that DC Water has heard a lot from the Stakeholder Alliance regarding the Clean Rivers Impervious Area Charge (CRAIC) and the District's Right of Way, acknowledging that in most cities there isn't such a charge.

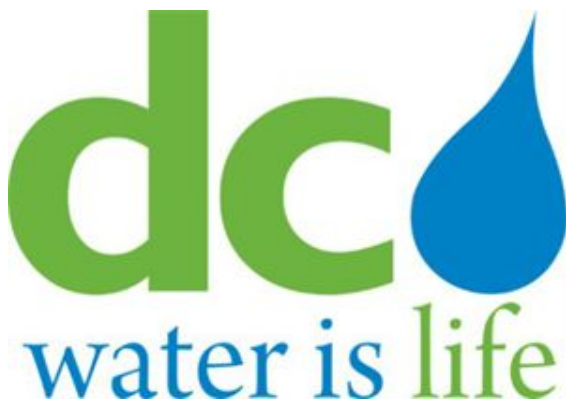
Mr. Brown stated that the community outreach plan has not been finalized and that DC Water's Marketing and Communications Department, in association with the Customer Service Department, are working to determine the most effective and appropriate way to reach the community. Mr. Gadis added that DC Water will lean heavily on the Stakeholder Alliance group for best ways to outreach the community as well as the best place to have meetings in each ward. He noted that DC Water plans to be out in the community to let people know the direction DC Water is going and why we are going in that direction.

Adjournment

Hearing no further business, Ms. Sarah Motsch adjourned the meeting at 11:59 a.m.

Follow-ups

1. Provide information on the median household income of the comparable jurisdictions (slide 10) **(Ms. Motsch)**
2. As part of peer review, for those that have CSO's and consent decrees, provide cost comparison data for water, sewer and stormwater, with breakdown of cost for each service (slide 18) **(Ms. Motsch)**



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, December 20, 2018

9:30 a.m.

MEETING SUMMARY

Committee Members

James Patteson, Chairperson
Howard Gibbs, Vice Chairperson
Patty Bubar
Anthony Giancola
Jed Ross
Kendrick Curry
David Franco
Ivan Frishberg

DC Water Staff Present

David Gadis, CEO & General Manager
Leonard Benson, Senior VP, Chief Engineer
Linda Manley, Secretary to the Board
Gregory Hope, Acting Exec. VP, Legal Affairs

I. CALL TO ORDER

Mr. Patteson called the meeting to order at 9:30 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Assistant General Manager for Wastewater Treatment stated that, going forward, the detailed report capturing the status of the Blue Plains Treatment Plant’s performance for a given month, would be provided during the second Committee meeting following that month (i.e., November 2018 report would be provided during the January 17, 2019 meeting) and so forth. This would allow for better data verification and QA/QC of information before presentation to the Committee.

Mr. Tesfaye did mention that while record precipitation levels were recorded in the DC Metro region during November, the performance of the Plant was excellent and that effluent quality parameters were below the NPDES permit limits.

During the month the Washington Metropolitan Region received record above normal total rainfall (7.57 inches vs normal of 3.17 inches) as measured at the National Airport. A total of 735 million gallons (MG) of CSOs captured in the tunnel system, were pumped, and treated using the new Enhanced Clarification Facility (ECF). Since the commissioning of the first

section of the Anacostia River Tunnel Systems and the Wet Weather Treatment Facility (WWTF) in March 2018 and including the wet weather events that occurred in November 2018, the total volume pumped and treated through the Wet Weather Treatment Facility is 4,140 MG. During the same period, over 800 wet tons of screenings and grit (trash, debris, sediment) were removed, that would otherwise have been discharged into the Anacostia River.

II. RESOURCE RECOVERY/ENERGY RFI

Mr. Chris Peot, Director, Resource Recovery, gave a presentation regarding resource recovery at DC Water and the Authority's Request For Information (RFI) for Energy Innovation. The intent of the presentation was to inform the Committee about concepts, outline DC Water's plan to realizing underleveraged resources and describing a potential path of investment and shared risk to fund future projects without raising rates. Mr. Peot noted projects that could potentially generate revenue and savings

Next, the Committee was briefed on the purpose and progress of DC Water's Energy RFI (issued November 1, 2017) as follows:

- The purpose of the RFI is to identify partners willing to help design and implement energy innovations and share financial risks
- Met with the three (3) firms with the most relevant responses
- DC Water received eleven (11) responses and started working on some low-risk, high yield, projects in preparation for a Request for Proposal (RFP)
- Outlined a draft approach to pay for services through revenue generated
- Actively searching for a partnership to help with high priority projects

Mr. Peot also described the Renewable Identification Number (RIN) as a Renewable Fuel Standard (RFS) currency or credit generated for one ethanol equivalent gallon of renewable fuel. An EPA mandate and the Clean Air Act requires a percentage of refined transportation fuels be blended with renewable fuels. The EPA then sets renewable volume obligations annually and refiners and importers alike comply by blending fuels or via purchase of RINs. Each RIN has a D code which further classifies the type of renewable fuel. Digester gas from waste water treatment plants, such as Blue Plains, has a 'D3' (cellulosic) designation, and has the highest RIN value (D3 RINs are valued at \$25-\$35/MMBTUs).

As an example of how RINs can generate revenue, Mr. Peot mentioned the case study of the South Renton Treatment Plant (75 MGD) example located in King County, Washington. The treatment has had solids treatment with digestion and biogas scrubbing operations since 1987 and had their scrubbed gas registered as EPA "RIN Certified". Through the sale of these RINs to third parties, King County receives the value of the commodity and 70% of the RIN value, totaling in \$5.5 million in addition revenue in 2017 alone. This example highlights the revenue generating potential of renewable fuels through resource recovery.

The Committee inquired as to what the initial investment needs would be to set up such a process at DC Water. Mr. Peot replied while there hasn't been detailed feasibility study conducted yet, a preliminary estimate would be a \$25-\$30 million initial investment. The Committee also inquired if there would be any jurisdictional issues when setting up such operations. Mr. Peot replied since the RIN program is a federal program, there would be no state level jurisdictional issues. Mr. Peot concluded the presentation by identifying the projects that could be funded if such a program is established,

III. ACTION ITEMS

JOINT USE

1. Contract No. 15-PR-WWT-53A – Supply and Delivery of Ferric Chloride, Carter & Carter Enterprises, Inc.,
2. Contract No. 16-PRDMS-43 – Repair and Rehabilitation of Various Process Assets, Electric Motor & Contracting Co., Inc.,

Mr. Dan Bae, Director, Procurement, DC Water presented joint use Action Items 1 and 2.

The Committee inquired if DC Water looked at suppliers other than the two contractors. Mr. Bae replied in the affirmative but added that Carter & Carter was the least expensive option available. The Committee also inquired as to what the projected future use of Ferric Chloride is for DC Water. Mr. Bae responded DC Water would get back to the Committee on those projections.

The Committee inquired if whether the repair and rehabilitation of process assets could be done in-house. Mr. Bae replied that scope calls for inspection, rehabilitation and replacement and upgrade services for major assets that are well beyond the existing, internal capabilities of DC Water.

NON-JOINT USE

1. Contract No. 130140 – Spring Valley Main Rehabilitation & Replacement, Fort Myer Construction Corp. (change order).

The Committee inquired as to why these changes were not anticipated and identified prior to advertising the contract. Mr. Benson explained that the principal cause of the change order lay in the operation of the liner cutter tool that is routinely used throughout the water/wastewater industry to re-instate service connections once the main pipeline is lined and cured. The Water Quality department at DC Water alerted the project management team of the possibility that lead particulates from old lead service lines may seep into the drinking water during operation of the cutter tool. DC Water then elected to replace all known and suspected lead service lines in conjunction with the rehabilitation of the line before deploying the cutter tool. This conservative measure will avoid any issues that may arise from the known or suspected lead service lines and provide protection to the customer.

The Committee inquired as to who certifies if a service line is lead and needs replacement. Mr. Benson replied that the Contractor inspects the line for lead and an accompanying DC Water technician verifies and approves the resulting recommendation. The Committee advised DC Water to be wary of having contractors or vendors being responsible for replacement recommendations. Mr. Benson noted the advice and reiterated that DC Water technicians verify and approve any recommendations from the contractor or vendor.

The Committee recommended all joint and non-joint use Action Items to the full Board.

IV. DC CLEAN RIVERS (DCCR) PROJECT QUARTERLY UPDATE

Mr. Carlton Ray, Director, Clean Rivers Project, gave a quarterly update to the Committee. He began by mentioning the Tiber Creek Sewer Rehabilitation project, which is part of the Anacostia River Tunnel System, received the American Shotcrete Association (ASA) 2018 Outstanding Project of the Year award in the Underground category.

Mr. Ray gave a status update of the DCCR project as follows:

- First phase of the Anacostia River tunnel system was commissioned on March 20, 2018
- Northeast Boundary Tunnel (under construction) will increase Combined Sewer Overflow (CSO) storage and flood risk mitigation by adding about 90 MG more of storage capacity
- Green Infrastructure (GI) project in Rock Creek is nearing completion while GI project in Potomac River basin will be completed in Spring 2019
- Potomac River Tunnel Facility Plan is on track to being submitted to EPA by end of 2018

The following projects are nearly completed: JBAB Overflow and Diversion Structures; Main Pumping Station Diversions; Anacostia River Tunnel (ART); Poplar Point Pumping Station Replacement and CSO 021 Diversions.

The following tasks are in progress for:

Division J – Northeast Boundary Tunnel

- CSO 019 Site
 - Tunnel Boring Machine (TBM) “Chris” mined 228 feet
 - CSO 019 force main relocation work complete
 - Eastside force main put back in service
- Mount Olivet Road (MOR) Site
 - Jet grout test columns completed
 - Slurry wall panels completed
 - Production columns work ongoing
- W Street Site
 - Retaining wall piles work completed
 - 24-inch storm pipe completed
 - Slurry wall panels completed
 - Ventilation Control Facility (VCF) work ongoing
 - Breakout of slurry wall ongoing
- Rhode Island Avenue Site
 - Site setup ongoing
 - Asbestos removal work completed
- 4th Street Site
 - Mobilization and site set-up completed
 - Slurry wall panel work 50% completed
 - Instrumentation installation completed
 - Removed overhead lines

Division RC-A – Rock Creek GI Project A

- Project facilities were designed, permitted and constructed in three phases
- One year maintenance period underway; completion expected in December 2019

Mr. Ray also stated that Clean Rivers project is expected to meet its FY2019 spending goal. Mr. Ray concluded the quarterly update by mentioning a recent song that referenced the Clean Rivers project and congratulated the team for their accomplishments.

The Committee inquired how DC Water measures seismic activities that might affect the community. Mr. Ray responded that their survey markers around buildings to help monitor if there has been any unwanted movement of structures.

III. MAKING I.T. HAPPEN – A STRATEGY FOR 2019 AND BEYOND

Due to time restrictions, this presentation was postponed to the next EQO Committee meeting to be held on January 17, 2019.

IV. OTHER BUSINESS/EMERGING ISSUES

DC Water CEO and President, David Gadis, on behalf of the Board of Directors and the employees of DC Water, presented outgoing Committee Chairman David Patteson with an appreciation award, and offered heartfelt thanks and best wishes in all his future endeavors.

V. ADJOURNMENT

Meeting adjourned at 12:00 p.m.

Follow-up Items

1. Director, Procurement: Provide update to the Committee on the projected future consumption of Ferric Chloride by the Blue Plains Treatment Plant.



CEO and PRESIDENT'S REPORT

David L. Gadis – January 2019

Table of Contents

Message from the CEO/GM.....I

Organizational Performance Dashboardi

Financial Highlights1

 Financial Performance Summary 1

 Revenues and Operating Expenses 2

 Capital Spending..... 2

 Operating Cash and Receivables 3

 Investment Earnings..... 3

 Investment Yield..... 4

Customer Care and Operations Highlights.....5

 Customer Service 5

 Fire Hydrants 6

 Permit Processing..... 7

Low Income Assistance Program.....8

 SPLASH Program..... 8

 Customer Assistance Program(CAP) 8

Operational Highlights9

 Drinking Water Quality..... 9

 Waste Water Treatment 10

 Water Distribution Operations..... 11

 Water Balance 11

 Sewer System Operations 12

 Combined Sewer System..... 12

 Human Resources 13

 Electricity Usage Summary..... 14

 Electricity Usage by Service Area 14

 Safety 15

 Vendor Payments..... 15

Interpretation of Charts A

Color Key

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

Message from the CEO/GM

January CEO Report

FY2020 Budget

Work continues to prepare the FY2020 Operating and Capital Budgets. In December, presentations were made to the Retail Rates Committee and the Finance and Budget Committee on the impact on the financial plan and rates of the capital investment scenarios. The capital investment scenarios were first presented to the Environmental Quality and Operations Committee by the Chief Engineer.

With the Stakeholder Alliance and rate consultants, work continues to evaluate the Clean Rivers Impervious Area Charge (CRIAC) and any possible changes that might be recommended with the Proposed FY2020 Budget. Finance is working with Clean Rivers to understand the amount of sanitary sewage that flows into the tunnels as one way to modifying the allocation of Clean Rivers to include a volumetric sewer charge. Based on work to date, a small shift from the impervious area charge to the sewer volumetric rate may be justified. This would reduce the CRIAC for small volumetric users who have large impervious area, and increase the overall bill for customers with high volumetric usage. Finance staff are also evaluating an expansion of the Impervious Area Charge Incentive Program. Currently, that program provides a four percent credit on the CRIAC when customers implement approved stormwater best management practices such as pervious paving and green roofs.

George H.W. Bush State Funeral

OEM works closely with U.S. Secret Service and HSEMA to assist in coordinating National Special Security Events within the District. OEM facilitated the coordination with operations such as Sewer Services to inspect manholes along the secure routes. These inspections are often in the middle of the night to minimize traffic disruptions and occur immediately prior to the events. In addition, OEM represents DC Water in the Multi-Agency Coordination Center (MACC) and stays informed of event status and information to assist in assuring DC Water's operations can continue to provide essential water services and can respond to emergency repairs in or around secure zones.

Efforts coordinated and facilitated by DC Water during George H.W. Bush State Funeral:

- Participated in District Operational Coordination meetings. *OEM*
- As requested by HSEMA, provided communication plan (ICS205) *OEM and IT*
- Assisted US Secret Service to inspect manholes at the National Cathedral during the early morning hours of Dec.5th. *OEM and Sewer Services*
- Provided status updates and critical information to the Multi-Agency Coordination Center and internal/external stakeholders. *OEM*
- Facilitated DC Water reimbursement request for manhole inspections. *OEM, Finance, and Sewer Services*

Solar Installation at Brentwood Reservoir

In December, 2018 DC Water signed a Development Agreement with Urban Ingenuity / National Housing Trust (NHT) to explore the development and eventual land lease of the Brentwood Reservoir for a 1-1.5MW solar farm. This Agreement allows DC Water to continue exploring the development of solar capacity at the Brentwood Reservoir just across from Gallaudet University – which would provide direct revenue to DC Water to offset operations but also position DC Water as a champion for low-income residents by supporting the capacity of the DC Community Solar for All program.

Message from the CEO/GM

Green Infrastructure

DC Water has been granted substantial completion for the first green infrastructure project in Rock Creek, which comprises approximately 24 acres that will be managed with green infrastructure during a 1.2-inch storm event.

Winter Preparation

DC Water has completed its preparedness to respond to upcoming winter weather. This preparation involves changing shift schedules, coordinating appropriate readiness of fleet, ensuring adequate materials are in stock and working closely with Engineering to support repair work.

Blue Plains Award

DC Water received the NACWA Platinum Peak Performance Award for 6 years of 100% compliance.

Financial Statement Audit

DC Water received twenty-second consecutive clean (unmodified) audit opinion on financial statements for the fiscal year ended September 30, 2018.

CAP Expansion Programs

With Customer Service, Finance continues to work to implement the Customer Assistance Program expansion programs so that when the District Department of Energy and the Environment (DOEE) begins certification, DC Water will be ready to issue credits to household and non-profit customers.

DC Water Hosts U.S. DOE Delegation

On December 17, DC Water hosted a delegation from the U.S. Department of Energy and the U.S. Environmental Protection Agency for a presentation and tour of Blue Plains, highlighting resource recovery trends and examples at DC Water. The delegation is leading the development of DOE's Water Security Grand Challenge, launched in October.

DC Water Apprenticeship Program

In 2018, DC Water began to engage local partners and management around creating an Apprenticeship Program. The aim of the program is to begin a succession plan for entering young adults into a career path at DC Water. The program will provide new trainees with systematic On-The-Job work experience related to the HVAC, Plumbing, Quality Assurance, Utility Worker, and Waste Water Operator occupations, under the direction and oversight of capable and experienced journey workers. The program also includes classroom related training necessary for the completion of the apprenticeship.

Government Relations

This month the DC Council introduced, considered, and voted on two different pieces of legislation with a direct impact on DC Water: lead vouchers for homeowners and the Office of the People's Counsel empowerment bill. Each of these initiatives took countless hours to negotiate and work thorough with staff and Council members and both pieces of legislation received final approval this month.

Drinking Water Marketing and Communications

- DC Water continues the "Made with DC Tap" social media campaign—a marketing initiative highlighting local businesses and the ways their unique products and services rely on the District's world-class tap water. This month the team has officially partnered with the Department of Small and Local Business Development's "Made in DC" campaign, and will work

Message from the CEO/GM

with these partners to connect with more District businesses, and expand the reach and capabilities of this initiative.

- DC Water staff disseminated important updates about the Lead Service Line Replacement programs and the recent passage of the LSR Bill through Council to customers and other stakeholder groups via the Interagency Workgroup on Healthy Housing's December newsletter, *DC Healthy Homes Digest*. The next meeting of the Workgroup is scheduled for mid-January. At this meeting, OMAC will bring partners from the American University to discuss our joint study, "Equity Considerations for Lead Service Line Replacement in Washington, DC." The study will request additional data sets from group members that will be added to DC Water's Voluntary LSR program data to examine the influence of variables on the rate and distribution of lead service line replacement. Proposed variables include household income, race/ethnicity, type of dwelling, and other demographic characteristics.

Press Releases:

- Dec 12: Falling temperatures can cause water main breaks and frozen pipes
- Dec 6: New District Lead Service Line Replacement Program Offers Historic Opportunity to Replace Old Plumbing

Message from the CEO/GM

WEBSITE:

www.dewater.com

Sessions

63,733

Pages / Session

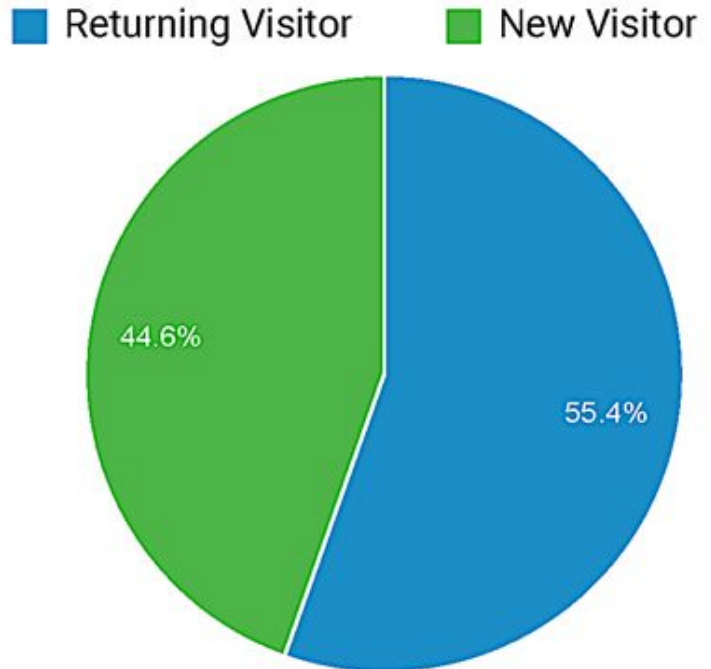
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Avg. Session Duration

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Bounce Rate

29.23%



Page	Pageviews	% Pageviews
1. /default.cfm	40,834	25.53%
2. /my-dc-water-upgrade	39,775	24.86%
3. /paying-your-bill	12,694	7.94%
4. /careers	7,178	4.49%
5. /contact	5,108	3.19%
6. /payment-and-billing	2,808	1.76%
7. /projects	1,797	1.12%
8. /internal-job-board	1,410	0.88%
9. /rates-and-billing	1,376	0.86%
10. /board-of-directors	1,132	0.71%

Message from the CEO/GM

Social Media

Group Audience Growth

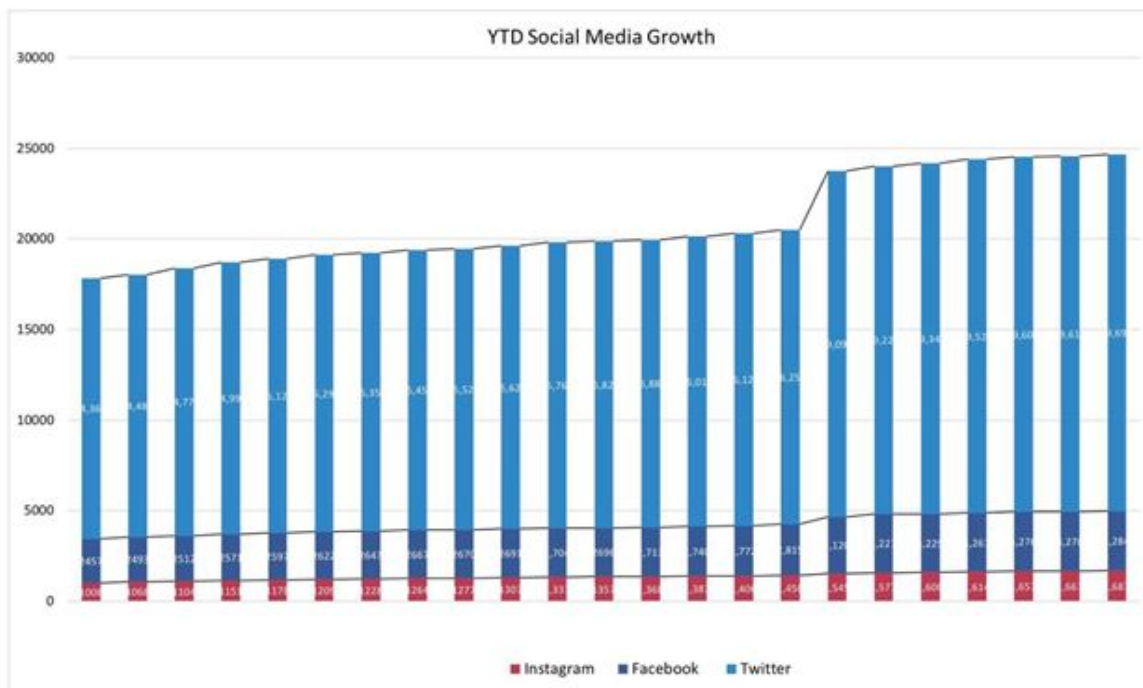


Audience Growth Metrics	Totals	% Change
Total Fans	24,563	0.6%
New Twitter Followers	98	0.5%
New Facebook Fans	7	0.2%
New Instagram Followers	35	2.1%
Total Fans Gained	140	0.6%

Total followers increased by

▲ 0.6%

since previous date range



ORGANIZATIONAL PERFORMANCE DASHBOARD (November 2018)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	32,797	Actual	127	Actual	84	Actual	76
Target	13,604	Target	108	Target	97	Target	107
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	171	Actual	3	Actual	1.96	Actual	2.05
Target	126	Target	3	Target	2.85	Target	2.33
	(\$ mil)		(%)		(%)		(%)

Customer Care and Operations Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	Nov 86		Nov 89		Nov 73		Nov 100
85	(% of calls rec)	85	(% of calls rec)	75	(% of calls rec)	90	(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	Nov 65	1000			Nov 32	88	
	(count)		(count)	250	(YTD count)		(%)

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	15	Previous	1
Target	13	Current	2
	(\$ tho)		(\$ tho)

Operational Highlights

Lead Concentration (ppb)		Total Coliform Rule (%)		Biosolids Production		Total Nitrogen (lbs/yr mil)	
				416			
	5		0.0%		(wet tons)		3.27
Plant Effluent Flow (gal mil)		Excess Flow		Water Main Leaks		Water Valve Leaks	
		318		39		1	
	362		(gal mil)		(count)		(count)
Non-Revenue Water		Sewer Main Backups		Sewer Lateral Backups		Dry Weather CSO	
Sold	NA	8		96		0	
Purchased	NA		(count)		(count)		(events)
	(CCF mil)						
Recruitment Activity		Electricity Usage		Employee Lost Time Accidents		Vendor Payments	
Filled	2	14				Actual 96	
Open	30		(MWh)		(count)	Target 97	
	(count)						(%)

FINANCIAL HIGHLIGHTS

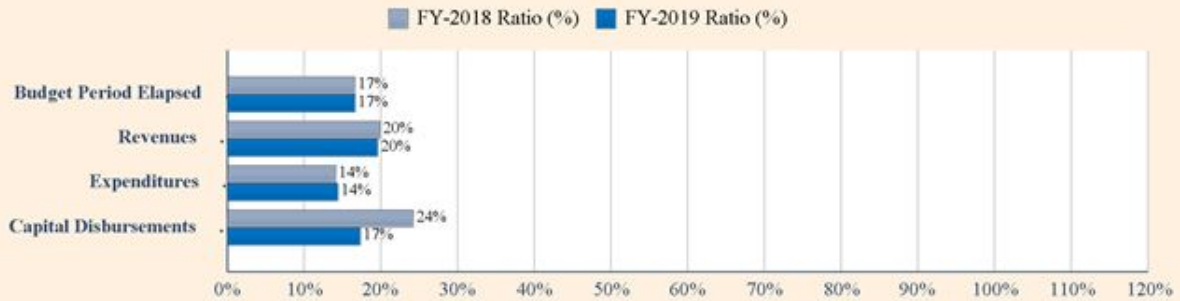
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

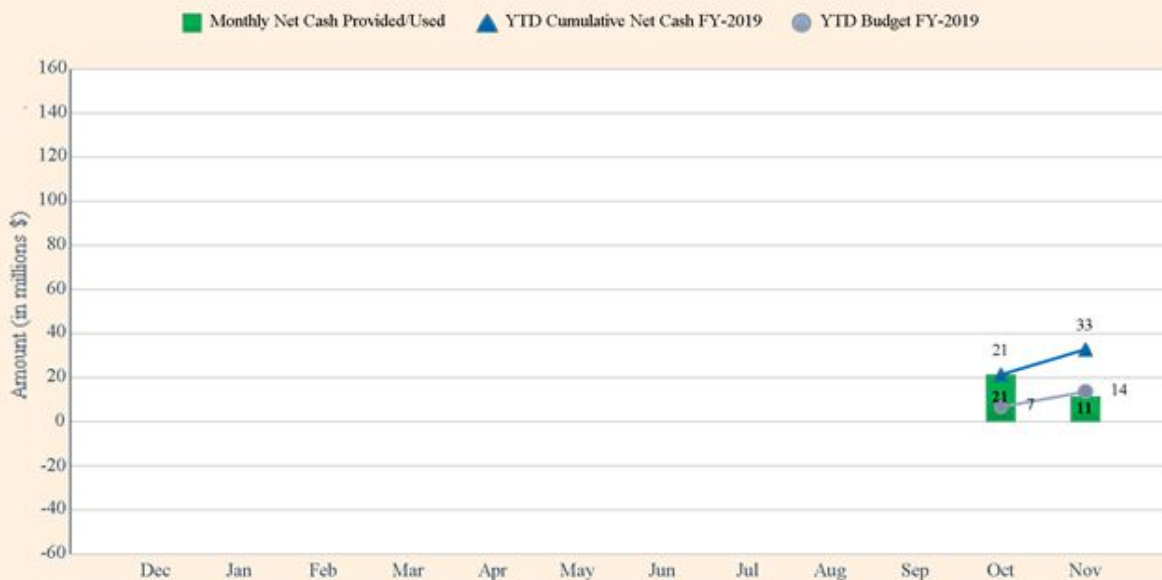


YEAR TO DATE ANALYSIS



NET OPERATING CASH

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



Net cash to date for November was above budget by \$19.2 Million

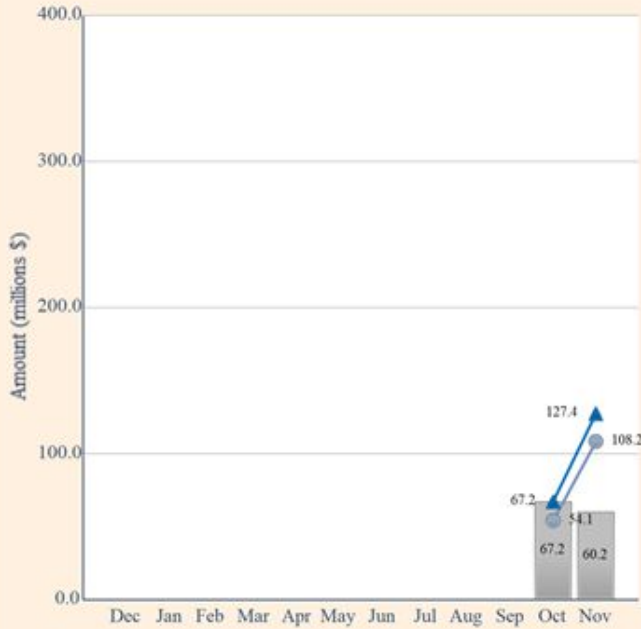
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- ▲ YTD Cumulative Revenue FY-2019
- YTD Cumulative Budget FY-2019

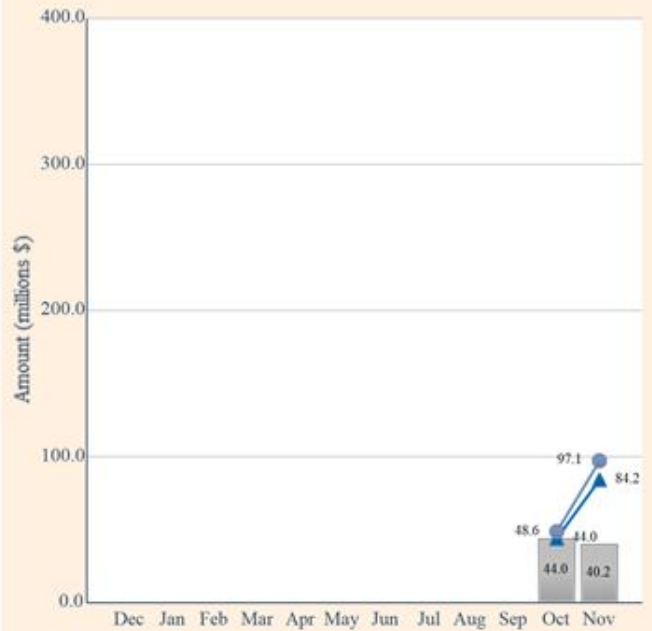


Revenue to date for November was above Budget by \$19.2 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- ▲ YTD Cumulative Expenditure FY-2019
- YTD Cumulative Budget FY-2019



Expenditure to date for November was below budget by \$12.9 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- ▲ YTD Cumulative Disbursements FY-2019
- YTD Cumulative Budget FY-2019



Disbursements to date for November was below budget by \$31.2 Million. YTD spending reflects comparison to the approved budget.

FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- Actual Cash Balance FY-2019
- ⋯ Operating Reserve Target - (125.5 Million)



Cash Balance for November was above target by \$45.8 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%)



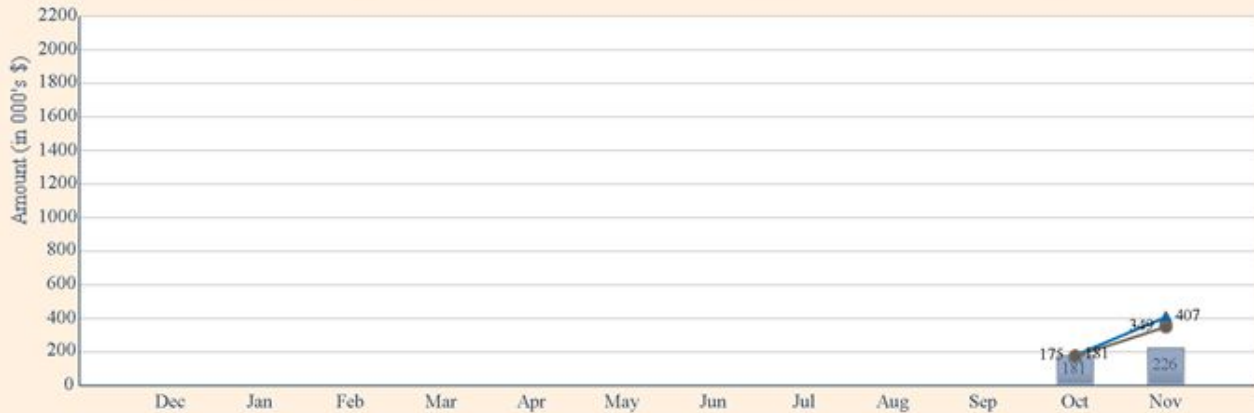
November Receivables to Revenue Ratio is 2.67, Delinquency is 13.93 million.

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- Monthly Earnings
- ▲ YTD Cumulative Earnings FY-2019
- YTD Cumulative Earnings Budget FY-2018



Earnings to date for November were above Projected Budget by \$57,570

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for November was less than the treasury index by 0.89%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



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

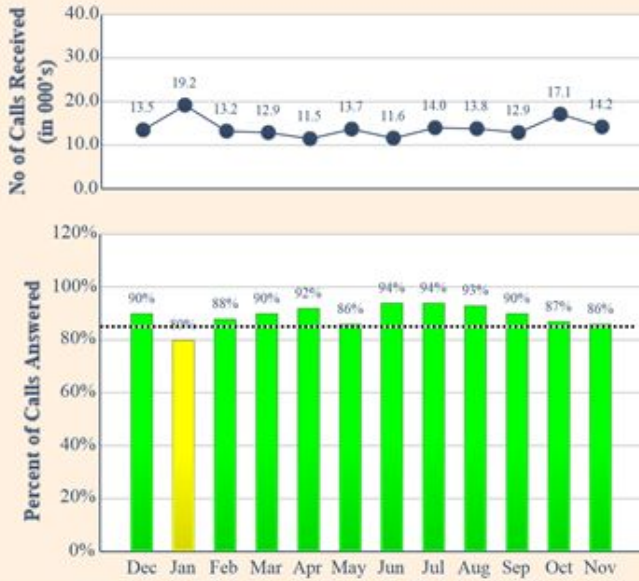
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

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%)

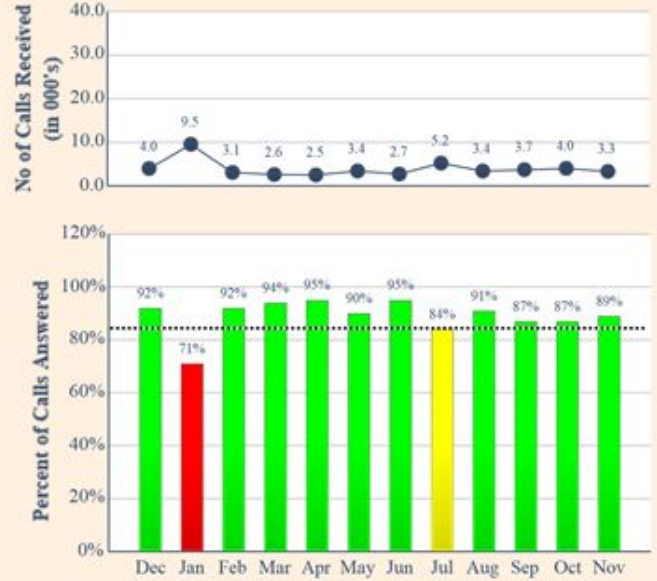


Performance for November was above target by 1%

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%)

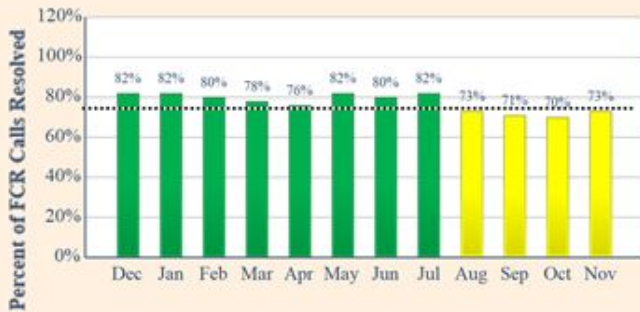


Performance for November was above target by 4%

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

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

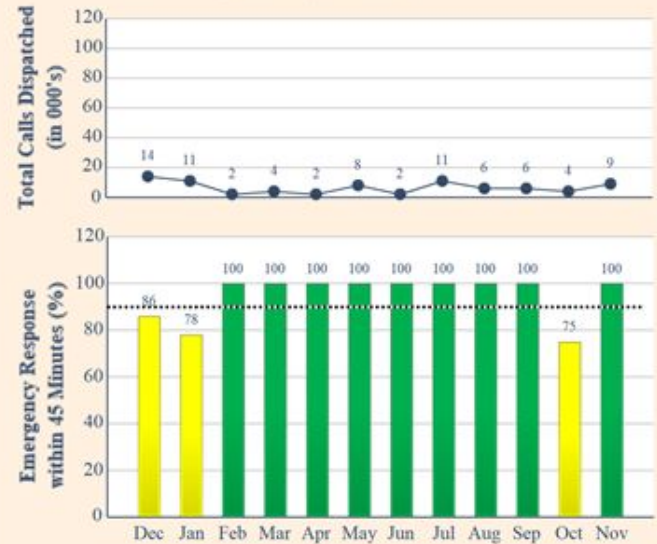


Performance for November was below target by 2%.

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

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



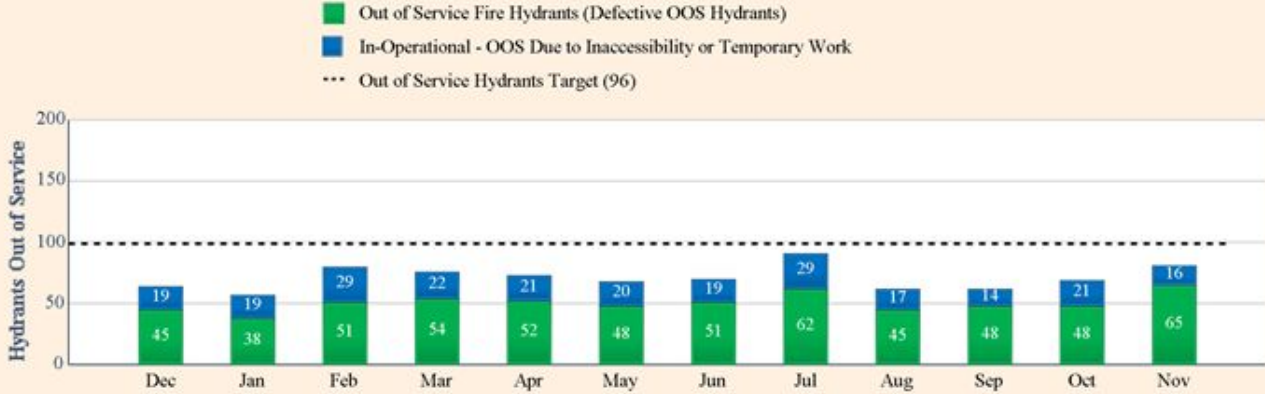
Performance for November was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

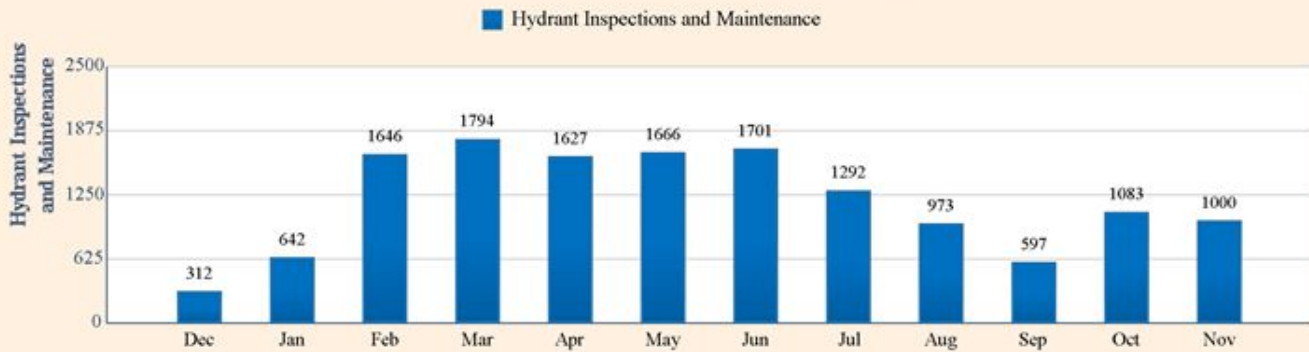
Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month



Total Hydrant Replacements Per Month

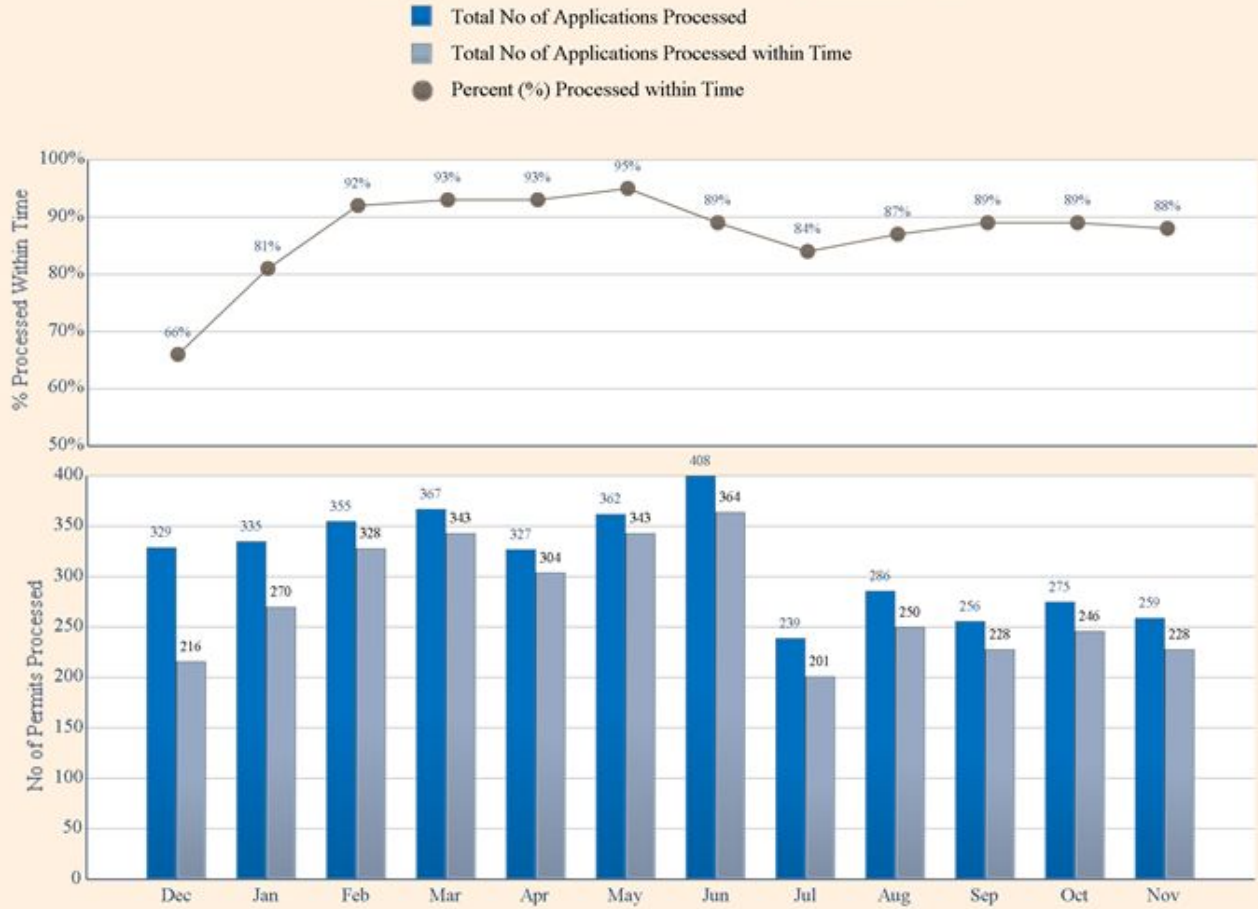
Annual Replacement Target (250)



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



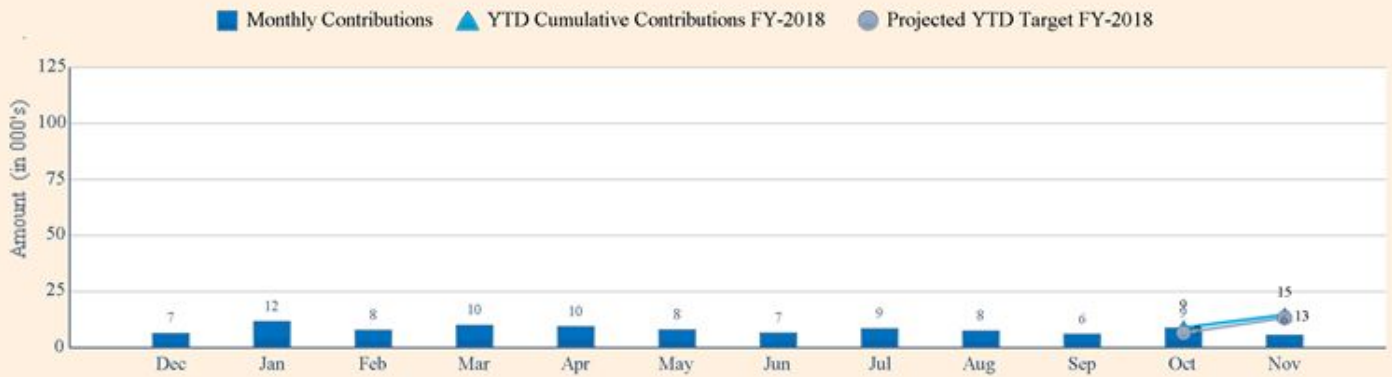
Permits processed in November were 3% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

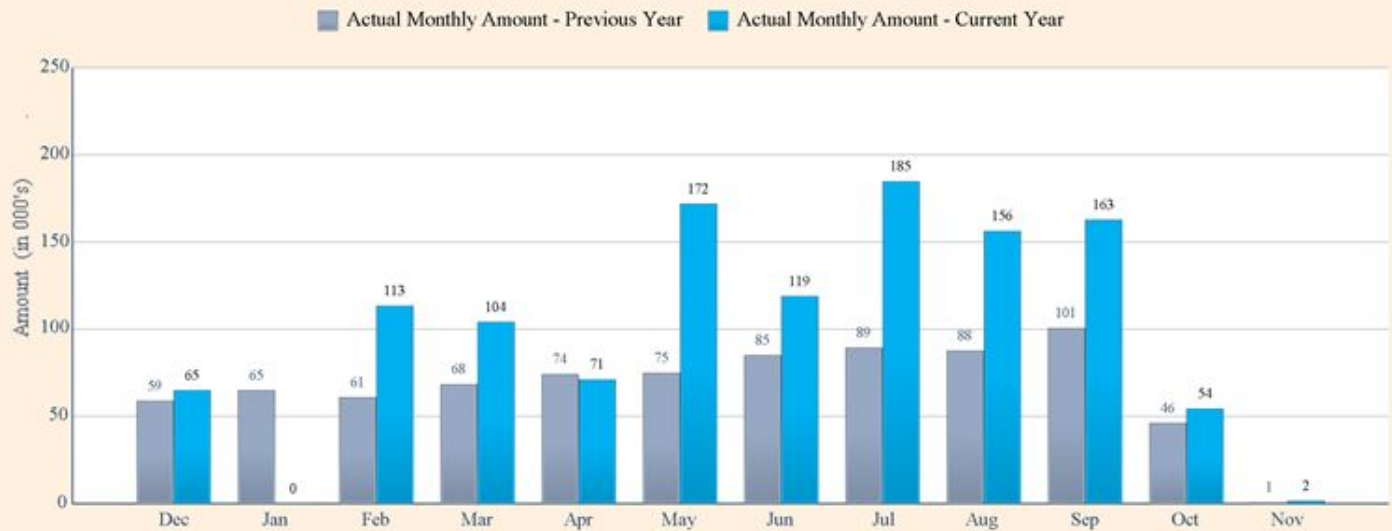


Total SPLASH Contributions to date for November were above target by \$1,350

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

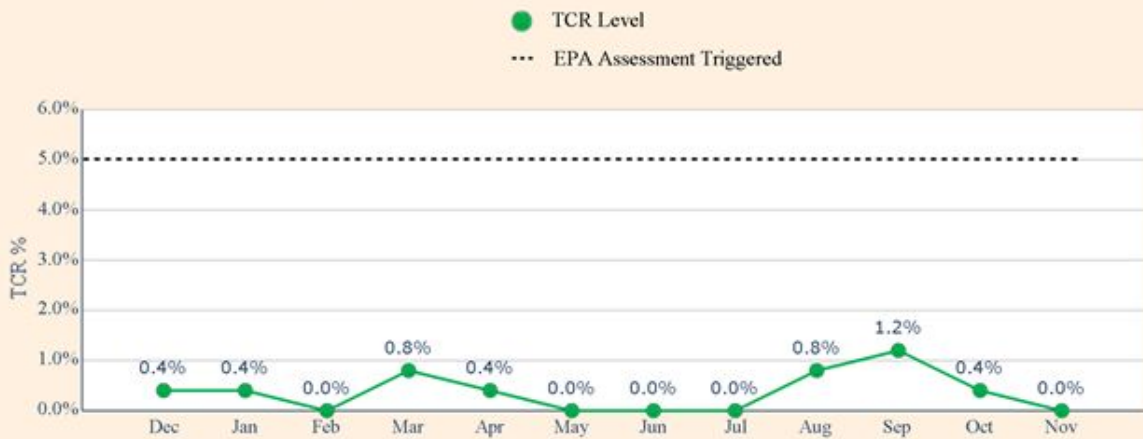
Semi-Annual LCR Monitoring Results



Jul-Dec 2018 results to date

TOTAL COLIFORM RULE (TCR) COMPLIANCE

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



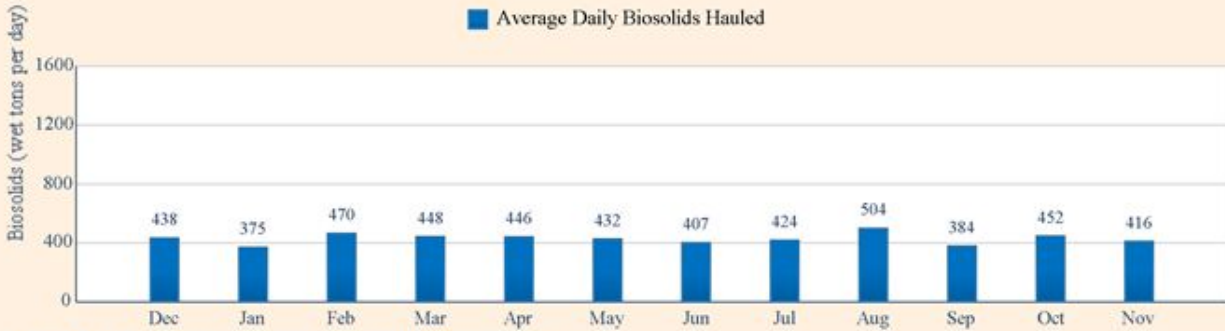
Coliform Positive was recorded at 0.0% in November

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

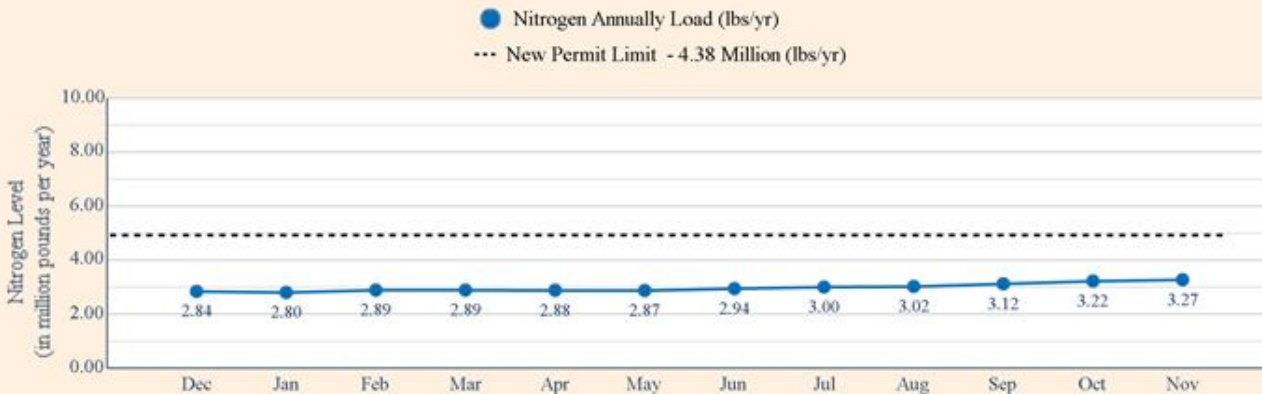
Average Daily Biosolids Production



Biosolids Daily Production for November were 416 wet tons per day

TOTAL NITROGEN

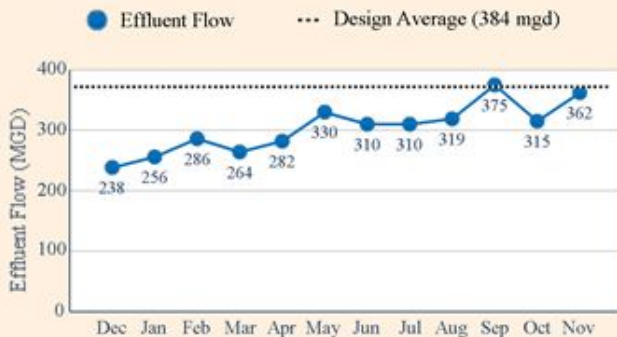
Total Nitrogen Compared to New Permit Levels



Nitrogen level for November were below permit by 1.11 million lbs/yr

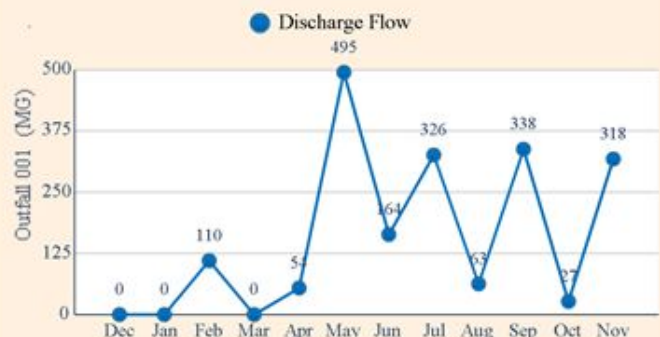
OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In November Influent flow was below design by 22 MGD

OUTFALL 001 - DISCHARGE FLOW

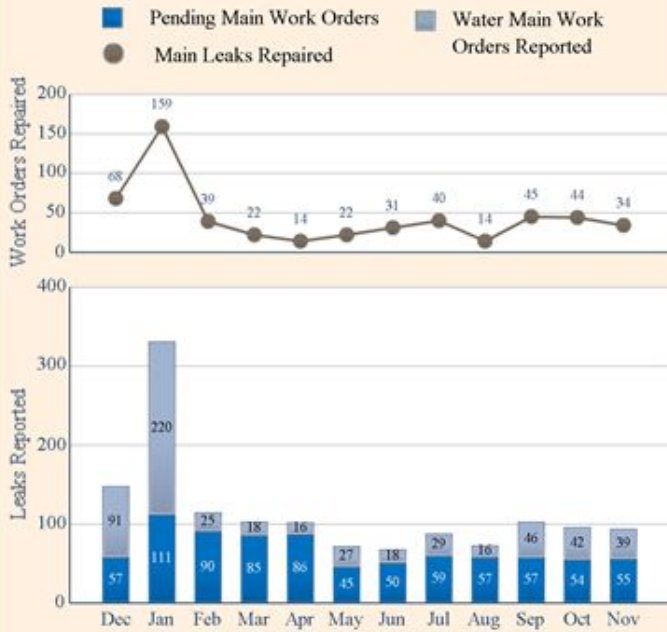


Excess flow events were recorded at 317.81 MG in November

OPERATIONAL HIGHLIGHTS

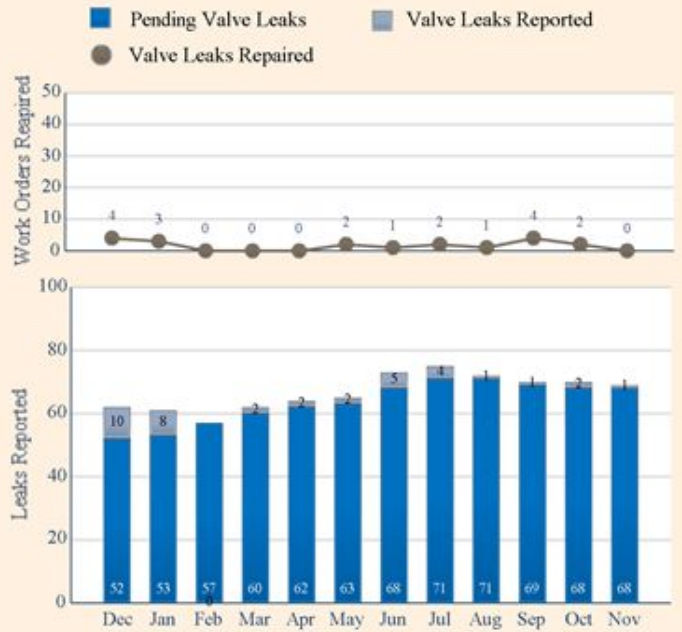
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 39 Water Main Work Orders reported in November

WATER VALVE LEAKS

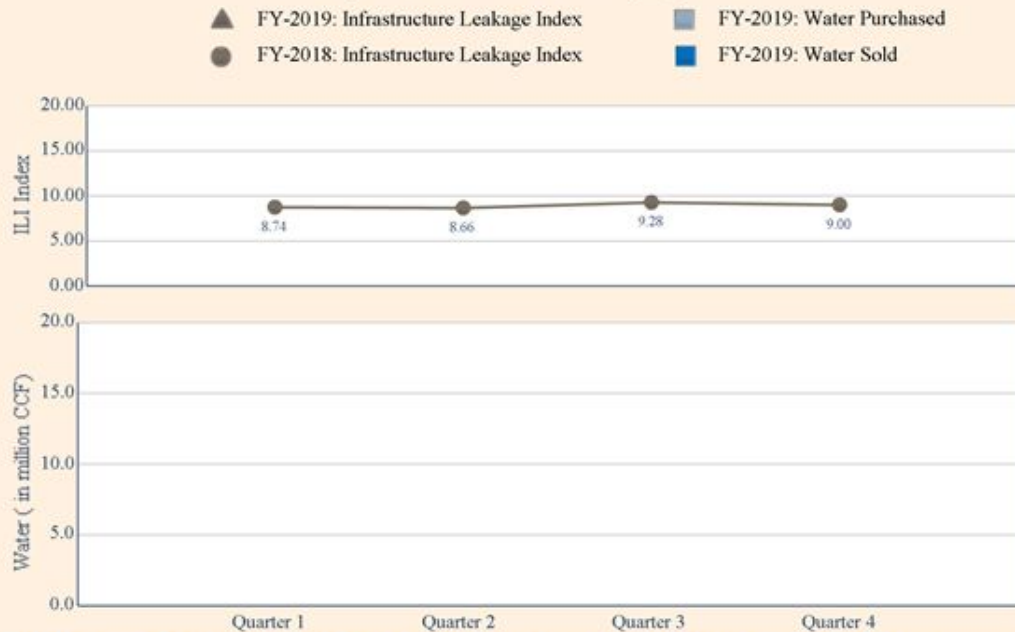


No leaks were resolved in November

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



In the 4th quarter of FY 2018, 9.60 out of 13.05 million cubic feet of water was sold. FY2019 Water Balance Pending

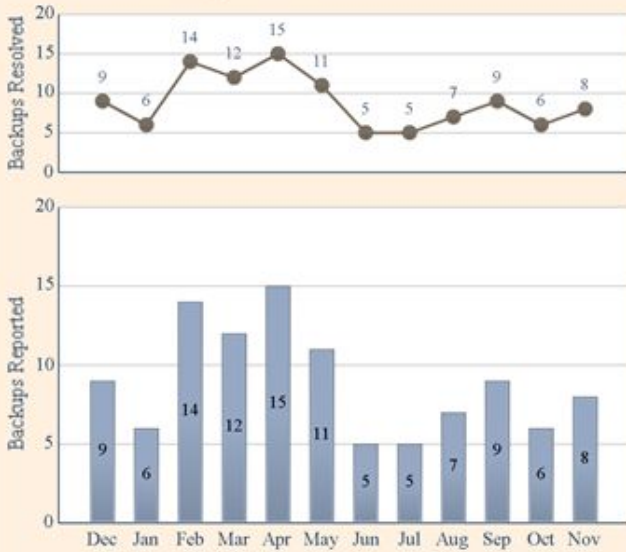
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

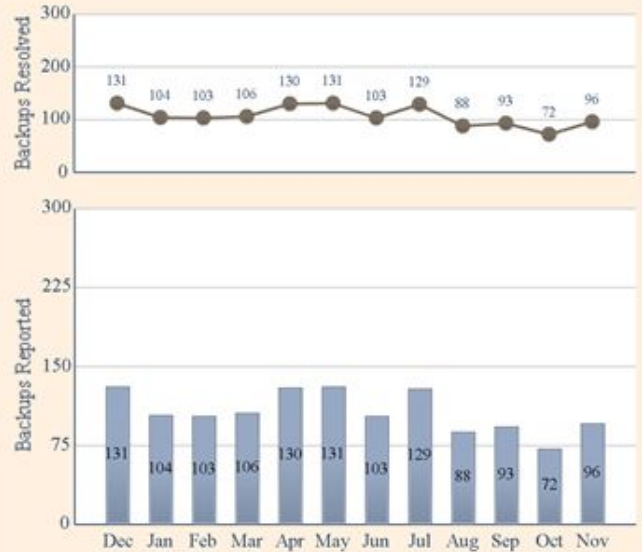


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



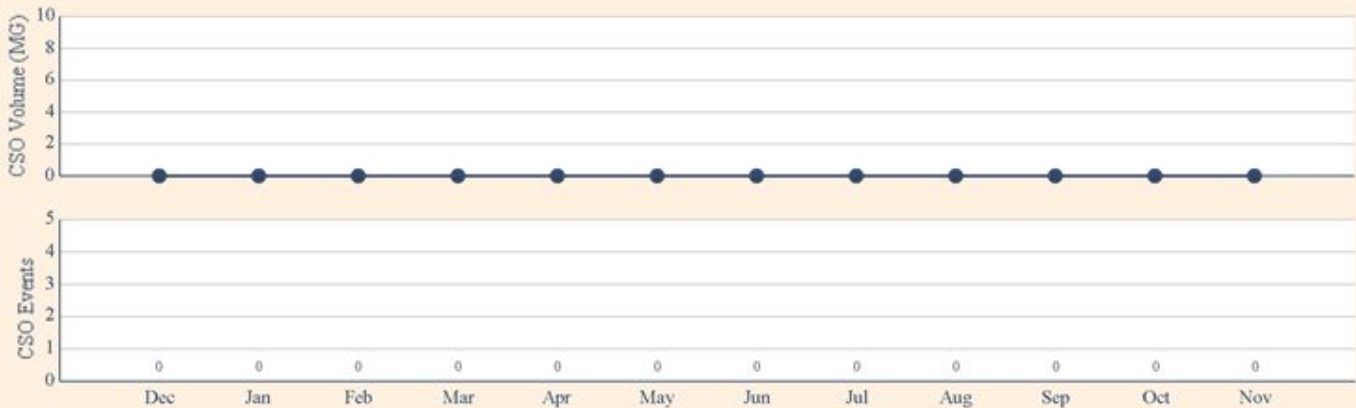
No pending lateral backups reported

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 November 2018

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR



RECRUITMENT ACTIVITY

CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC

PREVIOUS FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC

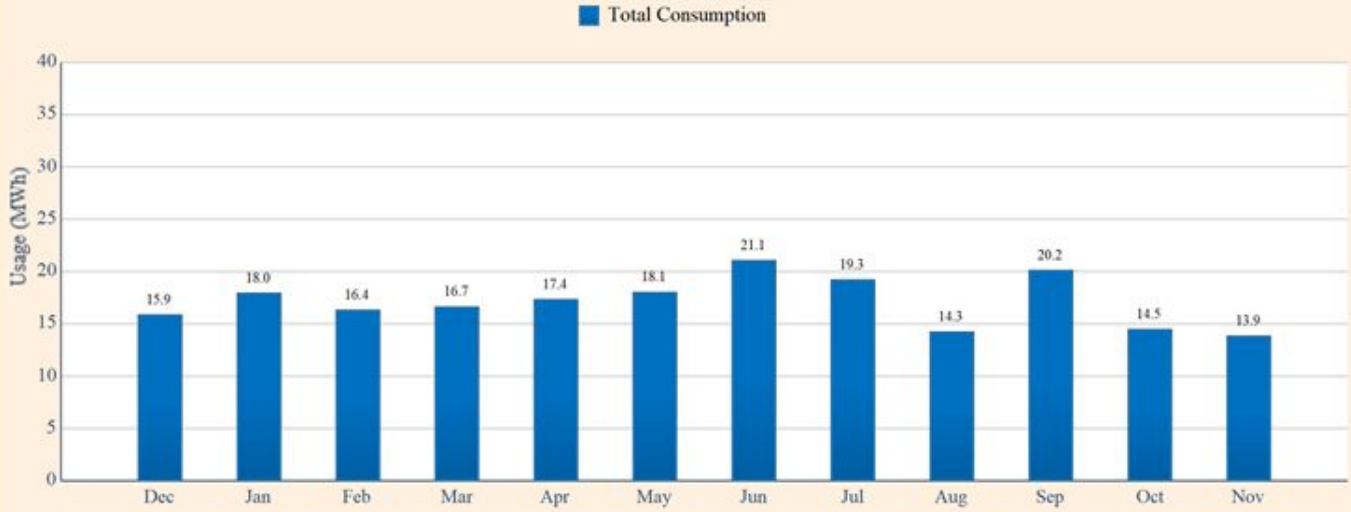
CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

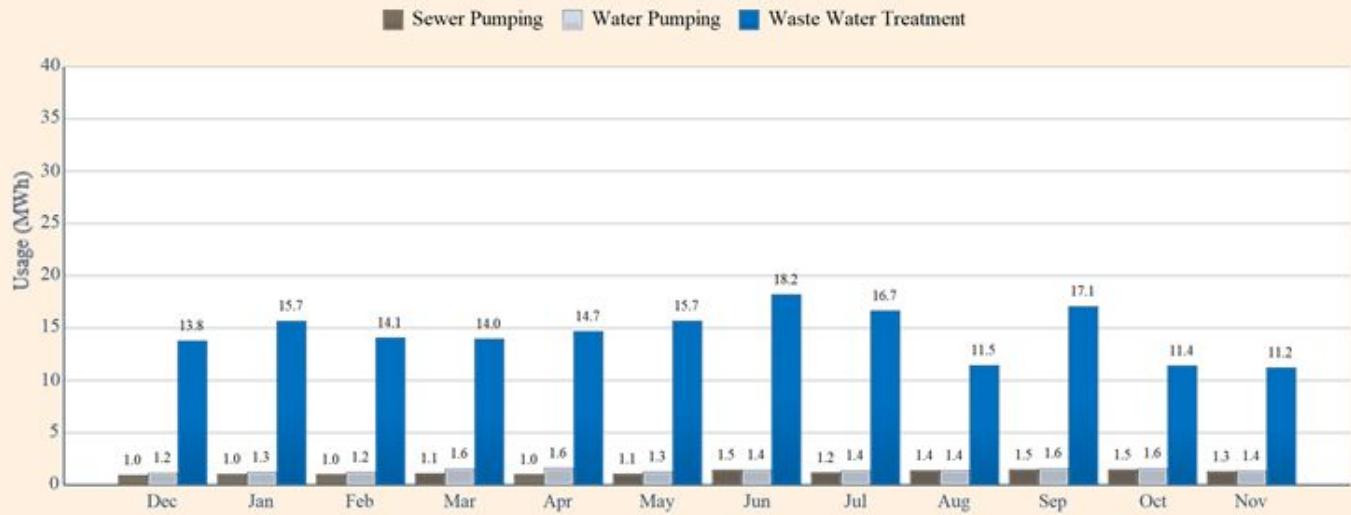
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity consumption in November was estimated at 13,893 KWh

ELECTRICITY USAGE BY SERVICE AREA



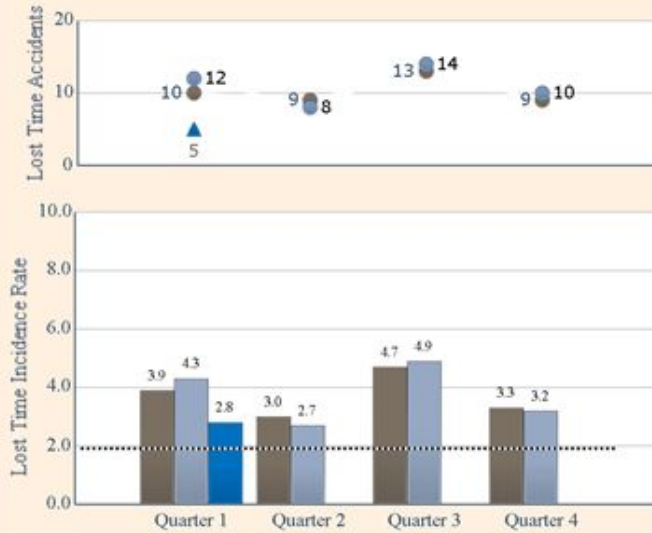
Waste Water Treatment had the highest estimated electricity consumption in November at 11,232 KWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

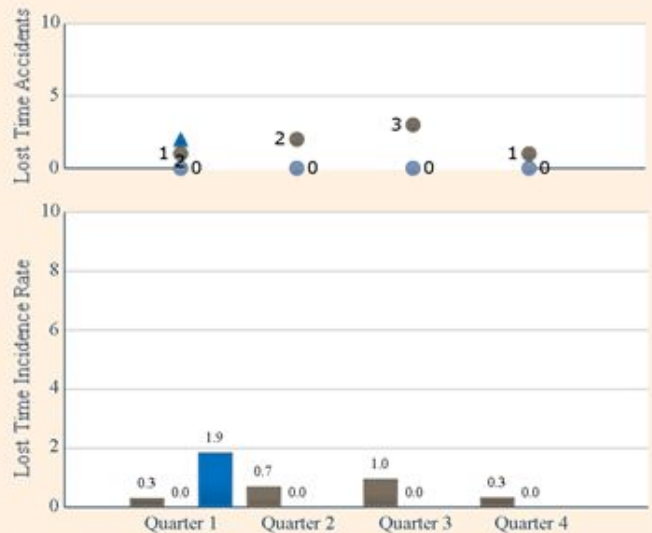
- FY-2017: No of LT Accidents
 - FY-2018: No of LT Accidents
 - ▲ FY 2019 No of LT Accidents
 - FY-2017: LT Incidence Rate
 - FY-2018: LT Incidence Rate
 - FY 2019 LT Incidence Rate
- Target/National: LT Incidence Rate



In the 1st quarter, 5 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

- FY-2017: No of LT Accidents
- FY-2018: No of LT Accidents
- ▲ FY 2019 No of LT Accidents
- FY-2017: LT Incidence Rate
- FY-2018: LT Incidence Rate
- FY 2019 LT Incidence Rate

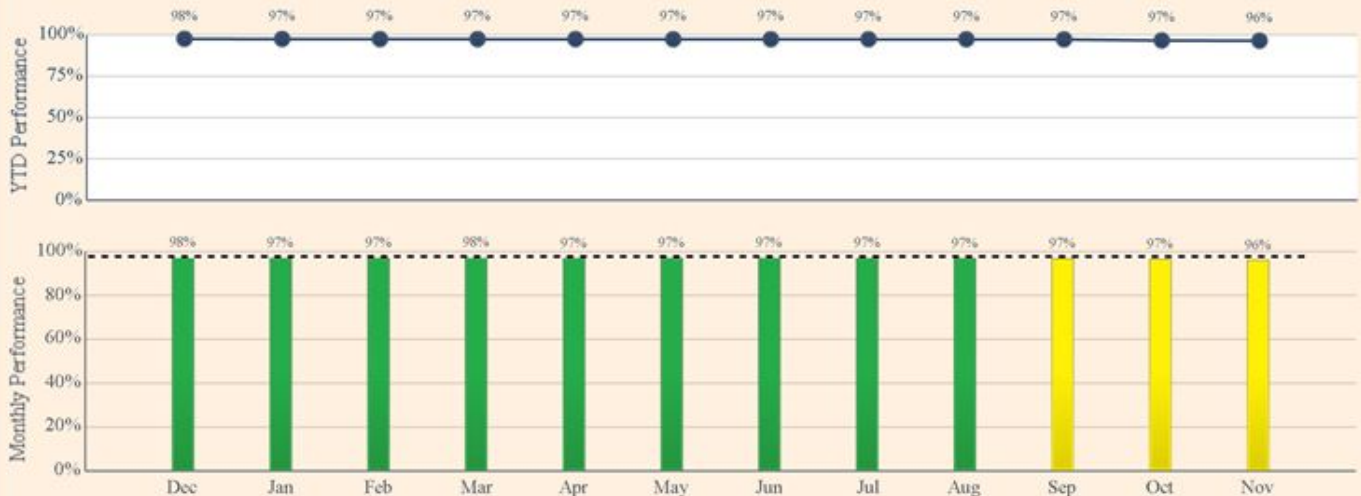


In the 1st quarter, 2 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE

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



Performance for November was below the monthly target by 0.8%

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

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

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

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

Command Center Performance

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

First Call Resolution (FCR)

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

Emergency Response Time

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

Fire Hydrants Out of Service (OOS)

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

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

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

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

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

Customer Assistance Program (CAP)

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

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

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

Total Coliform Rule (TCR)

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

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

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

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

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

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

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

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Consent Agenda

Summary of Contracts

249th Meeting of the DC Water Board of Directors

Thursday, January 3, 2019

Joint Use Contracts

1. **Resolution No. 19-00, Execute Option Year Three of Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc.** The purpose of the option is to continue the supply and delivery of Ferric Chloride. The option amount is \$4,900,000. **(Recommended by the Environmental Quality and Operations Committee 12/18/18)**
2. **Resolution No. 19-01, Execute Option Year Two and Additional Funding for Contract No. 16-PR-DMS-43, Electric Motor & Contracting Co., Inc.** The purpose of the option and additional funding is to continue the services of a qualified contractor to provide inspection, rehabilitation, replacement, and upgrade services for various process assets throughout DC Water facilities. The option and additional funding amount is \$2,400,000. **Recommended by the Environmental Quality and Operations Committee 12/18/18)**

Non-Joint Use

1. **Resolution No. 19-02, Execute Change Order No. 01 of Contract No. 130140, Fort Myer Construction Corporation.** The purpose of the change order is to continue the replacement of water mains and associated appurtenances to improve the water quality and performance of the distribution system. The change order amount is \$802,864.50. **(Recommended by the Environmental Quality and Operations Committee 12/18/18)**

Presented and Approved: January 3, 2019

SUBJECT: Approval to Execute Option Year Three of Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc.

**#19-00
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 January 3, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Option Year Three of 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 Option Year Three of Contract No. 15-PR-WWT-53A, Carter & Carter Enterprises Inc. The purpose of the option is to continue the supply and delivery of Ferric Chloride. The option amount is \$4,900,000.

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
FERRIC CHLORIDE
(Joint Use)**

Approval to exercise option year 3 for the supply and delivery of Ferric Chloride in the amount of \$4,900,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Carter & Carter Enterprises Inc. 212 Van Buren Street, NW Washington, D.C. 20012 LSBE	N/A	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
Prior Modifications Value:	\$1,100,000.00
Prior Modifications Dates:	01-10-2018—01-09-2019
Option Year 3 Value:	\$4,900,000.00
Option Year 3 Dates:	01-10-2019—01-09-2020

Purpose of the Contract:

This contract is to supply and deliver liquid ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. Ferric chloride removes phosphorous from the wastewater within the plant’s primary and secondary treatment stages, as well as odor-causing compounds. Ferric chloride also works with a polymer to coagulate and remove suspended solids. All of these functions are needed for DC Water to comply with its water discharge permits.

Contract Scope:

To ensure supply security, ferric chloride supply was awarded to 2 companies with independent supply chains to minimize supply risk, 70% to Carter & Cater and 30% to PVS Technologies. Since Option Year 2 (and for this Option Year 3), 90% of DC Water’s requirements is awarded to Carter & Carter, and the remaining 10% is awarded to PVS Technologies due to the significant price increases, especially by PVS. The market price of ferric chloride has increased significantly since 2018 prompted by increasing raw material pricing and availability (currently the demand is higher than the supply). Also, since Option year 2, the usage of ferric chloride has increased with Tunnel Dewatering Pumping Station.

Spending Previous Year:

Cumulative Contract Value:	01-10-2016 to 01-09-2019: \$11,306,775.00
Cumulative Contract Spending:	01-10-2016 to 11-27-2018: \$10,598,883.00

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

Contract Type:	Fixed price	Award Based On:	Best Value
Commodity:	Good and Services	Contract Number:	15-PR-WWT-53A
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION


Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Aklile Tesfaye

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$2,053,100.00
Washington Suburban Sanitary Commission	43.10%	\$2,111,900.00
Fairfax County	9.59%	\$469,910.00
Loudoun Water	4.64%	\$227,360.00
Other (PI)	0.77%	\$37,730.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$4,900,000.00

 1/12/18
 Aklile Tesfaye Date
 VP of Wastewater Operation

 12/1/18
 Dan Bae Date
 VP of Procurement and Compliance

 12/6/18
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 1/12/2018
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: January 3, 2019

SUBJECT: Approval to Execute Option Year Two and add Funding for Contract No. 16-PR-DMS-43, Electric Motor & Contracting Co., Inc. (EMC)

**#19-01
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 January 3, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Option Year Two and add funding for Contract No. 16-PR-DMS-43, Electric Motor & Contracting Co., Inc. (EMC).

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two and add funding for Contract No. 16-PR-DMS-43, Electric Motor & Contracting Co., Inc. (EMC). The purpose of the option and additional funding is to continue the services of a qualified contractor to provide inspection, rehabilitation, replacement, and upgrade services for various process assets throughout DC Water facilities. The option and additional funding amount is \$2,400,000.

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

**Repair and Rehabilitation of Various Process Assets
(Joint Use)**

Approval to exercise option year two and add funding to the subject contract in the amount of \$2,400,000

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Electric Motor & Contracting Co., Inc.(EMC) 3728 Profit Way Chesapeake, VA 23323	SUBS: M&M Electric Motor Repair, Inc. LSBE	PARTICIPATION: 29%
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$2,150,000.00
Base Year Dates:	01-01-2017 - 12-31-2017
No. of Option Years in Contract:	2
Base Year Modification Value:	\$700,000.00
Base Year Modification Dates:	05-05-2017 – 12-31-2017
Option Year 1 Value:	\$2,076,186.00
Option Year 1 Dates:	01-01-2018 – 12-31-2018
Option Year 1 Modification Value:	\$951,000.00
Option Year 1 Modification Dates:	06-08-2018 – 12-31-2018
Option Year 2 Value:	\$2,400,000.00
Option Year 2 Dates:	01-01-2019 – 12-31-2019

Purpose of the Contract:

The Department of Maintenance Service (DMS) and Department of Pumping (DDCS) require the services of a qualified contractor to provide inspection, rehabilitation, replacement, and upgrade services for various process assets (pumps, motors, blowers, valves, etc.) located at all DC Water facilities.

Scope of the Contract:

The contract scope covers major overhauls, refurbishment, and upgrades necessary to ensure the availability of identified equipment for reliable operation. The requested funding will cover both previously-forecasted and emergency work on mechanical and electrical equipment at DC Water facilities.

DDCS is requesting \$900,000 and DMS is requesting \$1,500,000 out of the total requested amount of \$2,400,000 to execute option year 2.

Savings:

Exercising the option year of the contract presents DC Water with projected cost savings of at least \$120,000.00 based on previously-negotiated volume tier discounts.

Spending Previous Year:

Cumulative Contract Value:	01-01-2017 to 12-31-2018: \$5,877,186.00
Cumulative Contract Spending:	01-01-2017 to 10-25-2017: \$5,182,364.60

Contractor's Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Fixed Price Requirement Contract	Award Based On:	Best Value
Commodity:	Goods and Services	Contract Number:	16-PR-DMS-43
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Capital Equipment	Department:	DMS
Service Area:	EQP 4830	Department Head:	Elkin Hernandez

ESTIMATED USER SHARE INFORMATION

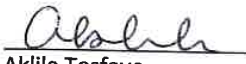
User	Share %	Dollar Amount
District of Columbia	41.25%	\$618,750.00
Washington Suburban Sanitary Commission	45.69%	\$685,350.00
Fairfax County	8.45%	\$126,750.00
Loudoun Water	3.78%	\$56,700.00
Other (PI)	0.83%	\$12,450.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,500,000.00

BUDGET INFORMATION

Funding:	Capital Equipment	Department:	DDCS
Service Area:	EQP 4210	Department Head:	Kenrick St.Louis

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	72.37%	\$631,330.00
Washington Suburban Sanitary Commission	21.49%	\$193,410.00
Fairfax County	3.97%	\$35,730.00
Loudoun Water	1.78%	\$16,020.00
Other (PI)	0.39%	\$3,510.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$900,000.00

 / 12/6/18
 Aklile Tesfaye Date
 VP of Wastewater Operations

 / 12/6/18
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 12/6/18
 Dan Bae Date
 VP of Procurement and Compliance

 / 12/20/18
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: January 3, 2019
SUBJECT: Approval to Execute Change Order No. 01 of Contract No. 130140, Fort Myer Construction Corporation

#19-02
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 January 3, 2019 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Change order No. 01 of Contract No. 130140, Fort Myer Construction Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 01 of Contract No. 130140, Fort Myer Construction Corporation. The purpose of the change order is to continue the replacement of water mains and associated appurtenances to improve the water quality and performance of the distribution system. The change order amount is \$802,864.50.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**Spring Valley Water Main Rehabilitation and Replacement
(Non-Joint Use)**

Approval to execute Change Order No. 01 for \$802,864.50. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corporation 2237 33 rd Street, NE Washington, DC 20018	V. Fernandes Construction Co Inc. Silver Spring, MD MBE	74.0%
	ISSI UXO and Consulting, LLC Huntsville, AL MBE	12.0%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 4,688,208.00
Value of this Change Order:	\$ 802,864.50
Cumulative CO Value, including this CO:	\$ 802,864.50
Current Contract Value, including this CO:	\$ 5,491,072.50
Original Contract Time:	730 Days (2 Years, 0 Months)
Time extension, this CO:	488 Days
Total CO contract time extension:	488 Days (1 Year, 4 Months)
Contract Start Date (NTP):	03-08-2017
Anticipated Contract Completion Date:	07-07-2020
Cumulative CO % of Original Contract:	17.1%
Contract completion %:	30.0%

Purpose of the Contract:

To replace water mains and associated appurtenances to improve water quality and performance of the distribution system.

Original Contract Scope:

- Install structural (Class IV) cured-in-place lining of approximately 3,400 linear feet (LF) of 8-inch through 12-inch water main,
- Install approximately 205 LF of new 12-inch water main interconnection between existing 12-inch and 16-inch water main,
- Replacement of same trench of approximately 1,300 LF of 8-inch water main with 12-inch water main,
- Provide temporary water system of approximately 10,700 LF of 4-inch pipe and appurtenances, and
- Replace associated paving, sidewalk, curb and gutter.

Current Change Order Scope:

- Work under this Change Order includes furnishing all labor, equipment, material and incidentals as required to identify and replace up to 80 lead water service lines and associated water meters and curb stops that were not included in the original scope of this project. Provide additional Unexploded Ordinance (UXO) monitoring and soil sampling for arsenic testing at the identified properties.

PROCUREMENT INFORMATION

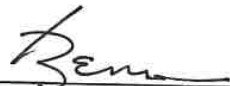
Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130140
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Craig Fricke
Project:	O2		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$802,864.50
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$802,864.50

 12/11/18
 Leonard R. Benson Date
 Senior VP and Chief Engineer

 12/18/18
 Dan Bae Date
 VP of Procurement and Compliance

 12/11/18
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 12/20/18
 David L. Gadis Date
 CEO and General Manager