



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
255th MEETING OF THE BOARD OF DIRECTORS**

Thursday, July 11, 2019

9:30 a.m.

Headquarters

1385 Canal Street, SE

2nd Floor-Board Room

- I. Call to Order (Chairman Tommy Wells)**
- II. Roll Call (Linda Manley, Board Secretary)**
- III. Approval of June 6, 2019 Meeting Minutes**
- IV. Chairman's Overview**
- V. Committee Reports**
 1. [Environmental Quality and Operations Committee \(Adam Ortiz\)](#)
 2. [DC Retail Water and Sewer Rates Committee \(Howard Gibbs\)](#)
 3. [Finance and Budget Committee \(David Franco\)](#)
- 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 Execute Option Year Two \(2\) of Contract No. 16-PR-SEC-23, Enterprise Security Solutions – Resolution No. 19-38](#) (Recommended by the Environmental Quality and Operations Committee 06/20/19)
 2. [Approval to Execute the Extension of Option Year Two \(2\) and Add Funding to Contract No. 16-PR-DWT-41A, Colonial Chemicals, Inc. – Resolution No. 19-39](#) (Recommended by the Environmental Quality and Operations Committee 06/20/19)
 3. [Approval to Execute Option Year One \(1\) and Add Funding to Contract No. 18-PR-DFS-28, ADP Group, Inc., North Arrow Co., and Mid-Atlantic General Contractors – Resolution No. 19-40](#) (Recommended by the Environmental Quality and Operations Committee 06/20/19)
 4. [Approval to Execute Contract No. DCFA 505, Optimum Controls Corporation \(OCC\) – Resolution No. 19-41](#) (Recommended by the Environmental Quality and Operations Committee 06/20/19)

5. [Approval to Execute Contract No. DCFA 501, MC Dean – Resolution No. 19-42](#)
(Recommended by the Environmental Quality and Operations Committee 06/20/19)
6. [Approval to Transfer Part of FY 2019 Projected Net Cash Surplus to the Rate Stabilization Fund and Pay-Go Financing for ERP – Resolution No. 19-43](#)
(Recommended by the Finance and Budget Committee 06/27/19)
7. [Approval to Authorize the General Manager to Carryover the Remaining Unexpended Customer Assistance Program II \(CAP2\) Funds to the FY 2020 Budget, Effective October 1, 2019 - Resolution No. 19-44](#) (Recommended by the Finance and Budget Committee 06/27/19)

X. Consent Item Non-Joint Use

1. [Approval to Publish Final Rulemaking for Revised Fiscal Year 2020 Retail Sewer Service Rates and Clean Rivers Impervious Area Charge – Resolution No. 19-45](#)
(Recommended by the DC Retail Water and Sewer Rates Committee 06/25/19)

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 – New Headquarters Building

- Governance Committee – Wednesday, July 17, 2019 @ 9:00 a.m.
- Environmental Quality and Operations Committee – Thursday, July 18, 2019 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, July 23, 2019 @ 9:30 a.m.
- Audit Committee – Thursday, July 25, 2019 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, July 25, 2019 @ 11:00 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, June 20, 2019

9:30 a.m.

MEETING SUMMARY

Committee Members

Adam Ortiz, Chairperson
Howard Gibbs
Randy Bartlett
Joseph Gill
Ivan Frishberg
Steven Shofar

DC Water Staff Present

Matthew Brown, EVP Finance & Procurement
Leonard Benson, SVP and Chief Engineer
Gregory Hope, Interim EVP Legal Affairs
Linda Manley, Secretary to the Board
Aklile Tesfaye, VP Wastewater Ops

I. CALL TO ORDER

Mr. Gibbs called the meeting to order at 9:30 a.m. Chairperson Adam Ortiz continued the meeting at 9:35 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Vice President, Wastewater Operations, DC Water, noted the performance of the Plant was excellent with all effluent quality requirements well below or within NPDES permit limits. The Wet Weather Treatment facility performed well, capturing nearly 5,300 MG total from March 2018 to May 2019.

Bloom marketing resumed on May 21, 2019, after two weeks of non-detect results for fecal coliform observed since May 7, 2019. The Committee inquired if DC Water knows what the root cause of the issue was. Mr. Tesfaye replied that the cause for the elevated levels of fecal coliform in March and April and during the first week of May was associated with one of four anaerobic digesters. The digester was isolated on May 6, 2019 and the Authority is in the process of developing a final plan to bring the digester back in operation. The EPA and state regulators in Virginia, Maryland and Pennsylvania were notified with supporting data and findings of the investigations and corrective actions.

Mr. Tesfaye mentioned that based on progress to-date, the Authority anticipates achieving the marketing goals for the fiscal year, which is 40,000 tons. The Committee inquired as to what

happens to Bloom products that are not marketed. Mr. Tesfaye replied that they are transported and applied on farms, as Class A Biosolids, by two major contractors.

III. CLEAN RIVERS PROJECT STATUS UPDATE

Mr. Moussa Wone, Manager, Design CSO LTCP, and Jeffery Peterson, Manager, Construction, DC Water, gave an update on the DC Clean Rivers (DCCR) project. Mr. Wone noted that the Potomac River Tunnel Facility Plan has been approved by the EPA in March 2019

Mr. Wone stated that since March 20, 2018, the Anacostia Tunnel System has captured nearly 5.7 billion gallons of combined flow and 1,760 tons of trash and/or debris. Next, Mr. Peterson summarized the construction activities and progress of the Division J – Northeast Boundary Tunnel.

Mr. Peterson commented on the extensive community impact mitigation and stakeholder engagement activities conducted by DC Water with respect to this project, including the success of DC Water's partnership with three (3) Main Street organizations to enhance patronage of local businesses during construction.

Mr. Wone also mentioned that the Potomac River Tunnel Facility Plan and Environmental Assessment (EA) is completed and the Authority is working on a Finding of No Significant Impact (FONSI) agreement with the National Park Service (NPS).

In conclusion, Mr. Wone summarized the ongoing construction activities and progress of the CSO 025/026 Sewer Separation Project .

IV. ACTION ITEM

Mr. Pierre Constant, Manager, Compliance Programs, DC Water, reviewed the status and schedule of the BPA & FOG fee implementation regulations with the Committee. The Committee recommended approval of these regulations to the full Board.

V. ACTION ITEMS

JOINT USE

1. Contract No. 16-PR-DWT-41A – Supply and Delivery of Methanol, Colonial Chemicals, Inc.
2. Contract No. 16-PR-SEC-23 – Security Systems Integration and Management Services, Enterprise Security Solutions
3. Contract No.18-PR-DFS-28 – Small Construction and Renovation Projects, ADP Group; North Arrow Co.; Mid-Atlantic General Contractors
4. Contract No. DCFA 501 – Supervisory Contract & Data Acquisition (SCADA) System Integrator Services, MC Dean
5. Contract No. DCFA 505 – Supervisory Contract & Data Acquisition (SCADA) System Integrator Services, Optimum Controls Corporation (OCC)

Mr. Joel Grosser, Manager, Procurement, DC Water presented joint use Action Items 1 to 3. Mr. Len Benson, Chief Engineer, DC Water, presented Actions Items 4 and 5.

The Committee inquired as to why there was a 3-month delay for solicitation purposes on the Supply and Delivery of Methanol Contract. Mr. Grosser replied that DC Water partnered with similar utilities to increase purchase volume of methanol to obtain better pricing. The Committee also inquired if there is a concern regarding competition for the supply of methanol while the Authority is engaged in partnership with other utilities to procure this important chemical. Mr. Grosser responded that methanol is in abundant supply and the Authority has no concerns with regards to availability.

The Committee inquired if there was conflict in CCJM, a subcontractor on both SCADA Contracts, obtaining a 38% combined workload across the two contracts. Mr. Benson replied there was no conflict and that CCJM, as an MBE, is fully qualified and experienced in providing these services.

The Committee recommended the joint use Action Items to the full Board.

VI. DC CLEAN RIVER PROJECT – GREEN INFRASTRUCTURE PROGRAM

Mr. Seth Charde, Manager, Green Infrastructure (DCCR), gave a briefing on the Green Infrastructure (GI) program. He mentioned that the program drivers continued to be:

- Volume Management – control combined sewer overflows
- Cost Effectiveness
- Maintenance/Asset Management – safety, aesthetics, performance
- Outreach – build public awareness and stewardship
- Triple Bottom Line Benefits

Mr. Charde stated that the first few GI projects have been completed, namely, the Potomac River Initial Project and the Rock Creek Initial Project.

The Committee inquired if DC Water manages the installed infrastructure in perpetuity and if the contract costs are simply construction costs and do not yet factor Operation & Maintenance (O&M) costs. Mr. Charde replied in the affirmative to both.

Next, Mr. Charde summarized the completed GI locations as follows:

- 54 alley permeable pavement
- 23 parking lane permeable pavement
- 41 planter bioretention
- 2 curb extension bioretention
- 2 GI challenge parks

The Committee inquired if O&M costs have been budgeted for the facilities. Mr. Charde replied that the Authority is developing that currently but that the 1st year O&M costs are included in the construction cost.

The Committee requested that DC Water conduct a robust discussion with the Committee regarding per acre costs of developing, operating and maintaining grey vs. green infrastructure. Mr. Charde replied that such an update will be provided to the committee.

Mr. Charde updated the Committee on the ongoing Downspout Disconnection Program. Next, Mr. Charde highlighted two DDOT & DC Water GI partnership projects, namely, the Kennedy Street Revitalization completed June 2018 and Alley Palooza Green Alley Partnership project completed September 2018.

II. OTHER BUSINESS/EMERGING ISSUES

None.

III. EXECUTIVE SESSION

None.

IV. ADJOURNMENT

Meeting adjourned at 10:55 a.m.

Follow-up Items

1. Manager, Green Infrastructure: Conduct a robust discussion with the Committee regarding per/acre costs of developing, operating and maintaining grey vs. green infrastructure.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, June 25, 2019

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Bhatt, Chairperson
Tommy Wells, Chairman
Howard Gibbs
Ellen Boardman
Ivan Frishberg
Reverend Dr. Kendrick Curry
David Franco

DC Water Staff

Matthew Brown, CFO/EVP Finance & Procurement
Gregory Hope, Interim EVP Office of Legal Affairs
Linda Manley, Secretary to the Board

Via Telephone

Krystal Brumfield
Emile Thompson

Call to Order

Chairperson Bhatt convened the meeting at 9:30 a.m.

FY 2020 Rate Proposal (Attachment A)

Mr. Brown, CFO/EVP Finance & Procurement, greeted the board and began his presentation with the purpose of the meeting. He stated that the Committee will be asked to make a recommendation on the FY2020 rate proposal, and the committee would be asked to move the item to the full Board for approval. He stated that there are two main changes which are: 1) the FY2020 rates, which includes the shift of a portion of the Clean Rivers program from the Clean Rivers Impervious Area Charge (CRIAC) to the volumetric sewer rate; and 2) an increase in the CRIAC incentive program discount from 4 to 20 percent. He stated that the overall average household monthly bill would increase by 5.7%, the same as the previously approved FY2020 rates. He stated that management is seeking to change how the funds for the Clean Rivers Project are collected. He stated that on average, 37% of flows in the Clean Rivers tunnels are from sanitary sewage, and therefore it is appropriate to shift costs from the Impervious Area charge to the volumetric sewer rate. He stated that \$122.0 million is needed in FY2020 for the Clean Rivers project, and after the phase-in of 18% CRIAC shift, \$99.1 million will be sourced by CRIAC and \$22.9 million will be sourced by the sewer volumetric rates. The shift will continue with 28% in FY 2021

and 37% in FY 2022. He stated that this would be a change from the previously approved FY 2020 rates, resulting in a decrease in the CRIAC and an increase in the volumetric sewer rate by about 11.5%. The rate proposals are based on Cost of Service (COS) studies that are conducted every 3 years. The studies allow for costs to be allocated amongst water and sewer rates. He stated that the Committee makes a recommendation of the rates to the full Board, and rates are adopted after the review of the public comments. The last COS study was conducted in FY 2018 by Raftelis Consulting Group. He stated that the Board adopted a rate-setting policy in 2011 and that DC Water strives to make sure that their processes adhere to those policies. He noted that the Clean Rivers Project has a cost of \$2.7 billion and the monies used to fund this project has come primarily from the CRIAC that began in May 2009. He commented that the Clean Rivers Project has been very successful.

Mr. Brown, CFO/EVP, noted that the Committee heard a presentation on March 26, 2019 by Carlton Ray, Director of the Clean Rivers Project, about the methodology used for the CRIAC. Management explored multiple methodologies to make a recommendation to the Board about how to recover costs for the Clean Rivers program. The first methodology was based on pollutant concentrations, but the results were too variable. The next methodology was based on the volume of wastewater and stormwater in the Clean Rivers tunnels, and the decision was made that it was the best methodology for the allocation of the costs. Mr. Gibbs inquired about the determination of the future methodology as it pertains to the allocation of cost, assuming the flows of wastewater and stormwater changes. Mr. Brown, CFO/EVP, responded that he does not believe the allocation of flows would change over time. Additionally, the methodology was conducted based on model runs of sewage and stormwater flow into the current Clean Rivers tunnels. A more precise methodology is known as a tracer study, and it is still being considered in the future. Mr. Gibbs suggested that he would like the mixture of the flows to continue to be measured, as for accuracy in the future.

Mr. Brown, CFO/EVP, reiterated the current methodology and the new proposal for FY 2020. The current methodology consists of 100% Clean Rivers costs being recovered by CRIAC. The new proposal consists of the Clean Rivers costs being recovered by CRIAC and sewage charges. He summarized the different forms of outreach, beginning with the discussions before the Board on February 7, 2019. DC Water has also held conversations with the Stakeholder Alliance Group, customers etc. that have explained their issues with the CRIAC. The communication of these issues resulted in a \$6.0 million withdrawal from the Rate Stabilization Fund (RSF) to assist burdened customers in the District. In addition, DC Water published the proposed FY 2020 rates and charges in the DC Register, held an informational session for each of the eight wards and a public hearing. Mr. Brown, CFO/EVP, mentioned that the Board has a history of considering comments until the final vote, and if any additional comments are received, they will be shared with the committee members. He stated that the current proposal suggests an increase in the sewer rate to \$8.89 per Ccf from the FY2020 approved \$8.14 per Ccf and a decrease in the CRIAC from \$23.00 to \$20.94. Mr. Franco asked if there was a way to allocate stormwater costs. Mr. Brown, CFO/EVP, answered that stormwater costs are paid through sewer rates. Mr. Franco asked should it be considered that stormwater costs be charged to ERU's. Mr. Brown, CFO/EVP, responded that all the related costs are allocated to the sewer rate. He also, stated that he would do more research on the topic. He replied that there is a plan for an independent consultant to look at DC Water's rate structure from a best practices perspective, and this could be included in that work.

Mr. Brown, CFO/EVP, informed the Committee of the various ways other utilities allocate the costs of their consent decrees through volumetric sewer charges and impervious area charges. The three major cities that were used for study are: 1) Philadelphia, 2) Cleveland, and 3) Richmond. He stated that he understands the impact of the shift on customers. Customers with greater usage of water will pay more under the current proposal. He stated that the current proposal gives customers more control over their contribution to the Clean Rivers project. He mentioned that multi-family and commercial customers will pay more due to their average water usage is higher. He noted that small volume customers will pay less, and average residential customers would pay about the same. The proposal for the shift will be phased-in to help reduce rate shock. He reiterated that the current proposal includes an increase in the maximum incentive credit from 4% to 20% for stormwater best management practices. He stated that DC Water

used references from the Department of Energy and Environment (DOEE) in allocating the costs for the incentive program. The current budget is about \$0.5 million for this credit. The increase could be between \$70,000 to \$950,000 depending on the customers that access the program. Mr. Brown, CFO/EVP, noted that with these changes and other adjustments, the 10-year disbursement plan (FY 2019- FY2028) has increased by \$1.0 billion, from \$4.0 billion to \$5.0 billion. He provided a graphical depiction of DC Water's average monthly rates, charges and fees per customer class, in comparison to other utilities and CSO communities.

Mr. Brown, CFO/EVP, commented that the proposal includes the extension of the CAP programs funded by DC Water and the District government. In response to Mr. Franco's inquiry about the promotion and marketing of the Customer Assistance Programs (CAP) to customers, Mr. Brown, CFO/EVP responded that he and John Lisle, EVP Office of Marketing and Communications (OMAC) have spoken about communicating with the social service organizations. Further, he responded that they are open to other suggestions to reach customers. Mr. Brown, CFO/EVP informed the board on the multiple ways that they have tried to advertise the customer assistance programs, such as placing bill inserts, doing Facebook campaigns, informing customers with past due bills of the programs over phone calls etc. Mr. Franco asked if the team could create a comprehensive strategy and present it to the board. Mr. Brown, CFO/EVP responded that he would follow up with the board. He stated that one of the biggest challenges with the program and advertising the program was that it was only authorized for a year, but given the low levels of enrollment, the team will continue to work on their outreach efforts. Mr. Franco asked if there were any qualification issues that should be given attention. Mr. Brown, CFO/EVP responded that the process is done through DOEE because DC Water does not have the capacity to do income verification or have the necessary procedures in place to handle the sensitive information needed in the verification process. Mr. Brown, CFO/EVP stated that he will follow up with DOEE in reference to any specific challenges they may be facing in the process. He stated that a file was received from DOEE, which includes the income, ward and other related information of the applicants.

John Lisle, EVP stated that there was a strategy that included multiple ways to reach out to people. Mr. Lisle, EVP stated that although they did everything on the list, DOEE informed him that the amount of applications had significantly slowed within the last weeks. He mentioned that they are focused on determining new ways and strategies for outreach. He stated that the Facebook ads were very successful, in terms of the number of impressions. Mr. Lisle, EVP and his team ran ads for about a month on Facebook and there were about 0.1 million impressions, and 1,000 people clicked through to the DOEE site. He noted that he does not know the extent of which these persons followed through with the application. He mentioned that the focus is on how they should be reaching out to senior citizens, specifically through the District Office on Aging. The main focus is implementing new strategies of outreach. Chairperson Bhatt, asked if the application process is online or in-person. Mr. Lisle, EVP responded that he believes it is online. Further, he thinks it may be more effective if portions of the application process or related information were on the DC Water website. Dr. Curry inquired about the application process for seniors and individuals that are not computer savvy. Further, he asked if these persons could apply on paper or in-person. Chairman Wells stated that the outreach process was not implemented as expected, nor as promised. He stated that DC Water was supposed to send bill inserts/brochures of information for the customer assistance programs in all bills. Instead, the bill inserts only went to customers that were in arrears. Chairman Wells noted that John Lisle, EVP stated that it was a mistake of the contractor. In response, Chairman Wells stated that he is not interested in who made the mistake, but he is interested in the board being informed on how the mistake could have affected the number of enrollments in the customer assistance programs. He believes that it is important to understand how and when the information was communicated.

Chairperson, Bhatt, asked for clarity because she was unaware of the issues. She stated that this would have been important information that should have been included in the initial presentation. She stated that the low results of enrollment could be a result of missteps. She mentioned that the Committee approved extending the program thinking that they were aware of all issues, failures, or additional plans. Instead, there was no notification of the mistakes prior to extending the program. Mr. Lisle, EVP stated

that he nor the CFO were aware of all the details, but to his understanding, instructions were given to the vendor to include bill inserts to all DC Water's customers. The vendor made a mistake and the bill inserts were delayed, and he did not know how long the delay was, but it was corrected. Chairman Wells stated that although, the vendor is under the Customer Service department, the issue is important at all levels of the organization. He stated that he believes that getting the necessary details of this outreach process is important, and he is disappointed that Mr. Lisle, EVP was still unaware of the full details.

Chairperson Bhatt emphasized that every department is still a part of one organization. She also stated that the vendor elected for the process and the instructions that were given should have been a part of the marketing plan. She stated that each department should have a duty within the marketing plan which rolls up to the overall marketing plan of the Customer Assistance Programs. She continued that it is important for a very detailed presentation of the marketing processes, be presented at the board meeting. She mentioned that delays may have caused customers to believe that the program is ending, although it is being extended. Therefore, a new plan may need to be executed to promote the continuation of the program. She expressed her disappointment in the incident. She stated that she agreed with Mr. Franco on having a comprehensive marketing plan presented at the board meeting.

Ms. Boardman stated that she would like the comprehensive marketing plan before the board meeting. She stated that in addition to the plan, she would like to know who manages the plan, who directed the limited communication and why it occurred. She noted that there was no transparency or communication in regards to these issues when the board specifically asked about the low enrollment in the programs. She expressed her disappointment.

Mr. Brown, CFO/EVP, responded that he understands everyone's concerns and that they will comply with the requests of the board. Chairman Wells stated that his main concern is that the customers that need help are knowledgeable that they are eligible to receive help. He stated that from his understanding, the credit is retroactive from the date that the customer applied to the program. He stated that DC Water would be able to correct the bills of customers that needed, wanted or expected the help in the fiscal year. He mentioned that the customers need to be informed of the program, and its benefits, which includes a retroactive credit.

Mr. Hope, Acting EVP General Counsel, stated that the terms allow for a retroactive credit if the application was submitted before March 1st. If the application was not submitted, the customer does not receive the retroactive credit. Under the current program and regulations, the customer will receive assistance from the date of the application until the end of the fiscal year. Chairman Wells stated that he understands the current policy, but it is unfair for the public to go without that specific benefit if it is the fault of DC Water, and their inability to do as they promised. He stated that it is up to the board, as the policymakers, to decide whether to correct this mistake. Chairperson Bhatt stated that they cannot decide on making corrections until they have a full understanding of the issue in its entirety. Mr. Frishberg stated that the method of outreach has been a consistent line of questioning. He suggested engaging different bodies of work with marketing experiences, such as the Department of Health, for ideas and strategies for their outreach. Mr. Franco suggested that a media campaign be included in the plan to help inform the public of the programs. Mr. Gibbs stated that he believes that a Committee or a Committee member needs to focus on customer-related issues. He stated that he believes this would be an important issue for that specific Committee. Mr. Hope, Acting EVP General Counsel replied that the Customer Service Committee is combined with the Environmental Quality & Operations Committee (EQ&OPS). Mr. Gibbs stated that the EQ&OPS committee meetings rarely focus on the customer groups. He stated that there is not enough time to address all the concerns at the one committee meeting, which causes customer issues to become an irrelevant topic.

Mr. Brown, CFO/EVP, showed the board members a graphical depiction of CAP customer's monthly bill compared to other utilities. He proceeded to discuss the comments that were made at the public hearing by Apartment and Office Building Association of Metropolitan Washington (AOBA), District of Columbia Office of the People's Council (OPC), and DC Appleseed. He stated that AOBA's three main comments

focused on their belief that DC Water was moving pass the “polluter pays principle” by the shift, and insufficient evidence was provided to support the shift and their concern for businesses that will be affected by the shift. He stated that OPC offered five unique comments/suggestions. Their statements focused on the fair and reasonableness of the shift and the financial impact of the CRIAC incentive. Mr. Franco asked if persons that receive the 4% CRIAC incentive will automatically get the 20% incentive. Mr. Brown, CFO/EVP, replied that they will automatically see a 20% discount for the CRIAC on their bills. In addition, OPC suggested that DC Water consider an alternative proposal, such as those included in the DC Council report. Mr. Brown, CFO/EVP, stated that DC Appleseed gave a testimony at the public hearing as well. He noted that DC Appleseed was concerned about the impact of the rates on low-income residents and the transparency of studies. He informed the Committee of the responses to each of their comments and concerns. In addition to these comments and testimonies, there were individuals that voiced their concerns via email about the shift, many of which were in opposition of the shift. Many of the individuals stated that the shift will be unfair and burdensome to specific customer classes. He said the recommendation is to push the FY 2020 revised proposal to the full Board for approval. The Committee recommended to move the proposal to the full Board for approval.

Mr. Brown, CFO/EVP, stated that the Finance Committee requested an update on the AMR Replacement Project. He stated that the request would be included in the presentation to the Finance and Audit Committees, but can also be summited to the Retail Rates Committees. He stated that the if the Committee requested an update on the AMR Replacement Project it will be included and addressed in the July 23rd Committee meeting, which includes the updated outreach/marketing plan and the details of the discrepancies in the current plan. He stated that there will be a public hearing held on August 14, 2019, to discuss the extension of the CAP2 program. Chairperson Bhatt inquired on the budget surplus. Mr. Brown, CFO/EVP, replied that the topic will be discussed at the Finance Committee meeting, which will be held on Thursday, July 27th. Mr. Brown, CFO/EVP, stated that about \$17.0 million surplus has been projected for FY 2019. He said that the proposal for the use of the excess funds are for curing pad for Bloom estimated at about \$2.3 million and the installation of solar panels on the new facility. He also stated that the proposal makes use of the funds for the ERP project estimated at about \$2.0 million. There will still be about a \$12.5 million surplus, after deducting the previous expenditures. He Noted that the intention is to split the surplus between returning the \$6.0 million to the Rate Stabilization Fund (RSF) and the other \$6.6 million be used for Pay-Go toward the Clean Rivers Project, to slightly reduce future borrowing. Chairperson Bhatt recommended that all board members join the Finance Committee meeting. Mr. Brown, CFO/EVP, stated that the surplus belongs entirely to the District of Columbia, but is an item for the Finance Committee. Mr. Frishberg thanked Mr. Brown and the team for their hard work and dedication.

Action Items (Attachment B)

Mr. Brown, CFO/EVP, mentioned that the recommendation to the full Board is for approval of the proposed FY 2020 rates, charges and fees and to amend the Clean Rivers IAC Incentive Program Discount from 4% to 20%. The Committee recommended to move the proposal to the full Board for approval.

- Action Item 1 – Approval of Proposed FY 2020 Retail Rates, Charges and Fees and to increase the CRIAC Incentive Program Discount from 4% to 20%

DC Retail Water and Sewer Rates Committee Workplan (Attachment C)

There was no discussion on the Committee workplan.

Agenda for July 23, 2019 Committee Meeting (Attachment D)

There was no discussion on the July 23, 2019 Committee meeting agenda.

Other Business

There was no discussion on other business.

Adjournment

Chairperson Bhatt adjourned the meeting at 10:25 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (June 25, 2019)

There were no follow-up items.



DISTRICT OF COLUMBIA

**WATER AND SEWER
AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, June 27, 2019

11:10 a.m.

MEETING MINUTES

Committee Members

Major Riddick, Chairperson
David Franco, Vice Chairperson
Anthony Giancola

Other Board Member

Tommy Wells, Board Chairman

DC Water Staff

David Gadis, CEO & General Manager
Matthew T. Brown, CFO & Executive Vice President,
Finance and Procurement
Gregory Hope, Interim EVP, Legal Affairs
Pade Zuokemefa, Manager, Budget
Tanya DeLeon, Manager, Risk
Chris Peot, Director of Resource Recovery
Alfonzo Stukes, Board Administrative Specialist

Other Board Members (via conference call)

Krystal Brumfield
Howard Gibbs
Sarah Motsch

Call to Order

Vice Chairperson David Franco called the meeting to order at 11:10 a.m.
Chairman Major Riddick continued the meeting thereafter.

May 2019 Financial Report

Mr. Matthew Brown, CFO & Executive Vice President, provided the monthly financial report, noting that DC Water's expenditures and revenues are on track and consistent with trends. With approximately 67 percent of the fiscal year completed, total operating revenues are at \$471.5 million, or 6.3 percent ahead of budget, operating expenditures at \$355.0 million or 8.6 percent below budget, and capital disbursements at \$258.2 million, or 21.7 percent below budget.

Next, Mr. Brown provided several financial highlights noting that the external auditors have begun work on the interim financial statements, and DC Water plans to go to the bond market in the September/October timeframe. The FY 2017 Inter-Municipal Agreement (IMA) operating cost audit is underway for Blue Plains & Multi-Jurisdictional Use Facilities (MJUF), and it is expected to be completed by the end of this fiscal year. A Public Hearing on the proposed FY 2020 rates,

charges and fees was held on June 12, 2019 and the Retail Rates Committee forwarded the proposal for the rate shift for Board adoption on July 11, 2019.

Operating revenues are in a favorable position for nearly all the categories. The All Other Revenue category is ahead of budget primarily due to a payment of \$6 million received from the District for the Customer Assistance Program (CAP) expansion program. Wholesale and Federal payments are made on a quarterly basis. Overall, we anticipate ending the fiscal year in a good position.

Operating expenditures are also in favorable position. Favorable personnel services variance is the result of a soft hiring freeze that was put into place by the CEO, Mr. David Gadis. The contractual services budget is favorable due to underspending in various line items throughout the Authority, water purchases are on budget, chemicals have a slight unfavorable variance due to increased usage and higher costs, utilities and small equipment are on target. Debt service is under budget because we have not issued new debt, which is scheduled in the September/October timeframe.

In response to Mr. Anthony Giancola's inquiry about the status of the 20x20x20 Program, Mr. Brown explained that, moving forward, goals of advancing initiatives that improve efficiency and increase revenues are part of the Blueprint, the new strategic plan, it was a branded program advocated by the previous Interim General Manager and that we a. The Blueprint advances efficiency, customer service, and various strategic goals as part of a two-year strategic plan. Mr. Gadis further explained that the 20x20x20 Program was not aggressive enough, and that there was no strategy behind the 20x20x20 Program. However, we have achieved \$27 million cost savings, which was included in the development of the FY 2020 budget.

In response to Board Chairman Tommy Wells' inquiry on DC Water's relationship with the Washington Aqueduct, Mr. Brown explained that we make two payments to the Washington Aqueduct; one is operating cost for the water we purchase; and the other is a share of their capital costs based on a Water Sales Agreement. Mr. Wells inquired as to what we expect in terms of revenue and savings for solar investments for next year. In response, Mr. Brown reported that the agreement was structured as a power purchase agreement, which affects the amount of energy we pay over the next 20 years.

Next, Mr. Brown indicated that the Rate Stabilization Fund (RSF) has a balance of \$61.5 million, prior to the Board authorized withdrawal of \$6 million for the customer assistance program expansion initiatives. To date, credits of approximately \$21,000 have been applied to customers who have qualified for the CAP2 program. The unexpended DC Water portion of \$6 million, and the District's portion of \$6 million allocated for these programs will be transferred into a segregated account and carried over to the next fiscal year. The CAP programs are anticipated to carry forward with a balance of approximately \$10 million, which includes both DC Water and the District of Columbia funds. Cash maintained for project billing refunds is \$11.5 million and there is excess revenue of \$30.6 million. Operating reserve accounts total \$182.1 million, and Operations and Maintenance (O&M) reserve is \$140 million.

Mr. Giancola requested an update on the Automated Meter Reading (AMR) replacement project and asked if the program would be completed this year. In response, Mr. Brown explained that a full update concerning the AMR project will be provided to the Audit, Finance and Budget and Retail Rates Committees in July, and that the project is expected to continue into next year.

Mr. Brown also stated that many of our investments are managed by Public Financial Management Asset Management (PFM-AM) company, and could provide a full presentation to the Committee, if interested. Chairperson Riddick asked that staff wait a while before inviting the investment advisors since they made a presentation to the Board in February of this year.

Insurance Renewal Update

Ms. Tanya DeLeon, Manager, Risk, reported that last month, management requested for the annual Property & Causality insurance renewals of \$3.3 million. The Board approved a not-to-exceed amount of \$3.3 million. Actual costs totaled \$3.2 million. A summary of the insurance coverage and descriptions was also provided in the presentation for review.

Resource Recovery Long-Term Strategy & Curing Pad Overview

Mr. Chris Peot, Director of Resource Recovery, explained the work that has been performed towards transforming biosolids/sludge from a waste product into a valuable product for about ten years. Bloom is a stable, low odor, low cost and high value product. The raw product is sold to Homestead Gardens and others for about \$4 or \$5 dollars a ton, and they cure it. Then the product is sold for about \$25 dollars a yard. Mr. Peot proposed that we make this product in-house, which they have done so in small batches outside under tarps because weather issues sometimes delay this process. Building a curing pad at Blue Plains will allow DC Water to cure 30 thousand tons of materials, which could be sold for profit. Mr. David Franco inquired if the return on investment (ROI) looked at the total benefits or incremental benefits as to where we are today. Mr. Peot explained the benefits are a standalone facility that could produce 30 thousand tons a year and provide savings of \$45 dollars per ton by not having to outsource to a contractor. Mr. Peot noted that a vast majority of our product is sold as uncured (fresh Bloom). He also noted that we had known for years the need for a curing pad but the project to construct one has always been pushed back. The Biosolids Resource Recovery plan hopes to achieve environmental sustainability, fiscal sustainability, workforce sustainability, and political sustainability.

Mr. Franco asked why DC Water is contemplating funding this capital expenditure if we do not have demand. Mr. Peot explained that there is need to diversify since agriculture is a big market. Chairperson Riddick suggested if the product was marketed differently it could appeal to more than just regional customers. DC Water must better understand the market and ensure that there is sufficient capacity to deliver. Chairperson Riddick recommended that management should be conservative with expectations so that it aligns with supply and demand.

In response to Mr. David Franco's inquiry, Mr. Peot explained that he had considered placing floating solar panels on the aqueducts. Mr. Giancola requested an update on the solar project through the Environmental Quality and Operations Committee.

FY 2019 Projected Net Cash Position Update

Mr. Brown explained that last month, he presented the Committee with a projection for expenditures and revenue. We are in a good position this fiscal year and anticipate revenues to be at 103 percent of budget, operating expenditures to be at 98 percent, and capital disbursements to be at 98 percent of budget.

For operating revenues, about \$12 million of the projected surplus is in the residential, commercial, and multi-family categories, \$6 million from the District of Columbia for the Customer Assistance Program (CAP) expansion program, and the Rate Stabilization Fund (RSF) transfer for a total revenue surplus of about \$21 million. Operating expenditures trends are in line with what was discussed earlier, with net operating expenditures estimated at \$10.6 million below budget. Capital disbursements have a lot of timing issues as far as the execution of projects and any anticipated underspending will rollover into the next fiscal year.

The projected net cash position of revenues is favorable by \$21 million and expenses of \$10.4 million, for a total of \$31.7 million. This does include the CAP funds. County refunds are anticipated to be higher than initially forecast in the financial plan. The proposal is to transfer of the unexpended portion of the CAP expansion funds of approximately \$10.2 million. This results in a projected net income of \$16.9 million.

Mr. Brown recommended: a) transfer of \$6 million to the Rate Stabilization Fund (RSF) to payback the portion withdrawn for the CAP Expansion program; b) to fund the District Share for the curing pad of \$2.3 million; c) apply \$2 million to fund the Enterprise Resource Plan (ERP) project; and d) use the remaining \$6.6 million for PAYGO to cash finance the Clean Rivers Projects to reduce future borrowing.

Mr. Giancola shared that he is not in favor of replenishing the RSF but would like to set a new limit of about \$45 million or \$50 million. He stated that DC Water is not doing enough to provide the surplus of funds to reduce the rates of our customers. Mr. Franco concurred with Mr. Giancola and stated that he believed that a portion of the surplus should be provided to rate payers in the form of a refund or credit on their bills. Mr. Howard Gibbs shared that rebates have been provided to customers in the past and suggested to reduce the amount of funds borrowed so that the excess could be used to pay down capital expenses.

The Committee reviewed and recommended to carryover \$6 million to the RSF, and to allocate an additional \$2 million for the ERP project. However, the Committee will have further discussion on the proposal for the curing pad and PAYGO for Clean Rivers. Staff were directed to hold over those funds until the Committee and the Board provided additional direction. Mr. Peot was advised to continue his work on the curing pad without committing the Authority to any obligations until a decision is made.

Action Items

The Committee recommended the following action items to the full Board for consideration:

1. FY 2019 Use of Projected Net Cash Position
 - a. Rate Stabilization Fund (RSF) \$6 million

- b. Amount needed for ERP \$2.0 million
- 2. Carryover Remaining Unexpended CAP2 Funds to FY 2020 Budget, and that the Committee and the Board would provide direction regarding these proposals in the future

The action items for the remaining use of projected net cash position for the DC share of the curing pad (\$2.3 million) and PAYGO for Clean Rivers projects (\$6.6 million) were deferred for future discussion.

Adjournment

Hearing no further business, Chairperson Major Riddick adjourned the meeting at 12:45 p.m.

Follow-up Items

- 1. Provide the Environmental Quality and Operations Committee with an update on the curing pad and solar projects. **(Anthony Giancola)**



CEO'S REPORT

David L. Gadis

July 2019



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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



From the desk of the CEO

David L. Gadis



July 2019

Department of Operations and Engineering

Water Operations and Water Quality & Technology

Accomplishments

- At the May 16th, Environmental Quality and Operations Committee meeting Maureen Schmelling, Director, Water Quality and Technology presented Lead Service Line Replacement Overview, outlining lead service line background, the new District law, current LSR programs and costs, impacts of the new law, and next steps.
- The presentation also included additional response and information from a recent Office of the Inspector General audit of DC Water's EPA Lead and Copper monitoring program.

Operational Performance

- Operational activities were well within the expected levels throughout the month. As the team moves forward towards the summer months, we begin to take on deferred work requests from the winter and increased support activities associated with increased development in the city.
- Total Coliform Rule – DC Water collected 246 samples in May 2019 for compliance with the Total Coliform Rule (TCR). DC Water met the TCR standard for May with none of the samples testing positive for total coliform. The federal trigger for further system evaluation is 5 percent positive for each month.
- Lead and Copper Rule – DC Water distributed 188 sample kits between January and May 2019. Among the distributed kits, received and submitted samples from 109 homes to the laboratory for analysis.
- Water main breaks per 100 miles of pipe for the water distribution system was approximately 23.11 for the month of May. The national average of 25.00 is exceeded by many associations and utilities.

Progress Report

WQ&T

Began and completed the investigative and exploratory work associated with insourcing and executing water-main disinfection after new water-main installations; a practice that is currently performed by a contractor or outside specialty consultant. The group plans implementation at one of the Distribution Maintenance Branch (DMB) Operational Small Diameter Water Main Replacement projects this summer.

Water Services

DMB continued the planning and construction activities associated with the FY2019 Operational Small Diameter Water Main Replacement projects directed at replacing water mains in reduced amounts where neighborhoods have experienced water quality concerns. Two of the three planned locations have begun construction activities, and the third project is currently awaiting permit approval from DDOT.

News and Events

Operational management staff participated in the District's HSEMA pilot Incident Management Team (IMT) Academy program kickoff meeting. [The IMT Academy is a year-and-half training program in which participants receive a position task book from HSEMA. The program includes the entire suite of IMT training and a Capstone exercise.]

Wastewater Operations

Accomplishments

NACWA Peak Performance Award: DC Water has earned a Peak Performance Award from the National Association of Clean Water Agencies. The Platinum Award recognizes the Blue Plains Advanced Wastewater Treatment Plant for exceptional quality and 100 percent compliance with all NPDES permit limits for treated effluent discharges during the last seven consecutive years, including calendar year 2018. The award will be presented during NACWA's Utility Leadership Conference on July 18, 2019, in Minneapolis, MN.

Operational Performance

Blue Plains Complete Treatment Performance: Average plant performance for the month of May 2019 was excellent with all effluent parameters well below the seven-day and monthly NPDES permit requirements. The monthly average flow through complete treatment and final discharge to Outfall 002 was 343 MGD.

Blue Plains Wet Weather Treatment Performance: During the month, a total of 289 million gallons (MG) of wet weather flow, captured in the tunnel system, was pumped and treated using the Enhanced Clarification Facility (ECF). A portion of the treated flow was directed to the main plant to maximize complete treatment. The remaining portion of the treated captured combined flow, or 43 MG was disinfected, dechlorinated, and discharged to Outfall 001. Since the commissioning of the first section of the Anacostia River Tunnel Systems and the WWTF on March 20, 2018 and including the wet weather events that occurred in May 2019, the total volume pumped and treated through the WWTF is 5,588

MG. During the same period, over 2,085 wet tons of screenings and grit (trash, debris, sediment) were removed, that would otherwise have been discharged into the Anacostia River.

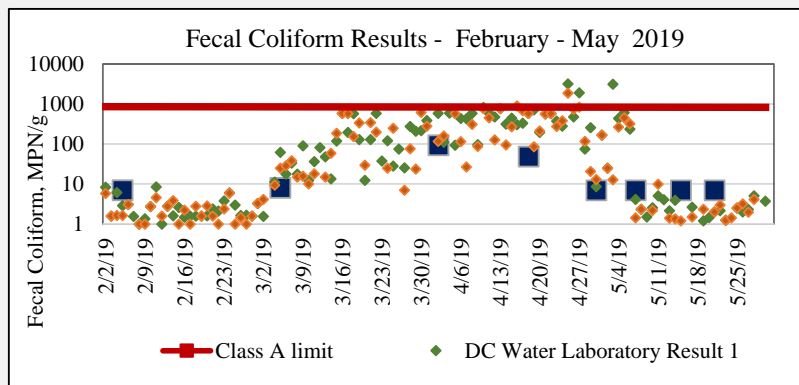
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Class A Biosolids Quality: Since May 7, 2019, fecal coliform values in daily bio-solids cake samples, analyzed by DC Water Laboratory, have remained below 10 MPN/gram and well below the 1,000 MPN/gram requirements for Class A certification. The results of all compliance samples collected and analyzed by a Virginia Environmental Laboratory Accreditation Program (VELAP) certified commercial laboratory have never exceeded the Class A limit. In addition, all solids produced and processed through

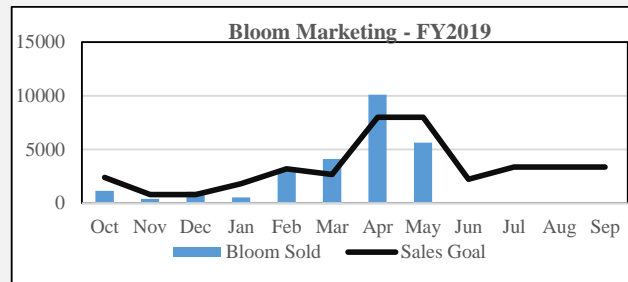
the Thermal Hydrolysis Process (THP) met the time and temperature regimes required to reduce pathogenic organisms.

DC Water has determined that the root cause for the elevated levels of fecal



coliform in March, April and during the first week of May was associated with one of the four Anaerobic Digesters. The digester was isolated on May 6, 2019 and the Authority is in the process of developing a final plan to bring the digester back into operation.

Bloom Marketing: Bloom marketing resumed on May 21, 2019 after two weeks of non-detect results observed beginning May 7, 2019. During the month, 5,632 tons was marketed to bring the total for the fiscal year to 26,082 tons or 65 percent of the 40,000 tons goal. Based on progress to-date, the Authority anticipates achieving the marketing goals for the fiscal year.



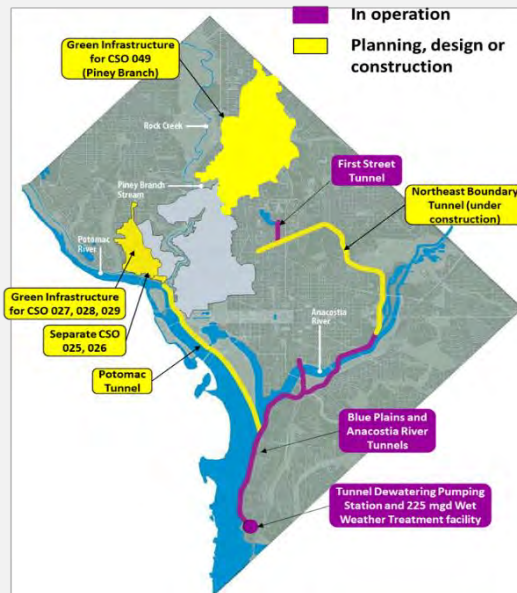
Progress Report

Research and Development: Pilot testing has continued using the “partial denitrification – anammox” alternative strategy for achieving short-cut nitrogen removal for which the DC Water and HRSD collaborative team recently received an award. Work is underway to test this strategy in a configuration that uses plastic media as a carrier to support the growth of anammox bacteria and retain them within the nitrogen removal basins. Potential strategies for scale-up of this configuration are being investigated.

Filtrate Treatment Facility Operations Demonstration: The new Filtrate Treatment Facility is nearing the end of the commissioning period. Operational Demonstration 1 was successfully completed, and the process achieved 86% ammonia removal, which in turn reduced the overall nitrogen load that must be treated in the mainstream nitrogen removal process. Along with other optimization efforts, this facility contributed to a 25% reduction in methanol consumption.

Accomplishments

Achieving 90% overall capture rate, exceeding the projected 80% capture rate at this stage of implementation.



Operational Performance

Performance of Anacostia River Tunnel System

- Captured approximately 5.67 billion gallons of combined sewer overflows and approximately 1,760 tons of trash, debris, and other solids (March 20, 2018—June 11, 2019) that would otherwise have overflowed to the Anacostia River.

Progress Report

Drain the Rain (Downspout -Disconnection) 2019 Phase

- Completed 31 downspout disconnections and 24 rain barrel installations.

Northeast Boundary Tunnel Project – Design

- R Street Construction Site
 - Completed Maintenance of Traffic design.
 - Completed Temporary Site Work design.
 - Construction Impact Assessment Reports were completed for 4th Street and Rhode Island Avenue Construction Sites.

Northeast Boundary Tunnel Project – Construction

- Tunneling
 - TBM Chris mined 4,110 feet as of June 7, 2019.
 - Mount Olivet Road Construction Site
 - Completed jet grout columns for future tunnel admit connection.
 - Verification of jet grout with coring is ongoing.
 - W Street Construction Site
 - Completed 75 feet of shaft excavation work.
 - Retaining wall construction ongoing.

CSO 025/026 Sewer Separation Project

- E. Coli sampling performed during March confirmed pipes identified as storm sewers on record drawings along Thomas Jefferson St NW and K St NW. A memorandum summarizing the finding and results is under development.
- CCTV and dye testing investigations were performed through March and April. Results from the investigations were reviewed and included in the survey base map for design plans.
- Geotechnical and environmental boring investigation was completed in May. One boring location was not completed due to congested underground utilities.
- Utility potholing investigation field work begun in June.
- Ongoing coordination with DDOT on 31st St Bridge Replacement Project.

Potomac River Tunnel

- Coordinating review of draft Finding of No Significant Impact (FONSI) with National Park Service (NPS) to conclude the National Environmental Policy Act (NEPA) compliance process.
- Negotiating terms of draft Programmatic Agreement with the NPS and the DC State Historic Preservation Office to resolve impacts from the project in accordance with the National Historic Preservation Act Section 106 compliance process.
- Conducting geotechnical borings to investigate subsurface conditions along the tunnel alignment.
- Held meetings with Pepco to coordinate delivery of high voltage power for TBM to the tunnel mining site.

Public Outreach Activities

- Supported DCCR table at event to introduce the community to DC Water's new HQO, on May 30, 2019.
- Represented DCCR at DC Water's Wards 1—8 Rate Shift meetings on May 23, 28-29 and June 3-6, 10, 2019.
- On May 22, DC Water sent to EPA an Individual Construction Project Certification for Potomac Sewer shed Green Infrastructure Project No. 1.
- Potomac River Green Infrastructure Project 1
- Notified ANC 3B Commissioners and delivered door hangers to residents' homes notifying them of the posting of permanent No Parking signs for monthly maintenance in the permeable parking lanes in Glover Park.
- Coordinated repairs for residents.
- Presented green infrastructure (GI) program to Central Asia Delegation on May 21, 2019.
- Potomac River Green Infrastructure Project 1
- Provided updates to ANC 2E, Georgetown Business Improvement District, businesses and residents about boring investigations and utility potholing investigations.
- Developed project website.
- Northeast Boundary Tunnel (NEBT) Business Impact Mitigation Plan
- Rhode Island Avenue NE Main Street and North Capitol Main Street organizations continue to have "health assessments" conducted for businesses in the construction site areas to establish pre-construction baselines.

- Rhode Island Avenue Main Street NE submitted draft scrim mock-ups for installation on the construction fence surrounding the 4th Street NE Construction Site and the abandoned WMATA bus stop on 4th Street NE. They are designed to highlight that the obstructed businesses are still open, and call attention to the site, while not obstructing required postings and DC Water information already on the fence. Eventually, the community will be involved in any artwork on the scrim.
- NEBT Outreach
- Distributed traffic advisory and stakeholder newsletter for the First Street Pumping Station Construction Site jet grout work.
- Distributed traffic advisory and stakeholder newsletter concerning mobilizing to Cooper Gordon Park and removing trees and park features from the R Street Construction Site.
- Met with Greater Mount Calvary Church to brief on upcoming median removal work, June 6, 2019.
- Visited businesses along 4th Street NE construction site to check in and provide updates on current impacts associated with work, June 5 & 6, 2019.
- Responded to project questions from Dave Dildine of WTOP radio station.
- Coordinated with Department of Public Works on street sweeping suspension request from ANC in LeDroit Park community.
- Captured Google Analytics data on visits to the NEBT webpage.
- Organized and facilitated the Tunnel Forum, highlighting activities at the First Street NW Pumping Station, Florida Avenue NW, and R Street NW Construction Sites on May 15, 2019.

News and Events

- Friday, June 14, 2019—Meet with ANC5 Commissioner Ra Amin at Brookland Press building to inform building management and tenant association lead about upcoming work at Rhode Island Avenue NE site. Set up future table/information session for residents.
- Tuesday, June 18, 2019—Second meeting with Greater Mount Calvary Church regarding impacts associated with upcoming work at Rhode Island Avenue NE site.
- Wednesday, June 19, 2019—Attend ANC5C meeting and provide brief update about site activities at Mount Olivet Road.
- Wednesday, June 19, 2019—Attend ANC5B meeting (Commissioner Amin's Single Member District); provide information about Rhode Island Avenue NE site activities.
- Attend monthly business meeting with Commissioner Nancy Jones. Date to provided.
- June 24, 2019—Meet with Dominique Chestnut from the Mayor's Office of Community Relations to provide update on OAB sites and get an update on legislative efforts directed towards relief funding for businesses affected by construction activities.

Engineering and Technical Services

Accomplishments

- Deidre Saunders received special recognition from Construction Management Association of America (Baltimore/National Capital Chapters) for the Anacostia 2nd High Pressure Zone Improvements project and management of DC Water construction branch.
- DETS staff Alireza Parhami and Getachew Melsew authored and presented two papers at the AWWA Annual Conference and Exposition (ACE):
- DC's Next Top Model...Advanced Hydraulic Model Calibration for DC Water;
- Six Years of a Pipeline Condition Assessment Program at DC Water – Lessons Learned and What's Next.
- DETS staff Getachew Melsew and Deidre Saunders authored and presented the following paper at the AWWA Annual Conference and Exposition (ACE):
- It Takes a Village to Mitigate Risk When Creating a New Pressure Zone – DC Water's Experience.
- Waste and Water Operators Association (WWOA) Short Course Training – Gian Cossa and Greg Stephens delivered an hour presentation on Reliability Centered Maintenance (RCM) as part of their curriculum on Asset Management.
- The Chesapeake Water Environment Association (CWEA) selected Gian Cossa as their next Vice-President on the Board of Directors recommended slate of officers, with automatic succession to serve as President in 2022.

Operational Performance

- Completed program assignments, cost, staffing and spending reductions in accordance with FY19 caps.
- Completed training and knowledge transfer for the water storage facility inspection Standard Operating Procedures.
- Conducted follow up training on air management in the water distribution system.
- Used the GE CAP (aka Changing Blue) process to more effectively promote change effort at DDOT and for the Qualified Product List
- Established a draft process for GPS data collected by operations teams and are currently testing the process with an existing data set for operations.
- Passed 76% of gravity sewer mains with install date attributes in the GIS (annual goal is to pass 80% before EOY).
- Completed and reviewed 282 scans as a QA/QC step toward full production scanning of the Technical Information Center archive.

Progress Report

- Construction Procurement for the Danbury Station meter installation project has been completed with a Change Order executed by the GM on June 6. Construction started on June 10.
- Procurement of the new Water Program Manager achieved a major milestone with the issuance of a short-list letter on June 6.
- Three firms were shortlisted for the rehabilitation of the Potomac Interceptor between MH31 and MH30 design-build project.
- Odor/Corrosion Study of the Potomac Interceptor between Manholes 31 and 30 was completed.
- Natural Resources Survey of the Potomac Interceptor segments included in Project LZ03 is completed.
- Potomac Pumping Station Vibration Evaluation Memo is completed.
- Concept design report, prepared by in-house staff, for LZ09 Potomac Interceptor Phase 6 Pipe Rehab at Clara Barton Parkway is under review.
- Received bids for four contracts:
 - Sanitary Sewer Lateral Replacement Contract FY20-FY22 (IFB 190020);
 - Lead service Replacement Contract FY20-FY22 (IFB 190030);
 - Water Infrastructure Repair & Replacement Contract FY20-FY22 (IFB190050)
 - Soldiers Home Reservoir Upgrade (IFB170130)

News and Events

DETS staff is to participate in a meeting and site visit with ANC members and other customers in the Dupont Circle area to discuss sewer and drainage issues.

Wastewater Engineering

Accomplishments

- **Miscellaneous Facilities Upgrades** – Phase 6 contract was successfully endorsed and executed. Project will issue Notice to Proceed on June 10th, 2019. This project will allow for the headworks influent screen replacement work to commence; which is a critical component in maintaining the plant operations. FEMA eligible grant work is included in this contract and entails flood proofing Main P.S. to an elevation of 17.2.

Operational Performance

- Board of Directors approval to award Gravity Thickener Phase 2 construction contract. This contract will refurbish and restore capacity to a critical solids processing facility at the Blue Plains Advanced Wastewater Treatment Facility.
- Mid-year spending analysis for wastewater treatment service area CIP indicates that spending for FY19 will not exceed the target.

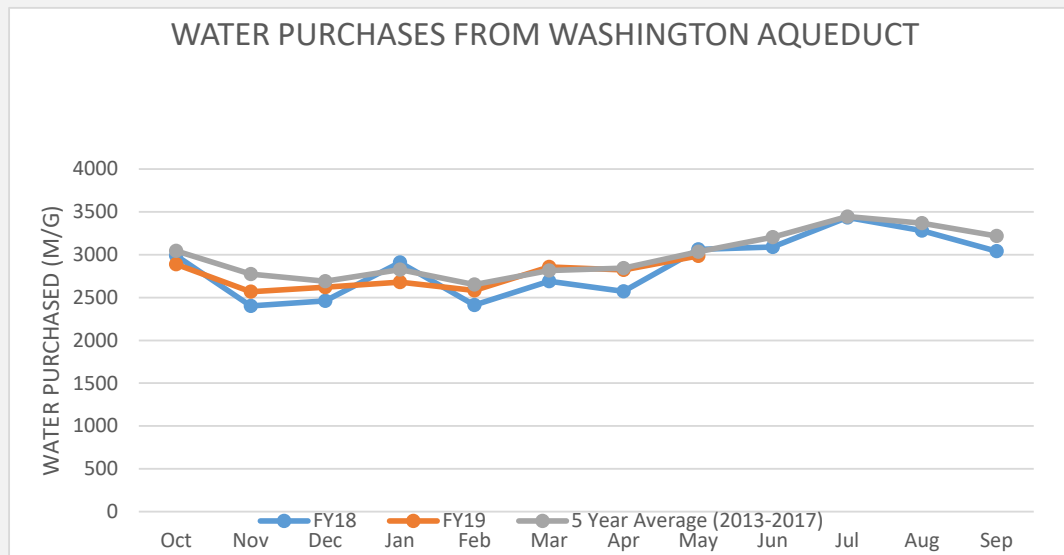
Progress Report

- Completion of the Multimedia Facility Drop Shaft Gate actuators: The old limitorque actuators were beyond their useful life and experienced multiple failures. Replacement of these actuators will mitigate gate failures that could impact plant operations and result in permit violations. These new hydraulic actuators are more reliable, alleviate concerns that the gates may drop and allow for better process monitoring.
- Completion of the HVAC upgrades at Gravity Thickeners and PSSDB: The existing AC units serving the electrical room and control room at PSSDB and GT headhouse #2 were required to be replaced to maintain adequate cooling to the electrical equipment. These units were upgraded to connect to the new BAS system managed by DCW Facilities.
- Conducted interviews of short-listed firms for SCADA System Integrator Services contract, prepared memo for recommendation of award.
- Provided engineering support and coordinated with Department of Pumping Operations for procurement of new influent mechanical screens for Main Pumping Station. Existing screens have reached the end of their useful life, and frequent equipment outages pose a risk to NPDES permit compliance for maintaining pump station firm capacity. Completed basis of design memorandum and reviewed equipment quotes from vendor for DPO purchase through Capital Equipment.
- Issued a request for proposal for Pre-selection of equipment for the Reclaimed Final Effluent Pump Systems Upgrades project. These pumps enable use of reclaimed final effluent for process and service water throughout the Blue Plains Advanced Wastewater Treatment Plant.
- Completed an inspection and structural assessment of West Grit Effluent Chamber at the Blue Plains Advanced Wastewater Treatment Plan.

Department of Pumping Operations

Accomplishments

- We completed Asset Verification for all the 38 Storm, Water and Sewer Stations that DPO is responsible for maintaining. Some of the benefits of asset verification and having an accurate registry help us with managing asset performance. This also allows us to ensure we meet our regulatory requirements, in addition, we can effectively manage asset failure and understand our cost to deliver performance and our cost to mitigate risk.



- We completed SOP training at Fort Reno Pump Station. This was attended by personal from Maintenance, Pumping, Potomac Interceptor and Electrical departments. SOP training increases the awareness of the staff about our operating facilities, operating controls and forms a significant part of us supporting the Strategic Programs specifically related to The Employee Experience, Resilience & Readiness and Operational Performance. This also supports the drive to increase operational efficiency.

Operational Performance

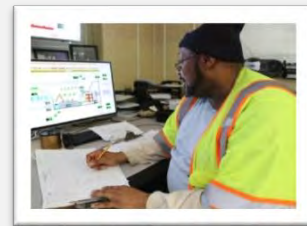
- There were no vehicle accidents and no OSHA recordable's reported for May 2019. The Department of Pumping Operations has made it a point to all employees that Zero is attainable. This means zero accidents, zero incidents and zero spills. The May results reflects this is indeed possible.
- The water purchases for the month of May 2019 was 2985.56 MG which is down 2% of the 5-year average. For the past 2 years, there has been a downward trend of Water Purchases from WAD
- There is has been a significant increase on the amount of sewage pumpage over the past 2 years. This is due to the increase in rain events we've had over the past several months. This month we pumped 7451.77 MG of sewage.

Progress Report

- To ensure that the physical infrastructure and associated assets (water, storm water and sewer stations) do not deteriorate prematurely we have secured a contract to clean each station quarterly.
- The Wonderware system platform used for SCADA is being updated to the newer 2017 version. The newer version is more efficient and offers more features which includes more compatibility with tablet swiping as well as enhanced zooming functions. Other enhancements includes drilling onto a device for more details; shorter load time for Historian; and the ability to create customized templates. The newer version also allows us to add specified attributes needed for equipment; for example, we can add speed to a specific pump. Work continues to deploy the high-performance graphics on the SCADA screen. High performance graphics has been completed for Rock Creek PS, 3rd and Constitution PS and Scott Circle storm water station. We will be implementing Earl Place PS within the coming weeks.

News and Events

DPO was featured in DC Water Focus Newsletter for our SCADA Drill which focused on preparing for an Emergency in the event of a Communication Outage. DPO utilizes the SCADA system to control and monitor over 50 remote sites within the Water Distribution and Sewer Collection systems throughout DC and parts of Virginia. The SCADA system also integrates with other control systems available at the Blue Plains Advanced Wastewater Treatment Plant and Washington Aqueduct Water Filtration Plant to allow operational data monitoring. Within 12 hours of completing the drill, there was a real SCADA outage incidents that impacted Bryant Street PS. Having this drill prepared DPO in the timely response to this emergency outage.



Permits

Accomplishments

- Permit Operations staff were individually recognized by the GM at the June Board Meeting for their hard work and KPI performance increase to 93% delivered on Time
- Brian McDermott P.E. – Presented to the Congressional Capitol Developers Forum (approx. 25 members) on May 22, 2019 regarding working with DC Water on development and redevelopment projects.
- Mark Babbitt P.E. – Presented to the Washington Business Congress Utility Coordination Conference. Presentation was 30 minutes on how developers need to permit plans through DC Water and the upcoming cost revisions.

Operational Performance

- Permit Operations processed 354 permit application tasks, 329 were completed on-time for a monthly KPI average of 93%
- Permit Operations Collected approximately \$117,350 in plan review fees.
- Permit Operations collected approximately
 - \$320,985 For Water Services Inspection fees and reimbursables
 - \$82,300 for Sewer Services inspection fees and reimbursables
 - \$584,095 for Construction Inspection fees and reimbursables

Progress Report

- Permit Operations Continues to work with the Finance Department to develop an on-line payment portal and to evaluate online permit review processes of neighboring utilities.
- Permit Operations and IT are continuing to review/develop the 3PP on-line permit review and submittal program.

News and Events

- New permit review fees are approved with anticipation of starting assessment as of August 1, 2019.
- As of June 1, 2019, System Availability Fees (SAF) are in Full enforcement.
- Permit Operations received its first \$796,654.00 SAF for a 6" domestic service associated with the construction of Children's National Hospital at Walter Reed.

Sewer Operations

Accomplishments

- Conducted tour of DSS Facilities with FY 2019 Summer interns – 5/21/19

Operational Performance

Strategic Program #1: Operational Safety

- Submitted safety good catch
- Completed all accident investigation reports
- Performed two field oversight inspections
- Discussed lessons learned in the monthly staff meetings

Strategic Program #4: Driving Performance (NPDES Regulatory requirement)

- Completed 88% of the 1st round of inspections for the Catch Basins that drain to the Anacostia River.
- Cleaned 12% of the catch basins in the Combined Service Area for regulatory year. 954/9% this month.
- Cleaned 110% of the catch basins in the MS4 Service Area for regulatory year. 934/6% this month.
- Collected 50 tons of floatable debris from the Anacostia River this month. Calendar year to date 180 tons.

Strategic Program #5: Leveraging Technology

- Identified and performed CIPP on 8 laterals

Progress Report

- Completed final stream bank restoration work at National Arboretum in relations to the 2009 51-inch sewer main collapse and repair.
- Completed first phase of storm sewer repair on sinkholes at 18th and Randolph Rd, NW
- Received NPS permit and completed stream bank restoration work on a partial sewer main collapse at Beach Drive, NW near Rock Creek and the Zoo.
- Continuing sinkhole sewer investigation at the Washington Aqueduct with ACOE.
- Foundry Branch (Bulkhead/Leak Repair) – exploring options with specialty vendors regarding permanent sewer repair
- Cleaned out 55 gallons of paint in storm drain per request of DOEE
- Repaired sinkhole near a newly installed storm water Biorientation Facility. A section of the existing sewer main was damaged and needed to be replaced.
- 12 staff attended ICS Building Block Training Part 1 – 5/7/19

News and Events

- Participated in various vehicle and equipment demonstration during HQO Open House – 5/30/19
- Staff coordinated Infrastructure Field Day activities at J. O. Wilson Elementary School – 5/15/19

Office of Administration

Security

Accomplishments

- 5 FTEs and 20 Allied Universal SPOs attended “Hazmat First Responder Awareness”. First responders at the awareness level are individuals who are likely to witness or discover a hazardous substance release and have been trained to initiate an emergency response sequence by notifying the proper authorities of the release.
- AECOM Security Assessment received. Review in progress w/ Enterprise Performance team.
- Completed projects/Initiatives/Blueprint Strategic Planning Updates

Operational Performance

- 11 security investigations in May
- 9 security incidents in May
- Compliance: Annual Emergency Light and Fire Extinguisher Inspections complete
- Compliance: Annual Fire System Inspections complete

Progress Report – Active Projects

- Blue Plains Riverside cameras are viewable, additional programming required.
- HQO Duress button installation – various locations
- HQO Main Gate Booth – booth turned over to DC Water – IT & Security network/connectivity.

News and Events

- Active Shooter Roundtable with Horsley Witten Group – to be scheduled
- Additional Special Police Officer Trainings – Metal Detector, Exterior vehicle inspections
- Critical National Infrastructure – Speaking engagement for Security Director and Security & Operational tour of DC Water. Tour support: Salil Kharkar

Fleet

Accomplishments

- Fleet attended the Chevin Fleet Solutions (Wave) conference in New Orleans, LA
- Fleet Capital Equipment received:
 - Ford Expedition -assigned to Office of CEO/GM (Mr. Gadis)
 - Water Quality -Ford F550 (require Pacific VacAll unit installation)
 - New Vac Unit -Maryland Industrial
 - Fleet is in expectancy to receive two (New Crew Cab trucks) for Sewer Services
- Final Transition of Parts contract in-house; continue training and currently using Temp employees to manage, count and label
 - Fleet met with procurement and Parts Authority, as the Parts Contract is now signed and the Parts portion of the maintenance contract is now effectively in-house.
 - We are now ready to post positions for 2 new approved FTEs to support the Parts in-sourcing effort.
 - We are working on moving inventory
 - We are looking at barcoding Parts
- Fleet is working with Sewer Services to clean up the O Street facility for better parking and ingress/egress

News and Events

- Fleet requested to speak at Tropical Shipping in West Palm Beach, FL (expenses paid for by Tropical Shipping).
- Tim gave presentations on: improving business processes, managed maintenance charting, process flow, cost breakdown structures, and work breakdowns
- DC Water, in conjunction with the Office of the Mayor and the District of Columbia Government, participated in the annual "DC TRUCK TOUCH" at RFK Stadium, Saturday, June 15, 2019- Lot 8, 8:00am until 1:00pm. (25 employees from Fleet, OMAC, Facilities, Water and Sewer Operations)



Upcoming news

- Fleet team attending the Government Fleet Conference & Expo (June 17-20 2019)
- WAVE mobile app forms portal implementation has been pushed to June 2019
- Completed projects/Initiatives/Blueprint Strategic Planning Updates

Facilities

Accomplishments

- Accomplishments by the department and individual team members
- Teamed with Procurement to establish new PO to upgrade the existing hydraulic elevator at the Blue Plains secondary control room building.

Operational Performance

- Renovated and furnished rooms 301 and 302 at Bryant Street PS for Department of Water Services
- Configured/furnished office space for interns in Dept. of Pumping Operations and Dept. of Water Services at Bryant Street
- Installed and furnished new office at for Permits Department
- Reconfigured and added new cubicles for Permits Department
- Renovated and furnished Department of Pump Operations offices at Main Pumping Station
- Renovated the library and data center rooms at Main Pumping Station for Department of Pump Operations
- Reconfigured entry and installed new entry door for Pre-Dewatering Building Control Room

News and Events

05/16/19	Governor Inslee Visit to Blue Plains
05/30/19	HQO Community Open House and Grand Opening Event
05/23/19	Ward 1 Town Hall
05/28/19	Ward 2 Town Hall
05/29/19	Ward 3 Town Hall
06/03/19	Ward 4 Town Hall
06/04/19	Ward 5 Town Hall
06/05/19	Ward 6 Town Hall
06/06/19	Ward 7 Town Hall
06/10/19	Ward 8 Town Hall
06/02/19	DC Strokes' 25th Anniversary Regatta Celebration
06/07/19	Friday Night Concert Series at The Yards Park, Hosted by Capitol Riverfront BID
06/08/19	RFK Ready Celebration
06/10,11,12/19	Safety Week Events
06/15/19	District of Columbia Government's 12th Annual DC Truck Touch/2019 Mayor's Safe Summer Kickoff
06/15/19	5th Annual Chinatown Community Festival, hosted by Mayor's Office on Asian and Pacific Islander Affairs

Upcoming news

- Coordination with Safety Department for mold remediation training for all Facilities shops personnel
- RFQ for Non-Process Facilities Master Plan
- Supporting DETS and DMS in crane upgrades project at the Multimedia Building

Emergency Management

Accomplishments

- Provided two separate hazard mitigation grant tours for FEMA and HSEMA representatives – May 16th and June 7th.
- Supported the Authority's Community Open House and Grand Opening of Headquarters by developing the Incident Action Plan (IAP), briefing evacuation wardens and tour guides, assisting during the event, and facilitating an after-action review for improvement needs.
- Trainings, exercises, and presentations provided:
 - June 5 – presentation at MD Potomac Interceptor Stakeholder annual event
 - June 6 – AWIA presentation to the Board of Directors and EMAP award presentation
 - June 11 – Position Specific IMT Building Block Training (two sessions)
 - June 11 – Presentation at ACE 2019 on Regional Economic Impact Analysis Project
 - June 12 – Situational Awareness Guidance
 - June 12 – Emergency Critical Customer Communication Drill.
- Activated incident management team and produced an incident briefing document (ICS 201) to facilitate response and coordination efforts of the Blue Plains TDPS incident on June 6th.

News and Events

Upcoming events

- July 2 – Incident Management Team (IMT) Exercise, as part of DC's IMT Academy
- July 9 – Formal and Informal IMT Communications and Briefs training
- July 15 and 22 – Active Threat Awareness Seminar

Safety

Accomplishments

- Received National Award from Occupational Safety & Health Administration for our participation in the 2019 National Safety Stand-Down to Prevent Falls in Construction
- Accomplishments by department & individual team members
 - Robert Wells, Construction Safety Manager attended the OSHA 7405/Fall Hazard Training, OSHA 7505/Accident Investigation Training and the OSHA First Responder Awareness Training.
 - Met with People & Talent Learning and Development branch and Antron Sutton to discuss the employee safety training matrices and how we were going to ensure that employees were being trained.
 - Coordinated and setup three OSHA First Responder Training sessions (May 23rd & May 31st). A total of 22 employees attended the training.

Progress Report

- Completed Projects/Initiatives/Blueprint strategic planning updates
- The Industrial Scientific gas meter deployment to all departments was completed and we continued to work with our IT Department to ensure that the docking stations were connected to the internet.
- Scheduled Eagle Safety Eyewear for a return make-up visit to DC Water for those individuals that missed the January fittings. Eagle was on-site on May 10th, 2019 and we helped to ensure a smooth visit.
- Continuing to work with AECOM on updated our current policies / procedures
- Origami Implementation Updates:
 - Project Go Live phases being established with stakeholders (DOS, Risk, WC)
 - Extension with Ventiv/Risk console approved (3 months)
 - Change Management requests being updated with project management team
 - Updated reports will be ready for viewing in the very near future

News and Events

- 2019 Fall Protection Stand Down was conducted on May 9th, 2019. Approximately 100 DC Water employees attended the successful event.



- Robert Wells, Operations Manager and Serik Bulatkulov served as Safety Officers for the HQ Community Open House on May 30th, 2019.
- Upcoming news
 - June is National Safety Month. DC Water will participate with our "Safety Jeopardy Challenge" the week of June 10th -14th.
 - The week of June 17th – 21st is the NUCA Trench Safety Stand-Down. DC Water will hold an event on June 20th at 7:45am at the Bryant St. location.

Office of Performance **Accomplishments**

Tera Fong represented DC Water at the 2019 Aspen-Nicholas Water Forum, a partnership effort of the Aspen Institute and Duke University's Nicholas Institute for Environmental Policy Solutions. This year's topic was Adapting the Clean Water and Safe Drinking Water Acts for the 21st Century, and participants discussed opportunities for regional and intergovernmental collaboration, customer affordability, and integrated planning. Participation enables DC Water to elevate concerns of the utility sector, learn about new programs and pilots, and foster relationships with regulatory, environmental, and other industry stakeholders.







ORGANIZATIONAL PERFORMANCE DASHBOARD (May 2019)

Financial Highlights

Net Operating Cash (\$tho)	Operating Revenues (\$mil)	Operating Expenses (\$mil)	Capital Disbursements (\$mil)	Operating Cash Balance (\$mil)
Actual 104,665	Actual 472	Actual 355	Actual 258	Actual 170
Target 54,416	Target 444	Target 389	Target 330	Target 126

Delinquent Acct Receivables (%)	Core Investments Yield (%)	Short Term Investment Yield (%)	Vendor Payments (%)
Actual 2	Actual 2.49	Actual 1.96	Actual 96
Target 3	Target 2.32	Target 2.37	Target 97

Operations & Engineering Highlights

Lead Concentration (ppb) 	Total Coliform Rule (%) 	Biosolids Production (wet tons) 444	Total Nitrogen (lbs/yr mil) 
Plant Influent Flow (gal mil) 	Excess Flow (gal mil) 43	Water Main Leaks 26	Water Valve Leaks 3
Fire Hydrants out of Service  May 54	Fire Hydrant Insps. and Maint. 1029	Fire Hydrants Replaced  May 110	Non-Revenue Water (CCF mil) Sold 7.4 Purchased 10.8
Sewer Main Backups 4	Sewer Lateral Backups 109	Dry Weather CSO 0	Permit Processing within SLA 93
		Electricity Usage (MWh) 21	

Customer Experience Highlights

Call Center Performance  May 89 (% of calls rec)	Command Center Performance  May 93 (% of calls rec)	First Call Resolution  May 71 (% of calls rec)	Emergency Response Time  May 100 (% of calls rec)
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Low Income Assistance Program

SPLASH Contributions (\$tho)	Customer Assistance Program (\$tho)
Actual 60	Previous 75
Target 53	Current 131

People & Talent Highlights

Recruitment Activity	
Filled	3
Open	20

Administration Highlights

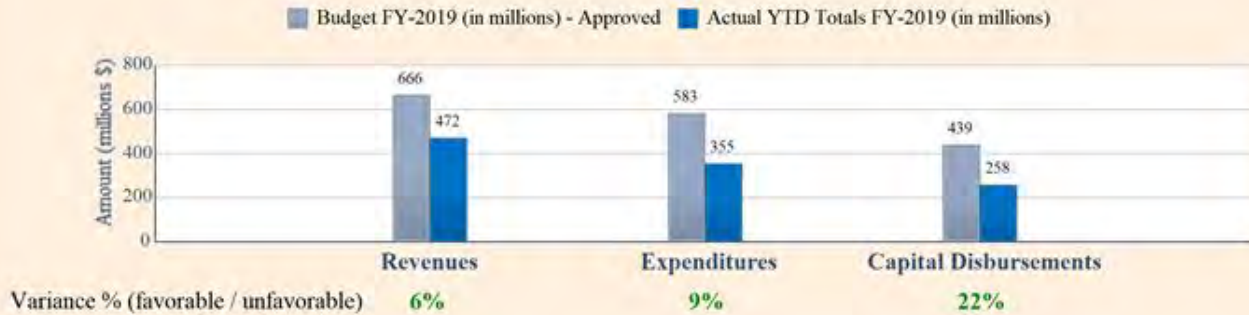
Employee Lost Time Incidence Rate (%)
2.7

Financial Highlights

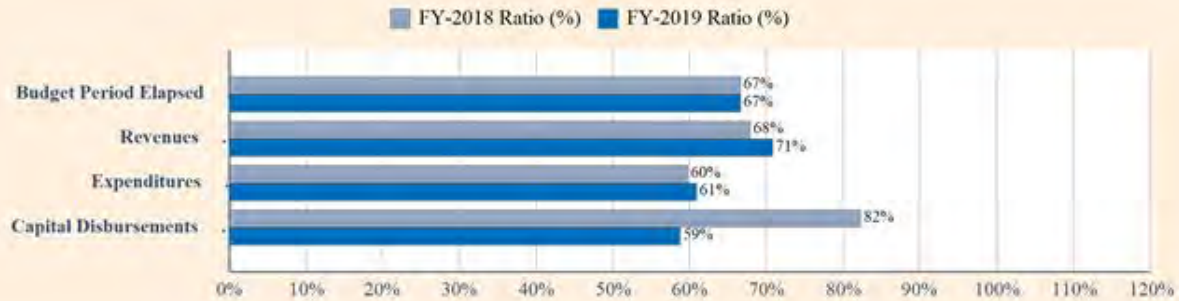
Financial Performance Summary

Revenue, Expenditure, Capital Disbursement

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

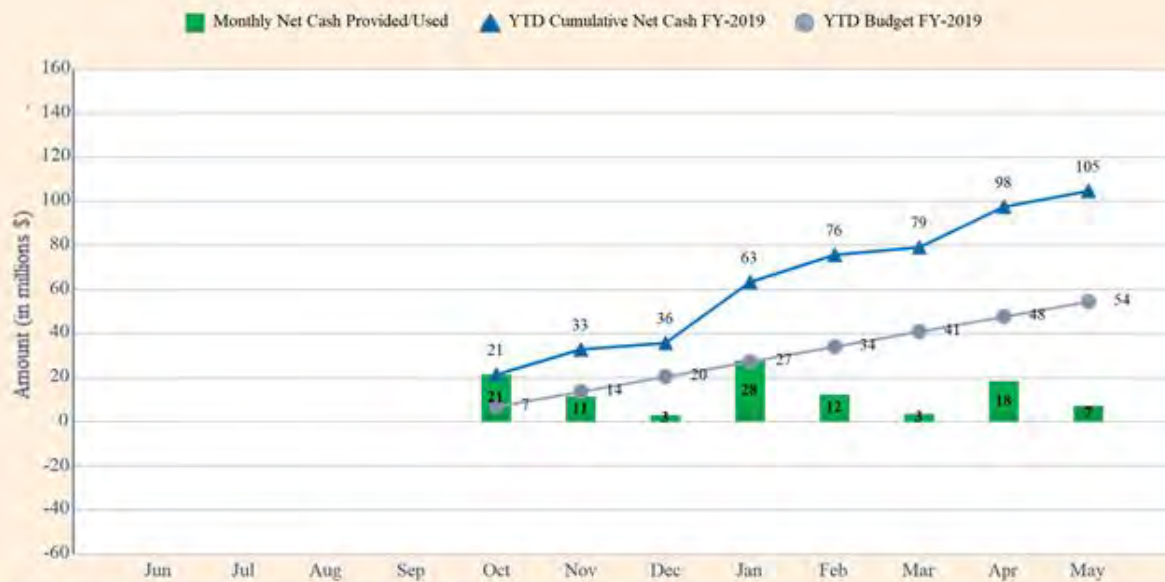


Year To Date Analysis



Net Operating Cash

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



Net cash to date for May was above budget by \$50.2 Million

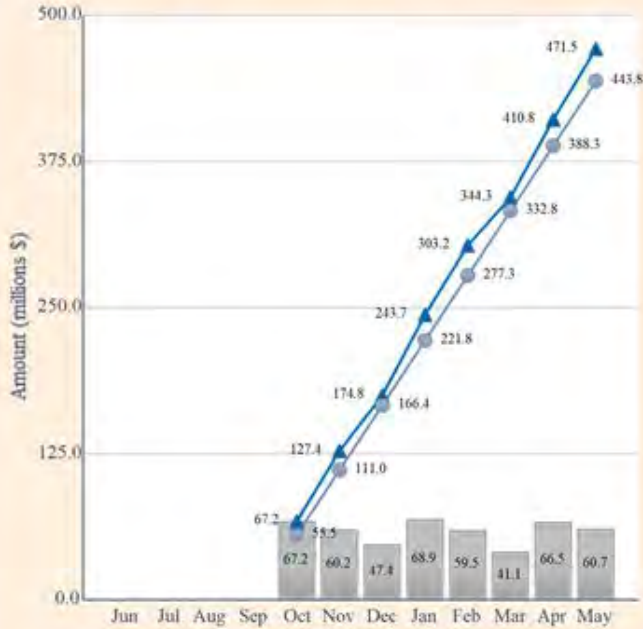
Financial Highlights

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 May was above budget by \$27.7 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 May was below budget by \$33.6 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 May was below budget by \$71.6 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 May was above target by \$44.1 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%)



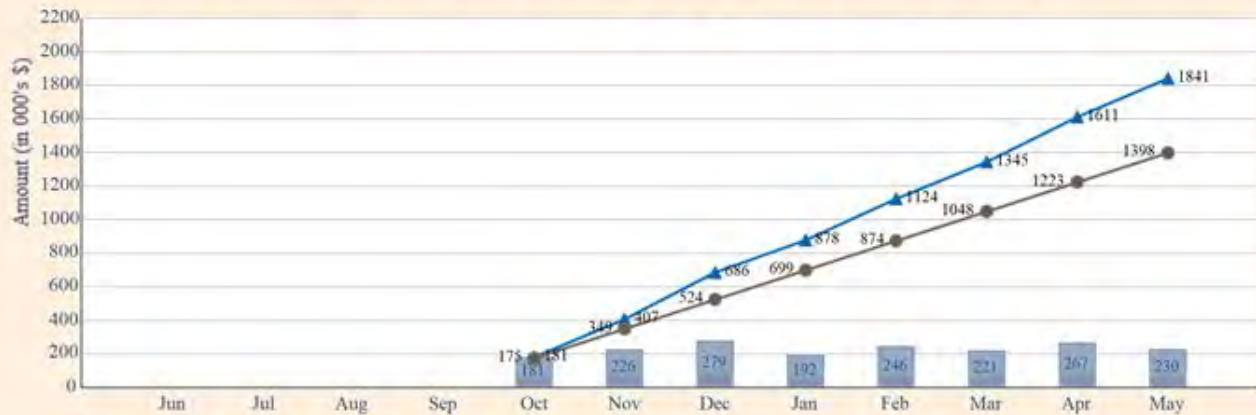
May Receivables to Revenue Ratio is 2, Delinquency is 11.12 million.

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 May were above Projected Budget by \$443,350.

Financial Highlights

Investment Yields

Core Investments Yield

Monthly Yield compared to Merrill Lynch Benchmark



Yield for May was more than the treasury index by 0.17%

Short Term Investment Yield

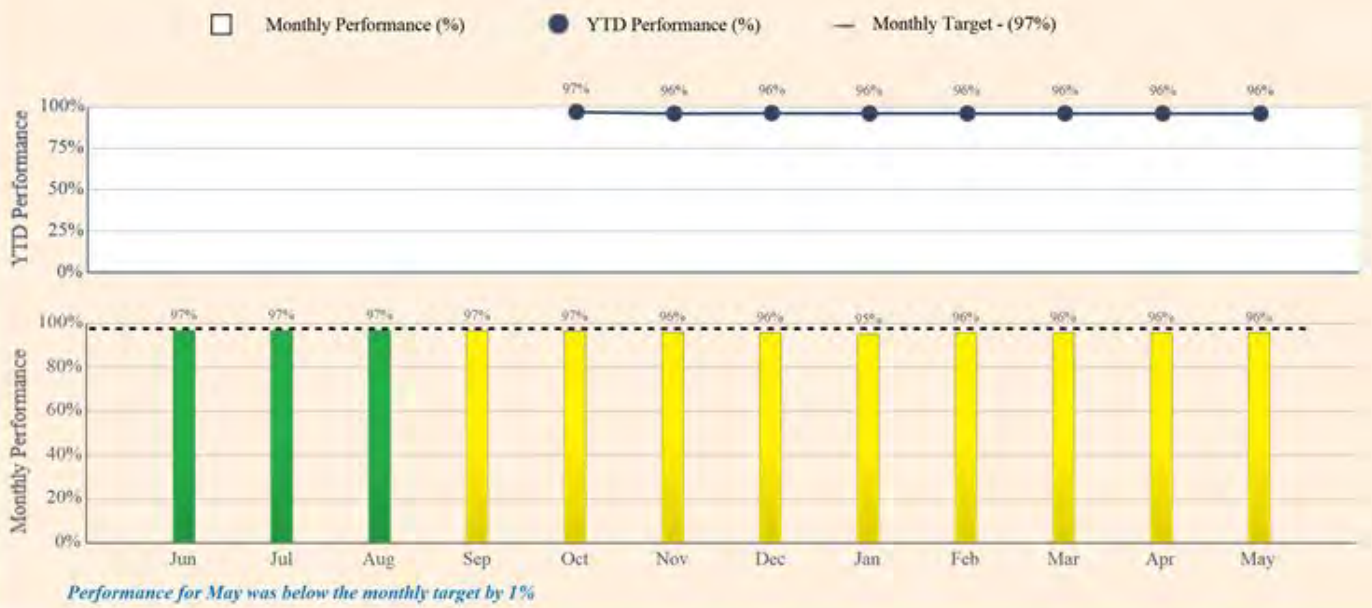
Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for May was less than the Merrill Lynch yield by 0.41%

Vendor Payments

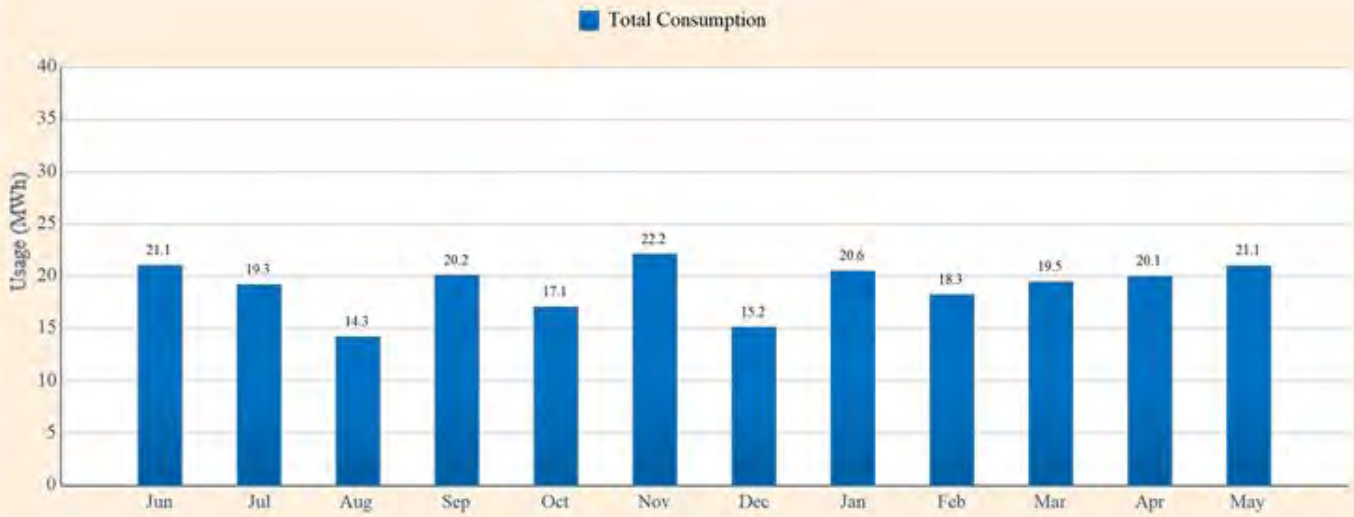
Vendor Payment Performance



Operations & Engineering

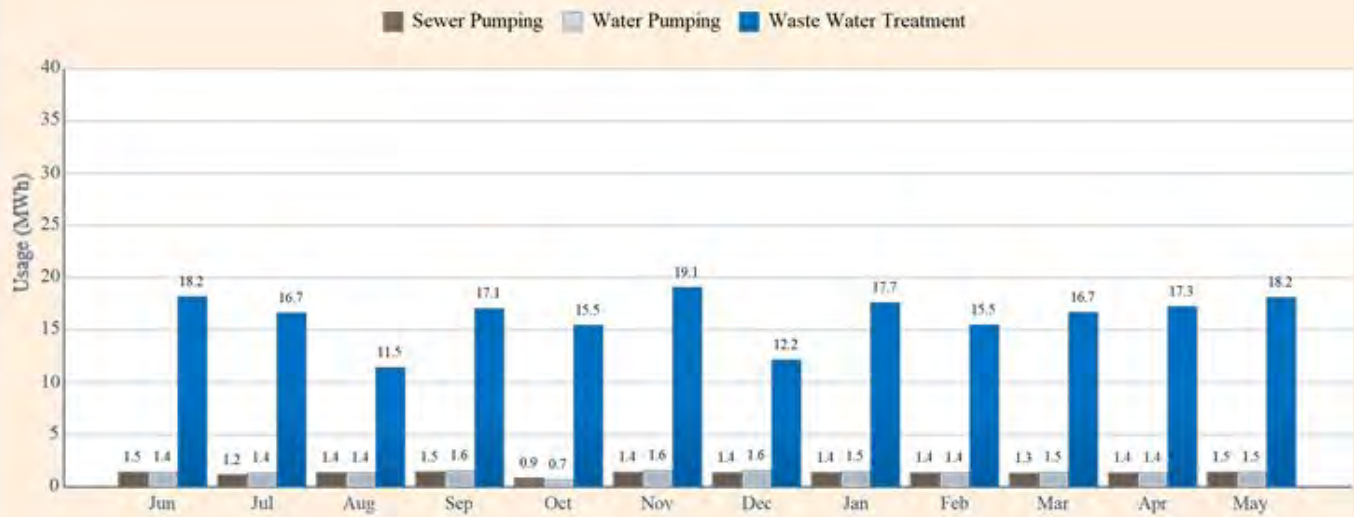
Energy Consumption

Electricity Usage Summary



Electricity Consumption in May was 21,072 KWh

Electricity Usage By Service Area



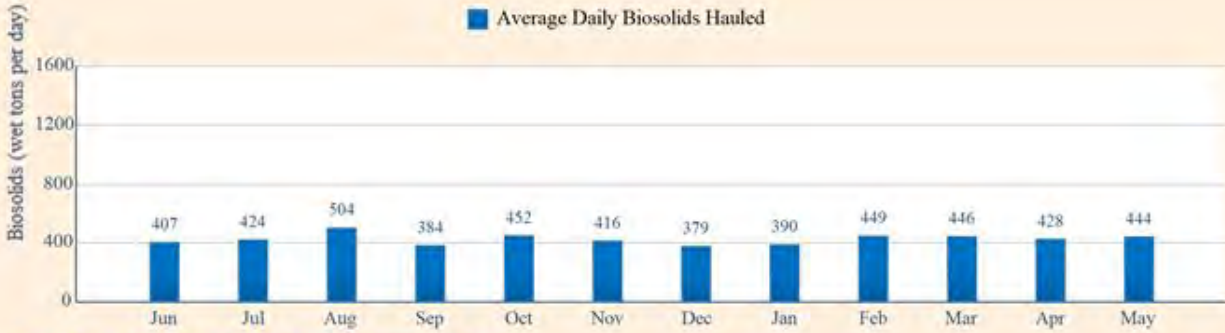
Waste Water Treatment had the highest electricity consumption in May at 18,153 KWh

Operations & Engineering

Wastewater Treatment

Biosolids Production

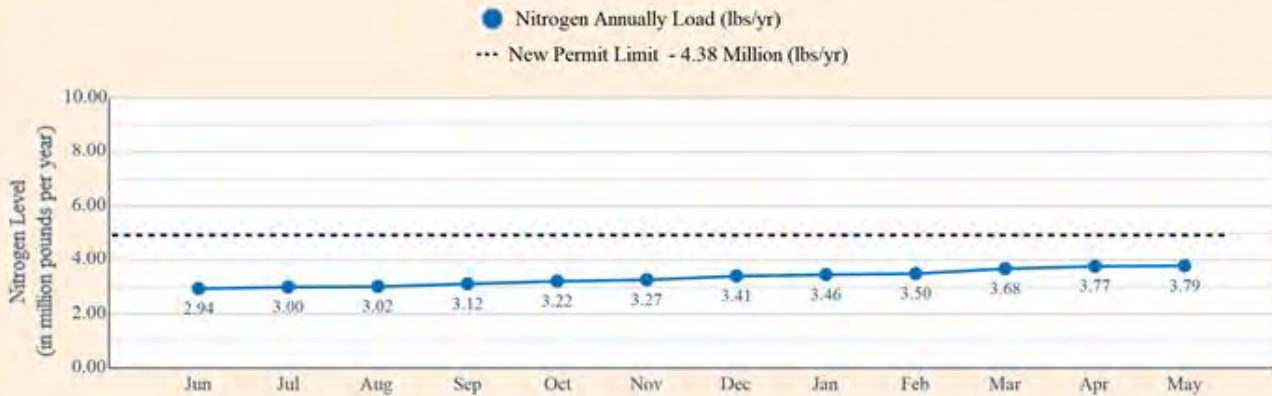
Average Daily Biosolids Production



Biosolids Daily Production for May were 444 wet tons per day

Total Nitrogen

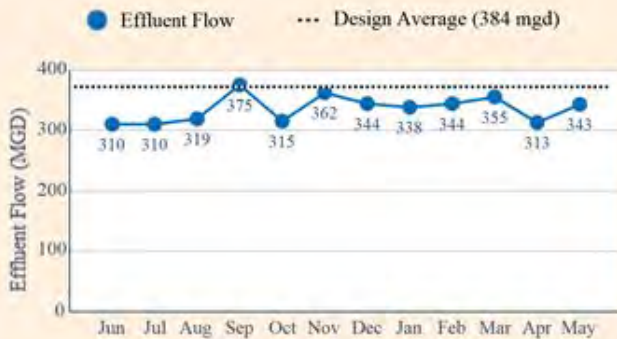
Total Nitrogen Compared to New Permit Levels



Nitrogen level for May were below permit by 0.59 million lbs/yr

Outfall 002 - Plant Effluent Flow

Effluent Flow compared to Plant Design Average Limit



In May Influent flow was below design by 41.2 MGD

Outfall 001 - Discharge Flow

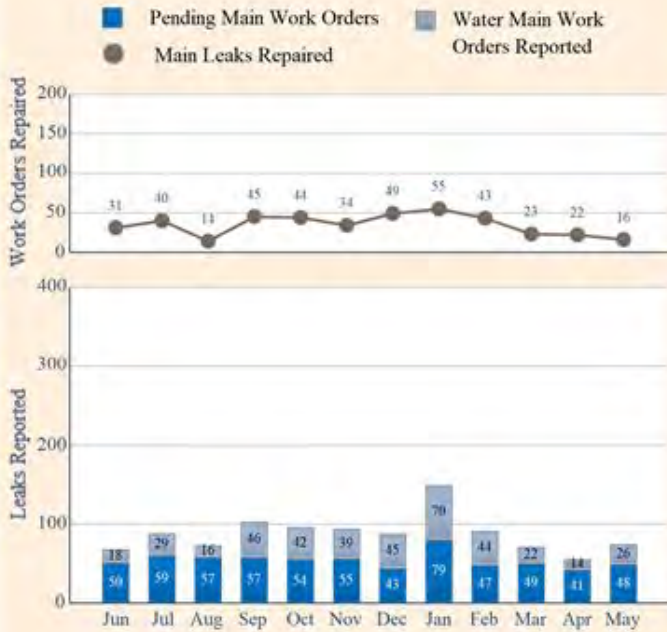


Excess flow events were recorded at 42.59 MG in May

Operations & Engineering

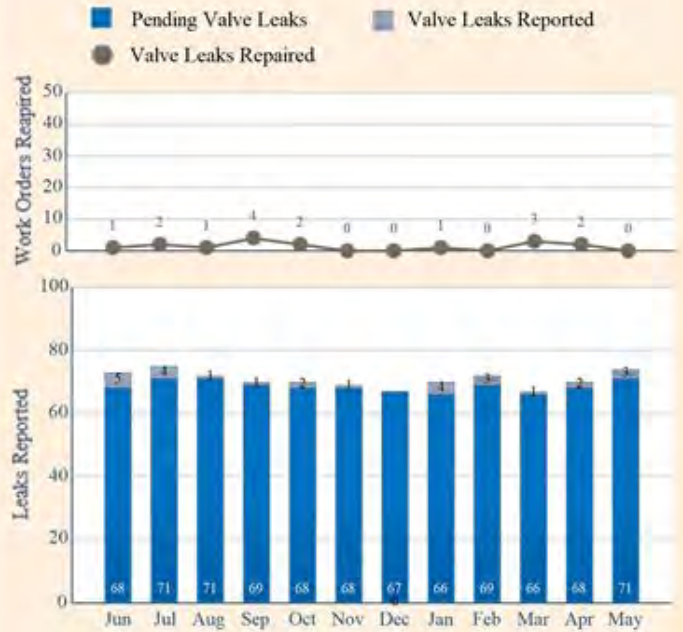
Water Distribution Operations

Water Main Breaks



There were 26 Water Main Work Orders reported in May.

Water Valve Leaks

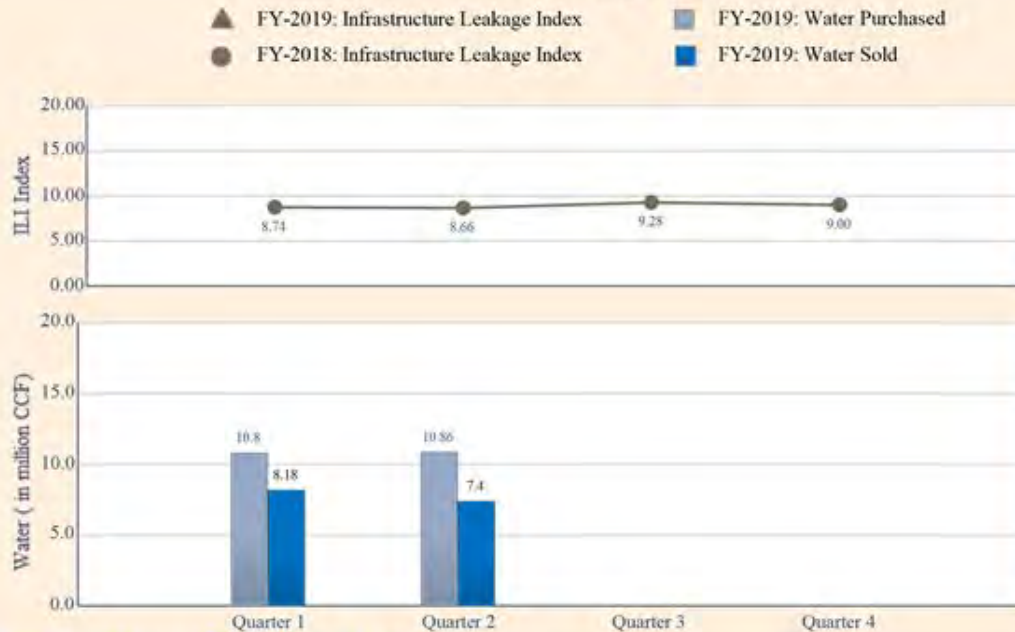


No leaks were resolved in May.

Water Balance

Non-Revenue Water

Volume of Water Purchased and Sold per Quarter



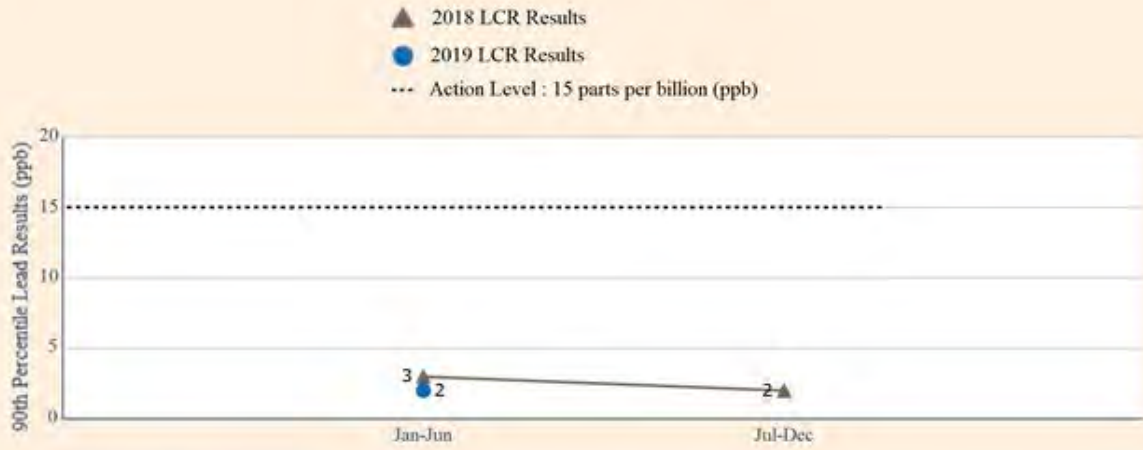
Water Balance results pending for 3rd quarter of 2019.

Operations & Engineering

Drinking Water Quality

Lead and Copper Rule (LCR) Compliance

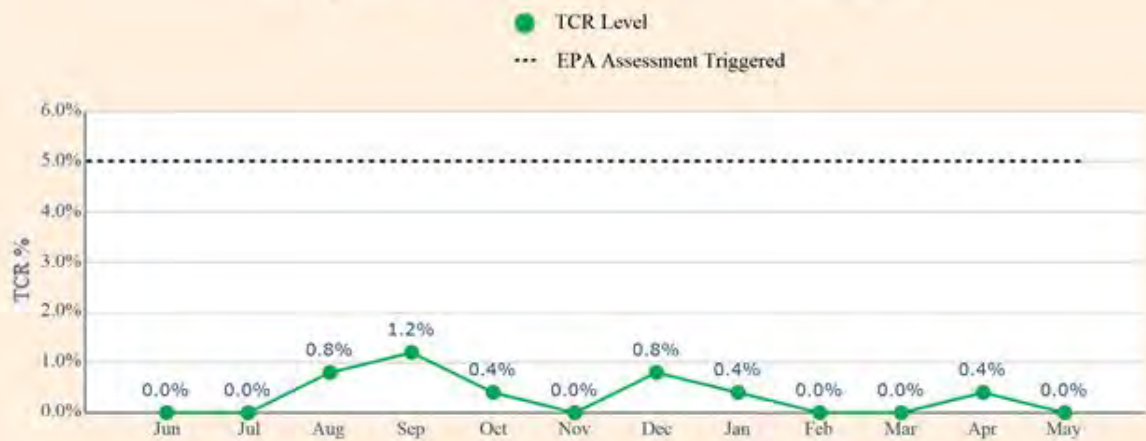
Semi-Annual LCR Monitoring Results



Jan-May 2019 results to date.

Total Coliform Rule (TCR) Compliance

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



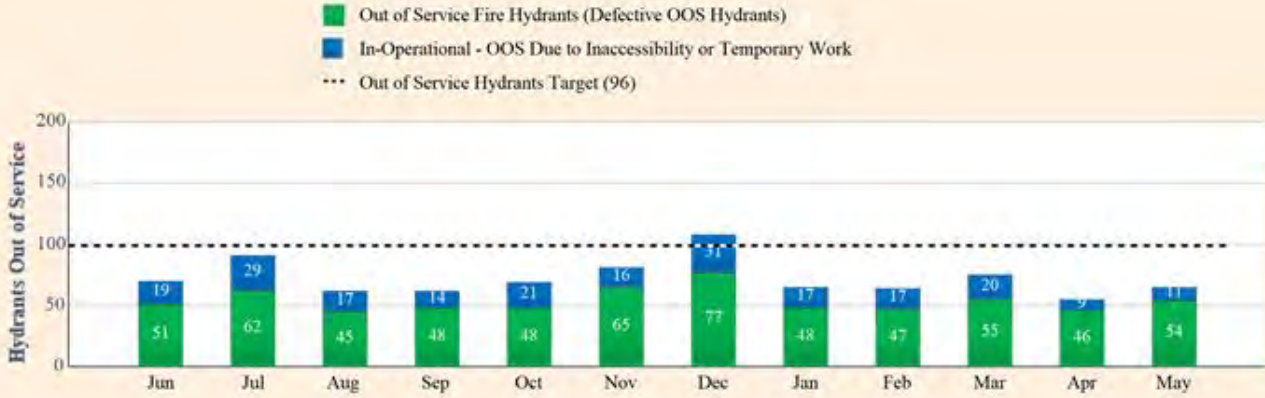
Coliform Positive was recorded at 0.0% in May.

Operations & Engineering

Fire Hydrants

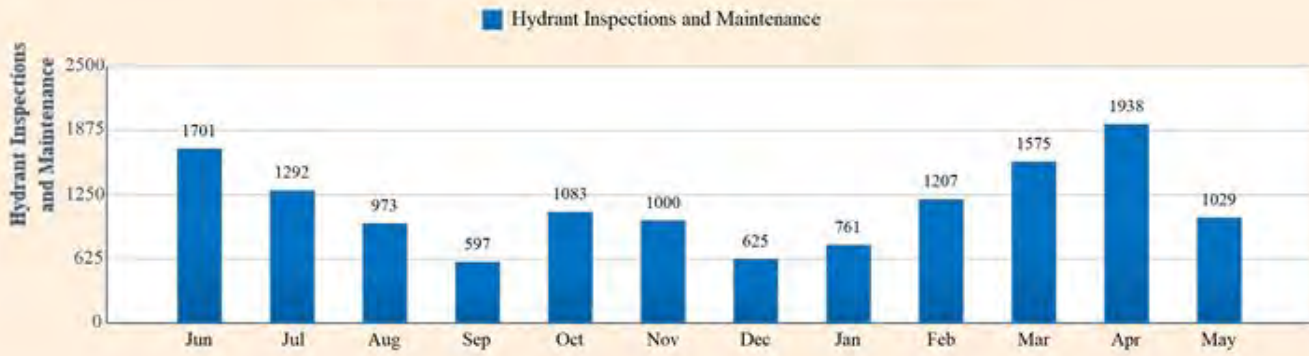
Fire Hydrants Out of Service (OOS)

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)



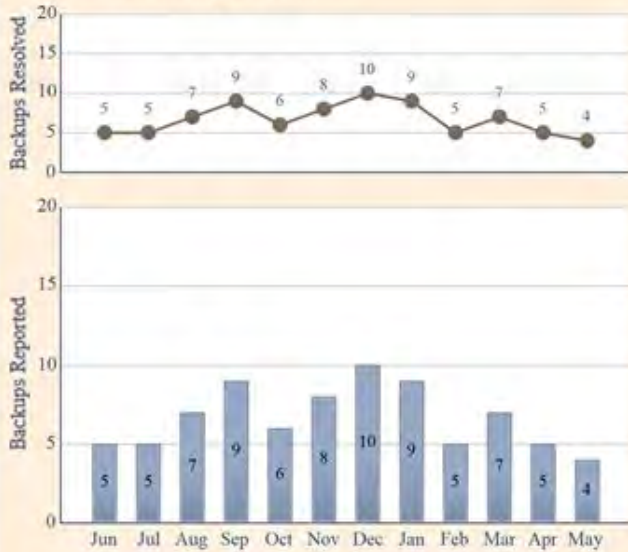
Operations & Engineering

Sewer System Operations

Sewer Main Backups

Sewer Mains Backed Up and Relieved per Month

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

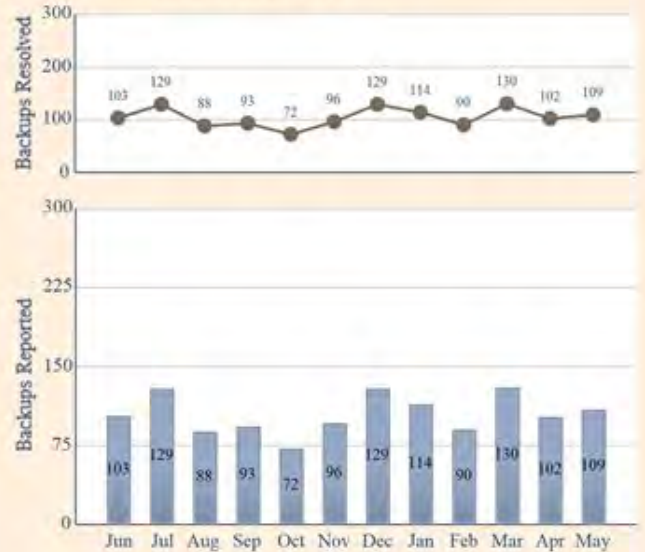


No pending main backups reported

Sewer Lateral Backups

Sewer Laterals Backed Up and Relieved per Month

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



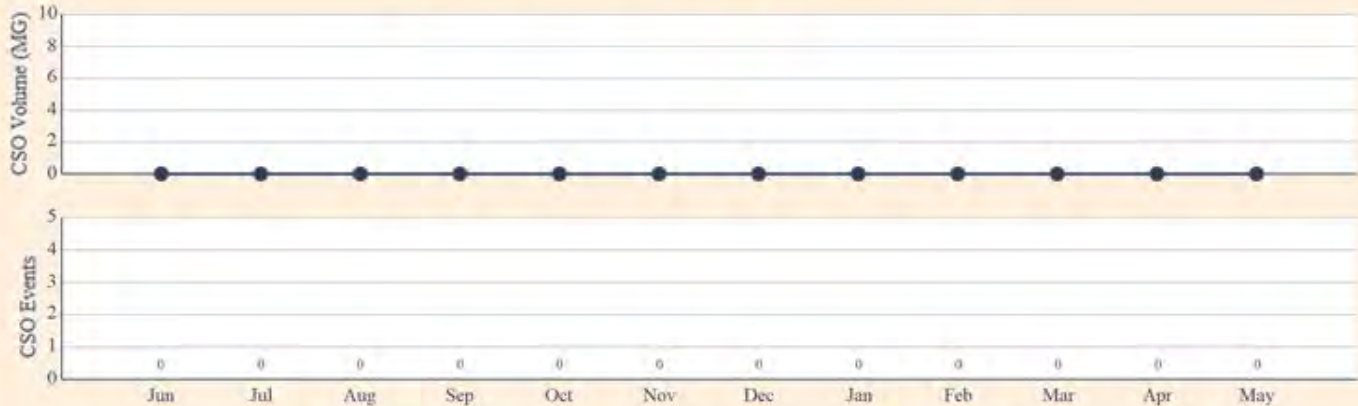
No pending lateral backups reported

Combined Sewer System

Dry Weather CSO Events

Combined Sewer Overflow Volume and No of Events per Month

- Overflow Volume (MG)
- Number of CSO Events

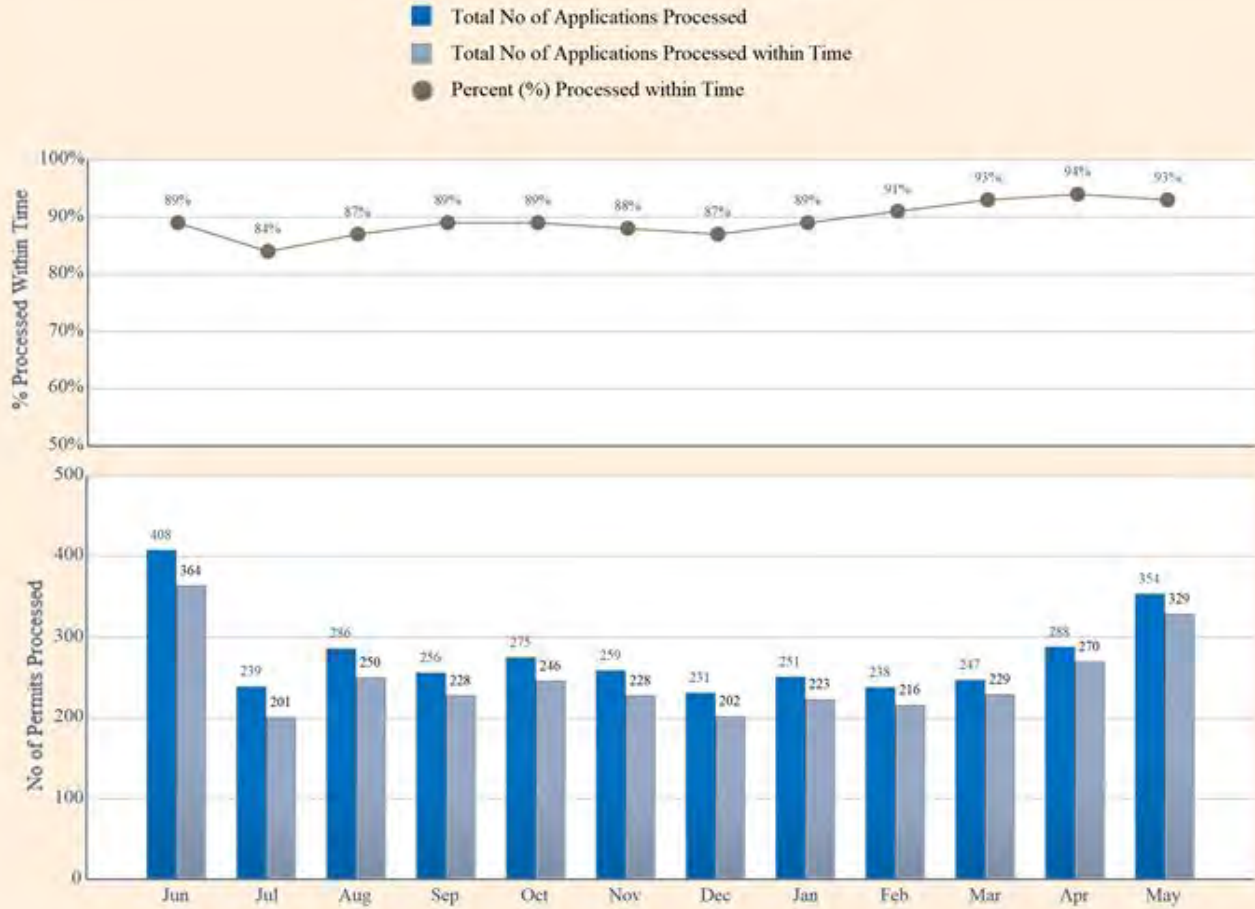


No dry weather Combined Sewer Overflow events were recorded in May 2019

Operations & Engineering

Permit Processing

Percent of Applicants Processed within SLA



Permits processed in May were 8% above the SLA target of 85%

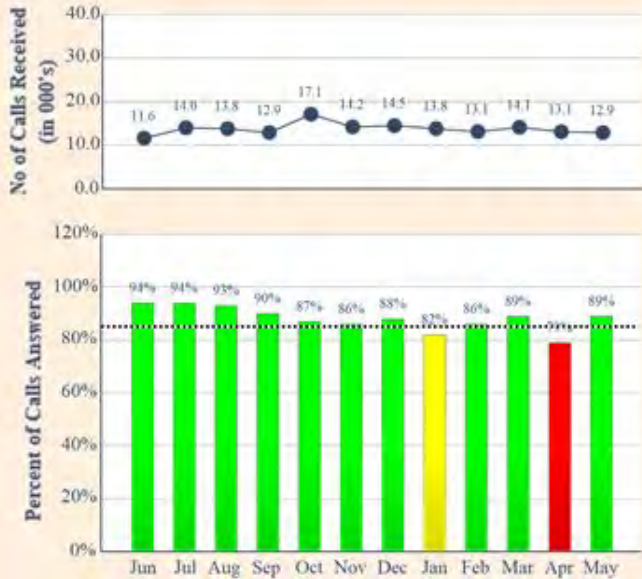
Customer Experience

Customer Care

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%)

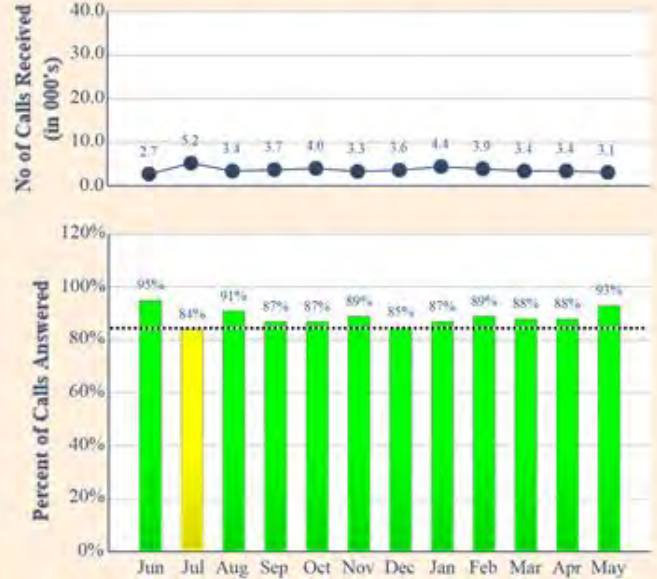


Performance for May was above target by 4%.

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%)

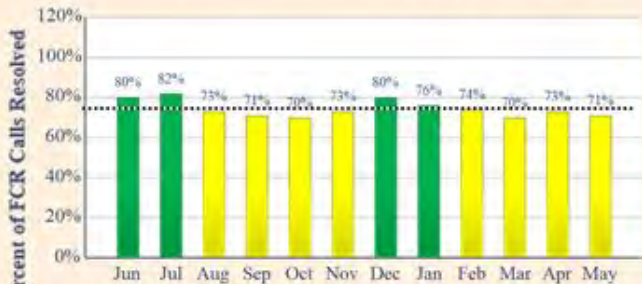


Performance for May was above target by 8%.

First Call Resolution (FCR)

Calls resolved on first contact compared to Target

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

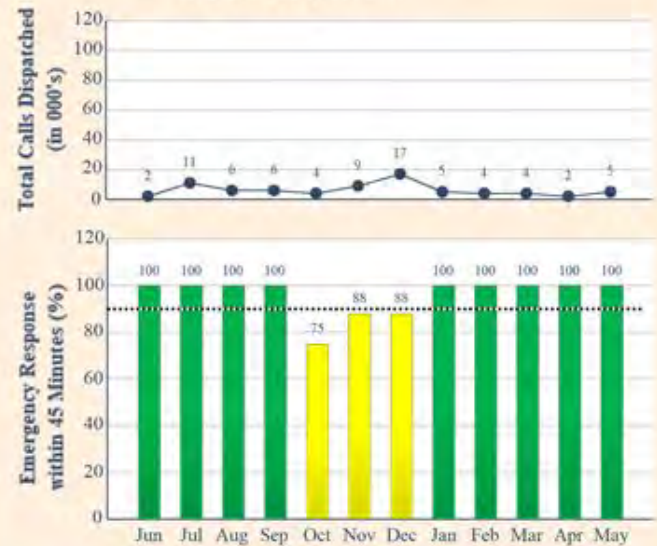


Performance for May was below target by 4%.

Emergency Response Time

Calls responded to within 45 Minutes compared to Target

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



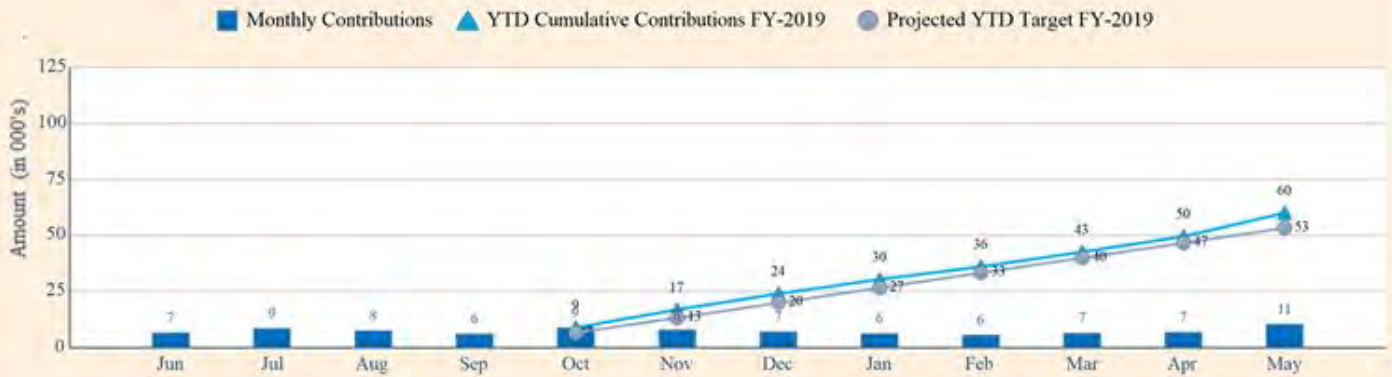
Performance for May was above target by 10%.

Low Income Assistance Program

SPLASH Program

SPLASH Contributions

Monthly and Cumulative Contributions compared to YTD Target

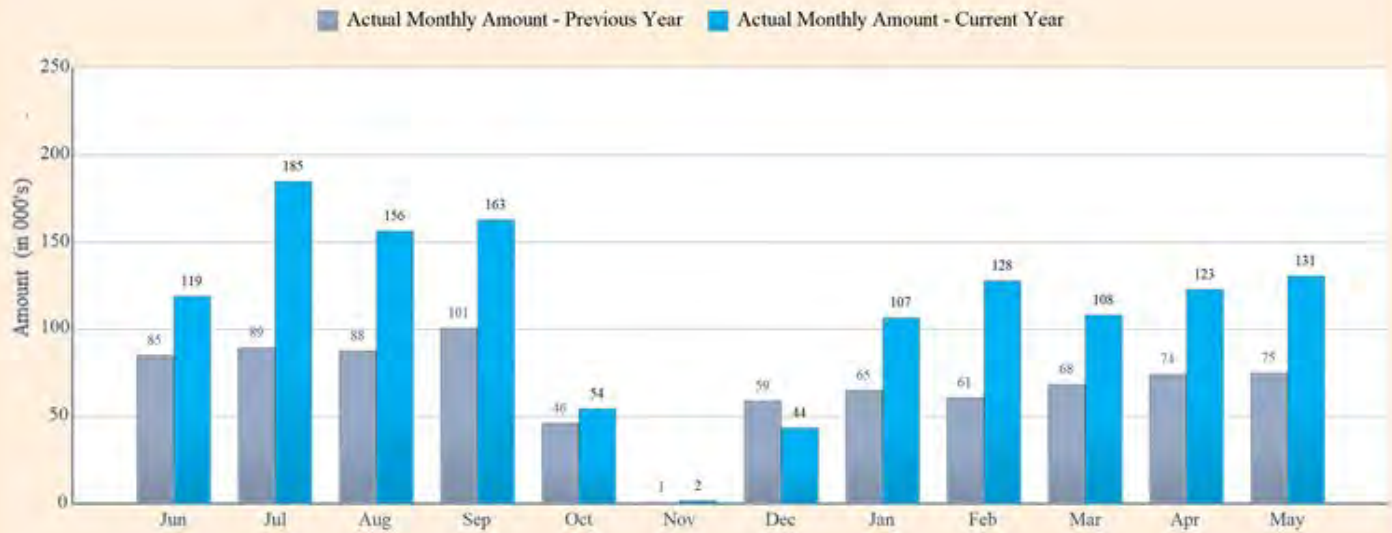


Total SPLASH Contributions to date for May was below target by \$6760.

Customer Assistance Program (CAP)

Customer Assistance Provided

Monthly Assistance Provided compared to corresponding Previous Year Periods

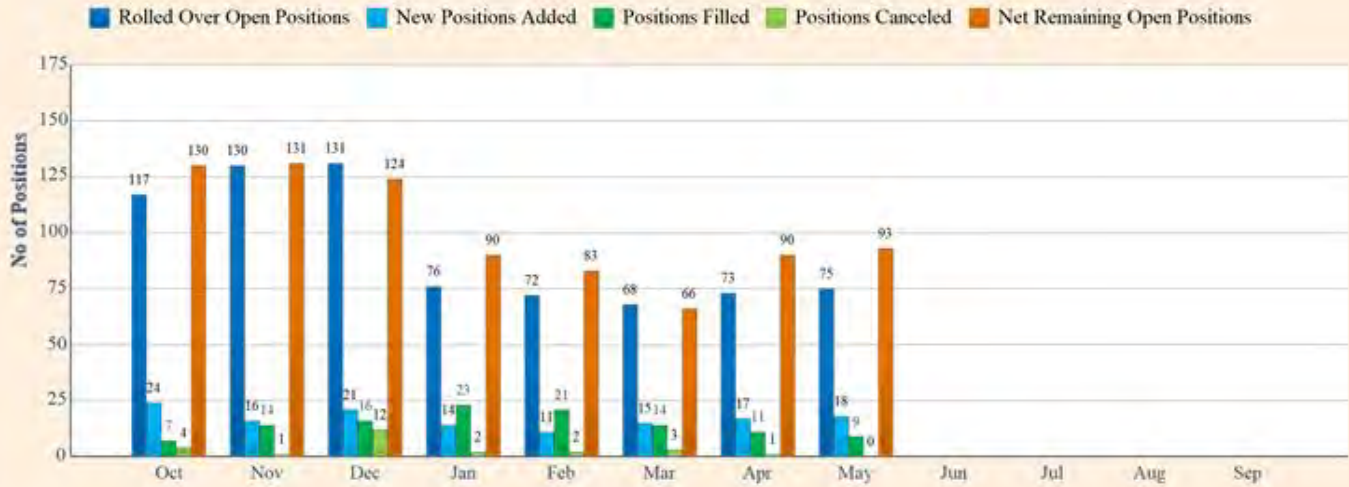


People & Talent

Human Resources

Recruitment Activity

Previous Fiscal Year



Recruitment Activity

Current Fiscal Year



People & Talent

Human Resources

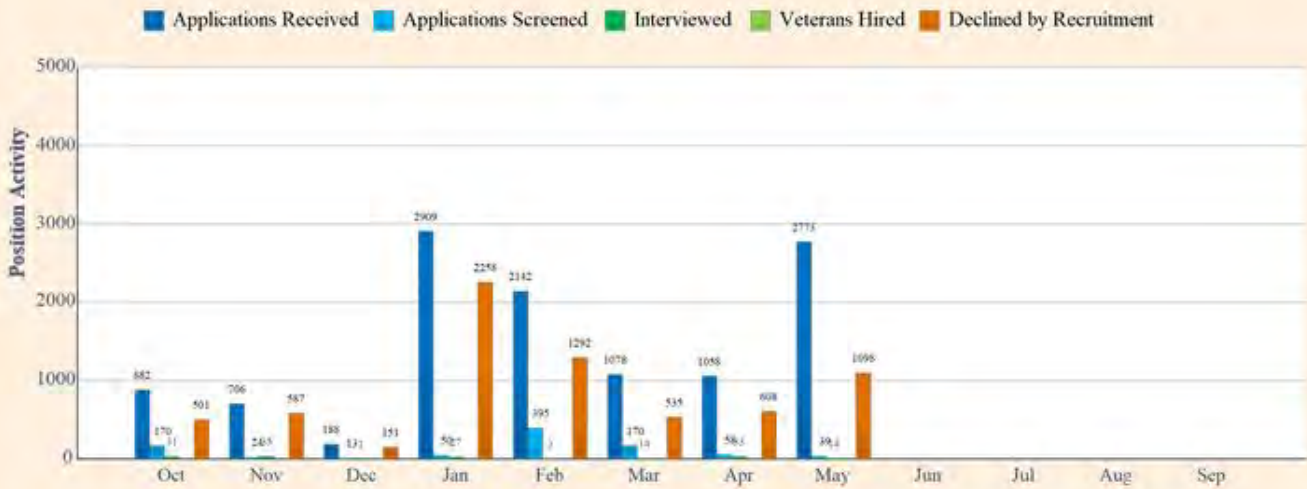
Recruitment Performance Metric

Previous Fiscal Year



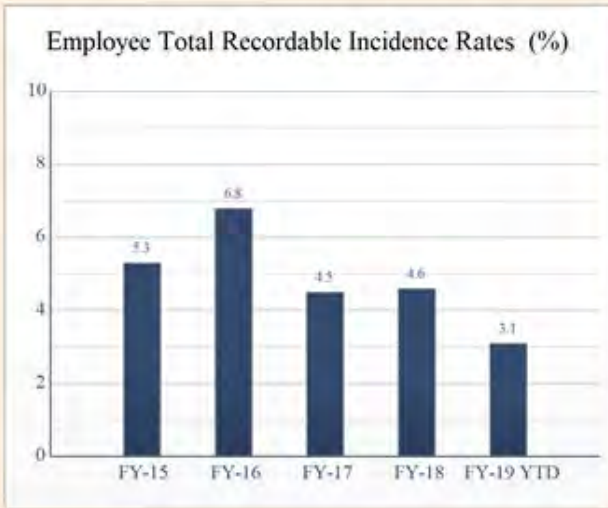
Recruitment Performance Metric

Current Fiscal Year



Administration

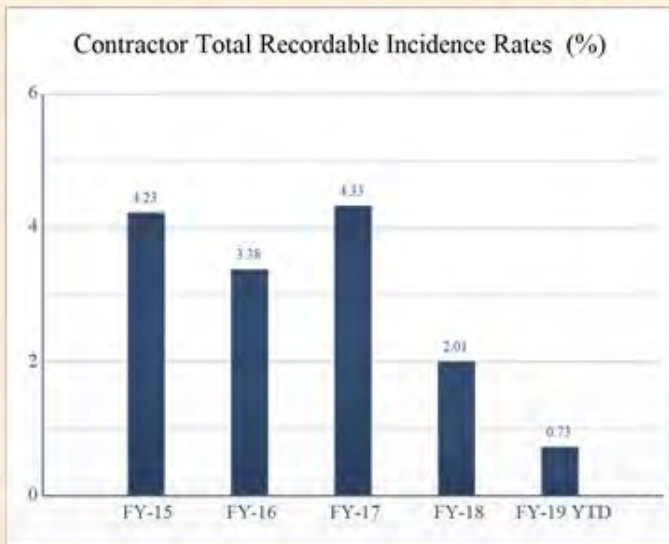
Safety



There have been 29 lost time incidents in FY 2019 YTD.

Administration

Safety



There have been 2 lost time incidents in FY 2019 YTD.

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

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 %.

OPERATIONS & ENGINEERING

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

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

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

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****

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

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, □)

- 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

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 Per Month

- 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***

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

Total Applications Processed within Service Level Agreement (SLA)

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

Dynamic Color Coding Legend

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

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

CUSTOMER EXPERIENCE

CUSTOMER CARE

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

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***

PEOPLE AND TALENT

HUMAN RESOURCES

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.

Dynamic Color Coding Legend

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

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

ADMINISTRATION

SAFETY

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, □)



Consent Agenda

Summary of Contracts

255th Meeting of the DC Water Board of Directors

Thursday, July 11, 2019

Joint Use Contracts

- 1. Resolution No. 19-38, Execute Option Year Two (2) of Contract No. 16-PR-SEC-23, Enterprise Security Solutions** - The purpose of the option is to continue providing security systems integration and management services at DC Water facilities. The option amount is \$1,660,000. **(Recommended by the Environmental Quality and Operations Committee 06/20/19)**

- 2. Resolution No. 19-39, Execute the Extension of Option Year Two (2) and Add Funding to Contract No, 16-PR-DWT-41A, Colonial Chemicals, Inc.** -The purpose of the extension and additional funding is to continue the supply and delivery of methanol to the Blue Plains Advanced Wastewater Treatment Plant. The extension and additional funding amount is \$1,665,000. **(Recommended by the Environmental Quality and Operations Committee 06/20/19)**

- 3. Resolution No. 19-40, Execute Option Year One (1) and Add Funding to Contract No. 18-PR-DFS-28, ADP Group, Inc., North Arrow Co., and Mid-Atlantic General Contractors** -The purpose of the option and additional funding is to continue to provide services of qualified general contractors, licensed in the Washington DC Metropolitan area for general construction work and renovations that arises within the Authority. The option and additional funding amount is \$1,955,000. **(Recommended by the Environmental Quality and Operations Committee 06/20/19)**

- 4. Resolution No. 19-41, Execute Contract No. DCFA 505, Optimum Controls Corporation (OCC)** -The purpose of the contract is to provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations. The contract amount is not to exceed \$4,000,000. **(Recommended by the Environmental Quality and Operations Committee 06/20/19)**

5. Resolution No. 19-42, Execute Contract No. DCFA 501, MC Dean -The purpose of the contract is to provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations. The contract amount is not to exceed \$4,000,000.
(Recommended by the Environmental Quality and Operations Committee 06/20/19)

Presented and Approved: July 11, 2019
SUBJECT: Approval to Execute Option Year Two (2) of Contract No. 16-PR-SEC-23, Enterprise Security Solutions

#19-38
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on July 11, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year Two (2) of Contract No. 16-PR-SEC-23, Enterprise Security Solutions.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two (2) of Contract No. 16-PR-SEC-23, Enterprise Security Solutions. The purpose of the option is to continue providing security systems integration and management services at DC Water facilities. The option amount is \$1,660,000.

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 EXERCISE OPTION YEAR
Security Systems Integration and Management Services
(Joint Use)**

Approval to execute option year 2 for security systems integration and services contract in the amount of \$1,660,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Enterprise Security Solutions 40 East Henrietta St. Smithburg, MD 21783	SUBS: Telecommunications Development Co. 1919 13 th St. NW Washington, DC 20009 LSBE	PARTICIPATION: 30%
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$5,943,868.00
Base Contract Period:	10-01-2016 – 09-30-2018
Number of Option Years:	3
Contract Modification No 1 Value	\$1,100,000.00
Contract Modification No 1 Dates	10-01-2017 – 09-30-2018
Option Year 1 Value:	\$1,587,000.00
Option Year 1 Dates:	10-01-2018 – 09-30-2019
Option Year 2 Value:	\$1,660,000.00
Option Year 2 Dates:	10-01-2019 – 09-30-2020

Purpose of the Contract:

The Department of Security has a need for security systems integration and management services in support of DC Water’s designation by the Department of Homeland Security as a critical infrastructure national asset, in accordance with the 2013 Presidential Policy Directive/ PPD 21, “Critical Infrastructure Security and Resilience”.

This Contract extension to exercise option year 2 shall provide ongoing and new Security related Project Installations, integration and management services for electronic security systems and devices throughout all DC Water facilities.

Contract Scope:

To provide security systems integration and management services at DC Water facilities including:

- Capital equipment: Security infrastructure, cameras, card readers, door/window/hatch sensors, fence-line detection systems, automated entry/exit data capture and other elements plus all software support.
- Operating Services include: routine maintenance and repairs of all pre-existing security systems.

Contract Modification Scope:

DC Water will exercise option year 2 from October 1, 2019 until September 30, 2020. The additional funds needed to exercise this option year is \$ 1,660,000.00. The breakdown of funds for the option year is:

- \$ 695,000 for Capital Improvement (Equipment System’s upgrade)
- \$ 515,000 for Capital Equipment (New Equipment)
- \$ 450,000 for Systems Maintenance

Spending Previous Year:

Cumulative Contract Value:	10-01-2016 to 09-30-2019:	\$ 8,630,868.00
Cumulative Contract Spending:	10-01-2016 to 05-23-2019:	\$ 7,720,103.65

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 and requirements.

PROCUREMENT INFORMATION

Contract Type:	Fixed Hourly Rate	Award Based On:	Highest Ratings
Commodity:	Good and Services	Contract Number:	16-PR-SEC-23
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Security
Project Area:	DC Water Wide	Department Head:	Ivelisse Cassas

ESTIMATED USER SHARE INFORMATION

User – Operating (54090)	Share %	Dollar Amount
District of Columbia	45.15%	\$203,175.00
Washington Suburban Sanitary Commission	39.61%	\$178,245.00
Fairfax County	9.76%	\$43,920.00
Loudoun Water	4.74%	\$21,330.00
Other (PI)	0.74%	\$3,330.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$450,000.00

BUDGET INFORMATION

Funding:	Capital Equipment & Improvement	Department:	Security
Project Area:	DC Water Wide	Department Head:	Ivelisse Cassas

User - Capital Improvement (CW & E9)	Share %	Dollar Amount
District of Columbia	41.22%	\$286,479.00
Washington Suburban Sanitary Commission	45.84%	\$318,588.00
Fairfax County	8.38%	\$58,241.00
Loudoun Water	3.73%	\$25,923.50
Other (PI)	0.83%	\$5,768.50
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$695,000.00

User – Capital Equipment (EQP3610)	Share %	Dollar Amount
District of Columbia	78.67%	\$405,150.50
Washington Suburban Sanitary Commission	16.18%	\$83,327.00
Fairfax County	3.30%	\$16,995.00
Loudoun Water	1.56%	\$8,034.00
Other (PI)	0.29%	\$1,493.50
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$515,000.00

 , 6/13/19
Maureen Holman Date
EVP of Administration

 , 6/13/19
Dan Bae Date
VP of Procurement and Compliance

 , 6/13/19
Matthew T. Brown Date
CFO and EVP of Finance and Procurement

 , 6/27/19
David L. Gadis Date
CEO and General Manager

Presented and Approved: July 11, 2019

**SUBJECT: Approval to Execute the Extension of Option Year Two (2)
and add Funding to Contract No. 16-PR-DWT-41A,
Colonial Chemicals, Inc.**

**#19-39
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on July 11, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the extension of Option Year Two (2) and add funding to Contract No. 16-PR-DWT-41A, Colonial Chemicals, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the extension of Option Year Two (2) and add funding to Contract No. 16-PR-DWT-41A, Colonial Chemicals, Inc. The purpose of the extension and additional funding is to continue the supply and delivery of methanol to the Blue Plains Advanced Wastewater Treatment Plant. The extension and additional funding amount is \$1,665,000.

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 Methanol
(Joint Use)**

This contract action is to extend option year 2 of the contract and add funding in the amount of \$1,665,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Colonial Chemicals, Inc. 916 West Lathrop Avenue Savanah, GA 31415	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$5,363,280.00
Base Contract Period:	08-07-2016 – 08-06-2017
No. of Option Years:	2
Prior Modification Value:	\$1,805,000.00
Prior Modification Dates:	06-01-2017 – 08-06-2018
Option Year 1 Value:	\$7,052,000.00
Option Year 1 Dates:	07-01-2017 – 08-06-2018
Option Year 2 Value:	\$5,940,000.00
Option Year 2 Dates:	08-07-2018 – 08-06-2019
Requested Modification Value:	\$1,665,000.00
Requested Modification Dates:	08-07-2019—11-30-2019

Purpose of the Contract:

To secure the consistent supply and delivery of methanol to the Blue Plains Advanced Wastewater Treatment Plant. DC Water dual-sources methanol to assure continuity of supply. Colonial Chemical was awarded 75% of our volume requirements, and Mitsubishi was awarded 25%.

Contract Scope:

Methanol is the nutrient and carbon source for bacteria in the denitrification process of Blue Plains, where nitrogen is removed to comply with DC Water’s environmental permits.

This contract action extends option year 2 by four months and adds \$1,665,000 funding. The time extension is to enable DC Water to complete an RFP where other utilities have been invited to leverage combined volumes.

Spending Previous Year:

Cumulative Contract Value:	08-07-2016 to 08-06-2019: \$20,160,280.00
Cumulative Contract Spending:	08-07-2016 to 05-01-2019: \$17,788,450.00

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 LBE/LSBE participation.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Lowest Cost Technically Acceptable Offeror
Commodity:	Chemical	Contract Number:	16-PR-DWT-41A
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION


Funding:	Operating	Department:	Wastewater Treatment
Service Area:	Blue Plains AWTP	Department Head:	Akile Tesfaye

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	45.15%	\$751,747.50
Washington Suburban Sanitary Commission	39.61%	\$659,506.50
Fairfax County	9.76%	\$162,504.00
Loudoun Water	4.74%	\$78,921.00
Other (PI)	0.74%	\$12,321.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,665,000.00

 / 05/29/19
 Akile Tesfaye Date
 VP of Wastewater Operations

 / 5/31/19
 Dan Bae Date
 VP of Procurement and Compliance

 / 6/7/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 6/27/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: July 11, 2019

SUBJECT: Approval to Execute Option Year One (1) and Add Funding to Contract No. 18-PR-DFS-28, ADP Group, Inc., North Arrow Co., and Mid-Atlantic General Contractors

**#19-40
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on July 11, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year One (1) and add funding to Contract No. 18-PR-DFS-28, ADP Group, Inc., North Arrow Co., and Mid-Atlantic General Contractors,.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One (1) and add funding to Contract No. 18-PR-DFS-28, ADP Group, Inc., North Arrow Co., and Mid-Atlantic General Contractors. The purpose of the option and additional funding is to continue to provide services of qualified general contractors, licensed in the Washington DC Metropolitan area for general construction work and renovations that arises within the Authority. The option and additional funding amount is \$1,955,000.

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
Small Construction and Renovation Projects
(Joint Use)**

This contract action is to execute option year 1 of the contract and add funding in the amount of \$1,955,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
ADP Group, Inc.* Washington, DC 20019	N/A	100%
North Arrow Co.* Washington, DC 20002	N/A	100%
Mid-Atlantic General Contractors* Beltsville, MD 20705	N/A	100%

*LSBE

DESCRIPTION AND PURPOSE

Original Contract Value:	\$0.00
Original Contract Dates:	07-13-2018 — 07-12-2019
No. of Option Years in Contract:	2
Contract Modification Value:	\$1,202,307.79
Contract Modification Dates:	07-13-2018 — 05-28-2019
This Option Year 1 Value:	\$1,955,000.00
This Option Year 1 Dates:	07-13-2019 — 09-30-2020

Purpose of the Contract:

DC Water needs the services of qualified general contractors, licensed in the Washington DC Metropolitan area to provide general construction work for roof, carpentry, partition installation & removal, dry wall systems, plumbing, cast and place concrete, HVAC, electrical applications, demolition as applicable to the project, painting, fall protection, ceiling & floor tiles and any other related to small construction & renovations that arises within the Authority.

ADP Group, Inc., North Arrow Inc. and Mid- Atlantic General Contractors, were awarded separate IDIQ contracts to provide general small construction and renovation projects.

Contract Modification:

For the Option Year 1, the following projects are identified with available budget in the amount of \$1,955,000.00.

- Water System Laboratory Facilities at Blue Plains (DU)
- Fort Reno Pump Station (HF)
- CMF Renovation (HK)
- Floatable Debris Dock Replacement (NZ)
- Bryant St. Pump Station Building Mod (HE)

Spending Previous Year:

Cumulative Contract Value:	07-13-2018 to 07-12-2019 --\$1,202,307.79
Cumulative Contract Spending:	07-13-2018 to 05-28-2019 --\$1,189,162.49

Contractor's Past Performance:

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

PROCUREMENT INFORMATION

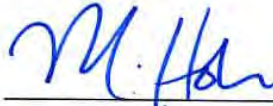
Contract Type:	Indefinite Delivery/Indefinite Quantity (IDIQ) Contract	Award Based On:	Highest Ratings
Commodity:	Small Construction Projects	Contract Number:	18-PR-DFS-28
Contractor Market:	Open Market with Preference Points for LSBE/LBE		
Projects	DU, HF, HK, NZ, HE		


BUDGET INFORMATION


Funding:	Capital Improvement	Department:	Facilities
Service Area:	Non-Process Facilities	Department Head:	Brent Christ

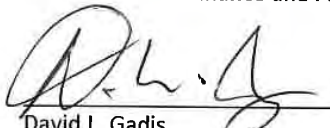
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$805,851.00
Washington Suburban Sanitary Commission	45.84%	\$896,172.00
Fairfax County	8.38%	\$163,829.00
Loudoun Water	3.73%	\$72,921.50
Other (PI)	0.83%	\$16,226.50
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,955,000.00

 , 6/4/2019
 Maureen Holman Date
 EVP of Administration

 , 6/4/19
 Dan Bae Date
 VP of Procurement and Compliance

 , 6/7/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 , 6/27/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: July 11, 2019
SUBJECT: Approval to Execute Contract No. DCFA 505, Optimum Controls Corporation

#19-41
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on July 11, 2019 upon consideration of a joint use matter, decided by a vote of _() in favor and __() opposed to approve Contract No. DFA 505, Optimum Controls Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA 505, Optimum Controls Corporation. The purpose of the contract is to provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations. The contract amount is not to exceed \$4,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES:

**Supervisory Control and Data Acquisition (SCADA) System Integrator Services
(Joint Use)**

Approval to execute an architectural and engineering services contract not to exceed \$4,000,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Optimum Controls Corporation (OCC) 1044 MacArthur Road Reading, PA 19605	CCJM Washington, DC	MBE 28.0%
	Ideal Electric Supply Washington, DC	WBE 4.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$4,000,000.00
 Contract Time: 1460 Days (4 Years, 0 Months)
 Anticipated Contract Start Date: 10-01-2019
 Anticipated Contract Completion Date: 10-01-2023

Other firms submitting proposals/qualification statements:

- Automated Control Concepts, Inc.
- Hatch
- MC Dean*
- Tetra Tech Inc.

* Asterisk indicates short listed firms.

Purpose of the Contract:

To provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations.

Certain data required for permit reporting is generated by the SCADA system; therefore, this work is critical in meeting the permit requirements.

Contract Scope:

The scope of work will be developed and issued to the Contractor on a task order basis by DC Water. Typical work scope includes but is not limited to:

- Upgrade existing Water and Sewer facilities to reflect the new SCADA Programming Standards.
- Interface stormwater pump stations to the SCADA system.
- Implement consistent power monitoring and Variable Frequency Drives (VFD) monitoring.
- Eliminate the panalarm panel that is single point of failure at East Side sewer pump station.
- Improve back-up and redundancy to the existing SCADA control system.
- To implement other SCADA and instrumentation services requested by DC Water

PROCUREMENT INFORMATION			
Contract Type:	Cost Plus Fixed Fee, Lump Sum	Award Based On:	Highest Ranking Score
Commodity:	Engineering Services	Contract Number:	DCFA 505
Contractor Market:	Open Market		

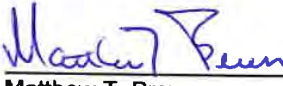
BUDGET INFORMATION			
Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Sanitary, Stormwater, Water	Department Head:	Algynon Collymore
Project:	MC, LT		

**ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 4,000,000.00
Federal Funds	0.00%***	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 4,000,000.00

** Work under this contract will be assigned as needed under specific task orders. It is anticipated that Joint Use work may be assigned during the contract period. As tasks are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed according to agreed cost sharing.

*** Eligible for Federal Grant Funding. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.


 Leonard R. Benson
 Senior Vice President, Chief Engineer
 Date: 6-11-19


 Matthew T. Brown
 CFO and EVP of Finance and Procurement
 Date: 6/14/19


 Dan Bae
 VP of Procurement and Compliance
 Date: 6/14/19


 David L. Gadis
 CEO and General Manager
 Date: 6/27/19

Presented and Approved: July 11, 2019

SUBJECT: Approval to Execute Contract No. DCFA 501, MC Dean

**#19-42
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on July 11, 2019 upon consideration of a joint use matter, decided by a vote of _() in favor and __() opposed to approve Contract No. DFA 501, MC Dean.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA 501, MC Dean. The purpose of the contract is to provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations. The contract amount is not to exceed \$4,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES:

**Supervisory Control and Data Acquisition (SCADA) System Integrator Services
(Joint Use)**

Approval to execute an architectural and engineering services contract not to exceed \$4,000,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
MC Dean 1765 Greensboro Station Place Tyson, VA 22102	CCJM Washington, DC	MBE 10.0%
	Peak Technologies Washington, DC	MBE 6.0%
	BVF Engineering Columbia, MD	MBE 6.0%
	PCI Detroit, MI	MBE 6.0%
	Tilt-Up West River, MD	WBE 4.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$4,000,000.00
 Contract Time: 1460 Days (4 Years, 0 Months)
 Anticipated Contract Start Date: 10-01-2019
 Anticipated Contract Completion Date: 10-01-2023

Other firms submitting proposals/qualification statements:

- Automated Control Concepts, Inc.
- Hatch
- Optimum Controls Corporation (OCC)*
- Tetra Tech Inc.

* Asterisk indicates short listed firms.

Purpose of the Contract:

To provide Supervisory Control and Data Acquisition (SCADA) system integrator services, to implement necessary upgrades and increase reliability of the existing water, stormwater and sewer facilities including pump stations, tanks, reservoirs fibradams, odor control sites and metering stations.

Certain data required for permit reporting is generated by the SCADA system; therefore, this work is critical in meeting the permit requirements.

Contract Scope:

Scope of work will be developed and issued to the Contractor on a task order basis by DC Water. Typical work scope includes but is not limited to:

- Upgrade existing Water and Sewer facilities to reflect the new SCADA Programming Standards.
- Interface stormwater pump stations to the SCADA system.
- Implement consistent power monitoring and Variable Frequency Drives (VFD) monitoring.
- Eliminate the panalarm panel that is single point of failure at East Side sewer pump station.
- Improve back-up and redundancy to the existing SCADA control system.
- To implement other SCADA and instrumentation services requested by DC Water

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee, Lump Sum	Award Based On:	Highest Ranking Score
Commodity:	Engineering Services	Contract Number:	DCFA 501
Contractor Market:	Open Market		

BUDGET INFORMATION


Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Sanitary, Stormwater, Water	Department Head:	Algyon Collymore
Project:	MC, LT		


****ESTIMATED USER SHARE INFORMATION**


User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 4,000,000.00
Federal Funds	0.00%***	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 4,000,000.00

** Work under this contract will be assigned as needed under specific task orders. It is anticipated that Joint Use work may be assigned during the contract period. As tasks are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed according to agreed cost sharing.

*** Eligible for Federal Grant Funding. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.


 Leonard R. Benson, Senior Vice President, Chief Engineer
 Date: 6-11-19


 Matthew T. Brown, CFO and EVP of Finance and Procurement
 Date: 6/14/19


 Dan Bae, VP of Procurement and Compliance
 Date: 6/14/19


 David L. Gadis, CEO and General Manager
 Date: 6/27/19

Presented and Adopted: July 11, 2019

SUBJECT: Approval to Transfer Part of FY 2019 Projected Net Cash Surplus to the Rate Stabilization Fund and Pay-Go Financing for ERP

#19-43

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on July 11, 2019, upon consideration of a joint-use matter decided by a vote of ___() in favor and ____ () opposed, to approve the following action with respect to transfer of six million (\$6,000,000) of the FY 2019 Projected Net Cash Surplus Operating funds to the Rate Stabilization Fund and Pay-Go Financing for ERP and the remaining surplus of approximately eight million nine hundred fifty-three thousand dollars (\$8,953,000) to be carried over to FY 2020.

WHEREAS, the Board at its meeting December 4, 1997 approved Resolution #97-121, establishing the Financial Policies for the Authority, which was subsequently amended in Resolutions #98-08, and #04-30 to establish strong levels of cash reserves and strong debt service coverage; and

WHEREAS, on November 1, 2007, the Board, in Resolution #07-87, approved a Rate Stabilization Fund Policy and authorized the General Manager to implement that policy; and

WHEREAS, on July 1, 2010, the Board in Resolution, #10-76, which approved revisions to the Rate Stabilization Fund Policy establishing deadlines for the General Manager to analyze the Authority's financial performance and make recommendations to the Finance and Budget Committee no later than that committee's regularly scheduled meeting in July; and

WHEREAS, on January 6, 2011, the Board Resolution #11-10, which approved a revised Rate Setting Policy, which states "to the extent annual revenues exceed costs, the Boards policy will continue to utilize all available options to mitigate future customer impacts and annual rate increases, including transferring some or all excess funds to the Rate Stabilization Fund"; and

WHEREAS, on February 3, 2011, the Board, in Resolution #11-22, approved specific guidance on the critical decision making for financing and use of excess cash for the capital program(Pay-Go) with approval of the "Pay-As-You-Go" Capital Financing Policy; and

WHEREAS, on May 23, 2019, the Finance and Budget Committee met and the General Manager presented the FY 2019 Operating and Capital Budget Year-End Projections, which projected a FY 2019 net cash surplus of \$16.953 million; and

WHEREAS, on June 27, 2019, the Finance and Budget Committee met to consider the proposed use for the FY 2019 projected net cash surplus to the Rate Stabilization Fund and the remaining balance to PAYGO; and

WHEREAS, on June 27, 2019, the General Manager projected the FY 2019 net cash surplus of sixteen million nine hundred fifty-three thousand dollars (\$16,953,000) and recommended the transfer of six million dollars (\$6,000,000) of the net projected cash surplus to the Rate Stabilization Fund and remainder ten million nine hundred fifty-three thousand dollars (\$10,953,000) to Pay-Go financing as follows: two million three hundred sixteen thousand dollars (\$2,316,000) for biosolids curing pad, two million dollars (\$2,000,000) for ERP and six million six hundred thirty-seven thousand dollars (\$6,637,000) for Clean Rivers; and

WHEREAS, on June 27, 2019, upon further discussion and consideration of the General Manager's recommendation, the Finance and Budget Committee recommended the transfer of six million dollars (\$6,000,000) from the Authority's projected net cash surplus for FY 2019 to the Rate Stabilization Fund, two million dollars (\$2,000,000) to Pay-Go financing for ERP, and the remaining balance of approximately eight million nine hundred fifty-three thousand dollars (\$8,953,000) in cash to be carried over to the next Fiscal Year until the Board decides its allocation.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the transfer of six million dollars (\$6,000,000) from the Authority's projected net cash surplus for FY 2019 to the Rate Stabilization Fund no later than September 30, 2019. This will bring the total balance in the Rate Stabilization Fund to sixty-one million four hundred and fifty thousand dollars (\$61,450,000).
2. The Board approves the transfer of two million dollars (\$2,000,000) to Pay-Go financing for ERP.
3. The Board approves the transfer of the remaining balance of approximately eight million nine hundred fifty-three thousand dollars (\$8,953,000) in cash to be carried over to the next Fiscal Year until the Board decides its allocation.
4. This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 11, 2019

SUBJECT: Approval to Authorize the General Manager to Carryover the Remaining Unexpended Customer Assistance Program II (CAP2) Funds to the FY 2020 Budget, Effective October 1, 2019

**#19-44
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on July 11, 2019 upon consideration of a joint use matter decided by a vote of ___ (__) in favor and ___ (__) opposed to carryover the unexpended Customer Assistance Program II (CAP2) funds to FY 2020 budget, effective October 1, 2019.

WHEREAS, on July 5, 2018, the Board adopted Resolution #18-57, authorizing the General Manager to transfer \$6 Million from the Rate Stabilization Fund in the Fiscal Year 2019 budget to fund the expansion of the Customer Assistance Program to provide benefits to customers with household incomes up to 80% of the area median income for not more than one fiscal years beginning October 1, 2018 to September 30, 2019; and

WHEREAS, pursuant to Resolution #18-80, dated December 6, 2018, DC Water published the Notice of Final Rulemaking (NOFR) in the *D.C. Register* on December 28, 2018 at 65 DCR 13956, to establish the rules to implement the District funded CRIAC Nonprofit Relief Programs and DC Water's CAP and CAP2 Programs, effective on January 1, 2019; and

WHEREAS, the Board, through Resolutions #18-57, 18-68, and 18-80, required that the benefits provided under the CAP2 program would only be provided for the period from October 1, 2018 through September 30, 2019; and

WHEREAS, in April 2019, the District informed DC Water that they would carry over the CAP2 unexpended District funds of \$1.2 million to FY 2020; and

WHEREAS, on June 27, 2019, the Finance and Budget Committee met to discuss the status of the CAP2 benefits provided to DC Water customers and were informed that approximately \$5.76 Million of the \$6 Million authorized by the Board would be unexpended in FY 2019; and

WHEREAS, on June 27, 2019, the Finance and Budget Committee met to discuss and consider the General Manager's recommendation to carry over the remaining unexpended CAP2 funds to FY 2020 to continue the CAP2 program in FY 2020 to allow applicants that submit a complete CAP2 application to the Department of Energy and Environment (DOEE) before November 1, 2019 to receive CAP2 benefits retroactive for Fiscal year 2020 from October 1, 2019 through September 30, 2020 and CAP2 applicants that submit a complete CAP2 application to DOEE on or after November 1, 2019 to receive CAP2 benefits from the date of submittal through September 30, 2020; and

WHEREAS, on June 27, 2019, the Finance and Budget Committee, after considering the General Manager's recommendation, recommended carrying over the remaining unexpended CAP2 funds to FY 2020; and

WHEREAS, after consideration of the recommendations of the Finance and Budget Committee and the recommendation of the General Manager, the Board has determined that it is appropriate that the General Manager carryover the unexpended CAP2 funds to the fiscal year 2020 budget year as proposed by the General Manager.

NOW THEREFORE, BE IT RESOLVED THAT:

1. Board of Directors authorizes the General Manager to carryover the remaining unexpended CAP2 funds to the Fiscal Year 2020 budget to continue to provide benefits to low income customers with household incomes above 60% of the state medium income limits and below 80% of the area median income, not capped by the U.S. median low-income limit, considering size of the household.
2. The General Manager shall transfer any remaining CAP2 Funds to the Rate Stabilization Fund that are unexpended before October 1, 2020.

This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 11, 2019
SUBJECT: Approval to Publish Final Rulemaking for Revised Fiscal
Year 2020 Retail Sewer Service Rates and Clean Rivers
Impervious Area Charge

#19-45
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on July 11, 2019 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposed revised Fiscal Year 2020 Retail Sewer Service Rate and the Clean Rivers Impervious Area Charge.

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

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

WHEREAS, on July 5, 2018, the Board through Resolution 18-56, adopted the FY 2019 and 2020 retail water and sewer service rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT), and Clean Rivers Impervious Area Charge (CRIAC), and authorized the General Manager to publish a Notice of Final Rulemaking, effective October 1, 2018; and

WHEREAS, on July 20, 2018, DC Water published the Notice of Final Rulemaking (NOFR) at 65 DCR 7569; and

WHEREAS, the NOFR set the FY 2019 and FY 2020 retail sewer service rate at \$7.75 per one hundred cubic feet (“Ccf”) (\$10.36 per 1,000 gallons) and \$8.14 per Ccf (\$10.88 per 1,000 gallons), respectively; and

WHEREAS, NOFR set the FY 2019 and FY 2020 monthly billed CRIAC charge at \$23.00 per Equivalent Residential Unit (ERU) and \$25.58 per ERU, respectively; and

WHEREAS, in September 2018, DC Water formed the 19-member Stakeholder Alliance (DCWSA) to provide independent advice and a diversity of viewpoints to DC Water

Management on a variety of programs and policies; increase customer education by providing DC Water with new opportunities for outreach; and propose to DC Water ways to continue effective and efficient long-term public involvement with improved communication tools; and

WHEREAS, beginning in September 2018 through January 2019, the DCWSA held four meetings to discuss infrastructure investments and CRIAC charges, customer assistance programs, science and mathematical calculations behind the CRIAC charge and CRIAC volumetric options, and DCWSA advocacy plan; and

WHEREAS, on February 28, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed: a proposed shift in the CRIAC charge to sewer volumetric retail rate based on the pollutant concentrations in sanitary wastewater method or the volume of sanitary wastewater method; the proposed amendment of the Clean Rivers Impervious Surface Area Incentive Discount Program incentive discount from 4% to 20%; and the proposed \$5.0 billion modified baseline Capital Improvement Plan (CIP); and

WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed: a proposed shift in the CRIAC charge to sewer volumetric retail rate based on pollutant concentrations in sanitary wastewater method or volume of sanitary wastewater method; the impact of the CRIAC shift on various customer types, including customer's eligible for CAP; proposed amendment of the Clean Rivers Impervious Surface Area Incentive Discount Program incentive discount from 4% to 20%; and the proposed \$5.0 billion modified baseline Capital Improvement Plan (CIP); and

WHEREAS, on March 26, 2019, the DC Retail Water and sewer Rates Committee also reviewed the detailed presentation on the DC Water's methods and results to estimate the percentage of wastewater in the CSO, including the pollutant concentration method at 18%; and volumetric method at 37%; and

WHEREAS, based on the method and results presented, the General Manager recommend the volumetric method as the best reasonable, explained, and supported method to estimate the percentage of wastewater in the CSO managed by the Clean Rivers tunnel system; and recommended to phase-in the 37% shift in the CRIAC charge to the sewer volumetric retail rate: 18% in FY 2020, 28% in FY 2021 and 37% in FY 2022; and

WHEREAS, the General Manager recommended decreasing the monthly billed CRIAC charge from the current (FY 2019) charge at \$23.00 per ERU to \$20.94 per ERU; and increasing the metered retail sewer service rate from the current (FY 2019) rate of \$7.75 per Ccf (\$10.36 per 1,000 gallons) to \$8.89 per Ccf (\$11.89 per 1,000 gallons), effective October 1, 2019; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the retail sewer service rate of \$1.14 to \$8.89 per Ccf (\$11.89 per 1,000 gallons) for FY 2020 and a decrease of the annual

CRIAC charge from \$276.00 per ERU to \$251.28 per ERU, which equals a decrease of \$2.06 per ERU per month to \$20.94 per ERU to recover the \$2.7 billion costs of the Combined Sewer Overflow Long-Term Control Plan (CSO-LTCP), effective October 1, 2019; and

WHEREAS, on April 4, 2019, the Board approved proposed adjusting retail sewer service rate and CRIAC charges for publication in the District of Columbia Register (“*DC Register*” or “DCR”); and

WHEREAS, on April 26, 2019, DC Water published the Notice of Proposed Rulemaking (NOPR) at 66 DCR 5440; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.29 per one hundred cubic feet (“Ccf”) (\$1.72 per 1,000 gallons) for the first 4 Ccf of Residential customer’s water use (Lifeline) for FY 2020; and

WHEREAS, the NOPR, if adopted, would increase the Lifeline water (Residential customer’s first 4 Ccf) and sewer rates and will result in a combined water and sewer rate of \$11.95 per Ccf (\$15.98 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers for FY 2020; and

WHEREAS, the NOPR, if adopted, would increase the water (Residential customers for water usage greater than 4 Ccf) and sewer rates and will result in a combined water and sewer rate of \$12.99 per Ccf (\$17.37 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.31 per Ccf (\$1.75 per 1,000 gallons) for Multi-family customers for FY 2020; and

WHEREAS, the NOPR, if adopted, would increase the Multi-family customer water and sewer rates and will result in a combined water and sewer rate of \$12.43 per Ccf (\$16.62 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) for Non-Residential customers for FY 2020; and

WHEREAS, the NOPR, if adopted, would increase the Non-Residential customer water and sewer rates and will result in a combined water and sewer rate of \$13.14 per Ccf (\$17.57 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the NOPR, if adopted, would implement a decrease in the monthly Clean Rivers Impervious Area Charge by \$2.06 per Equivalent Residential Unit (ERU) for FY 2020; and

WHEREAS, the NOPR, if adopted, would increase the ROW fee by \$0.01 per Ccf to \$0.19 per Ccf (\$0.25 per 1,000 gallons) for FY 2020 to recover the full cost of the District of Columbia government fees; and

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

WHEREAS, adoption of these rates and fee changes would increase the monthly bill of the average Residential customer using 6.20 Ccf (or 4,638 gallons) by approximately \$6.17 per month or \$74.04 per year for FY 2020; and

WHEREAS, on May 17, 2019, DC Water published a Notice of Public Hearing in the D.C Register at 66 DCR 6185, for a public hearing on June 12, 2019 on NOPR; and

WHEREAS, a notice of the public hearing on the rates and fees proposal was also published on DC Water's website; and

WHEREAS, eight (8) town hall meetings were conducted in each Ward of the District from May 23, 2019 through June 10, 2019 to receive comments on the rate and fee proposals; and

WHEREAS, on June 12, 2019, a public hearing was held to receive comments on the rate and fee proposals for FY 2020; and

WHEREAS, on June 25, 2019, the DC Retail Water and Sewer Rates Committee met to consider the adjusted retail sewer service rate and CRIAC proposal for FY 2020; and

WHEREAS, on June 25, 2019, DC Retail Water and Sewer Rates Committee, after having evaluated the revenue requirements anticipated capital and operating expenditures various sources, public comments, and the recommendation of the General Manager, recommended that Board take final action to approve the adjusted retail sewer service rate and CRIAC proposed in the NOPR for FY 2020; and

WHEREAS, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the report of the General Manager, and the public comments offered at the June 12, 2019 public hearing and during the comment period regarding the proposed rulemaking, the District members of the Board of Directors, upon further consideration and discussion, adopts the proposal to increase the retail sanitary sewer rate, and decrease the CRIAC, effective October 1, 2019.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopted for final rulemaking the following rates and fees:

**Water Service Rates
Approved and Published per Resolution 18-56 on July 5, 2018**

- a. Increased the rate for metered water services:

Metered Water Services

	FY 2019		FY 2020		FY 2020 vs. FY 2019 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers - (0 – 4)	\$2.91	\$3.89	\$3.06	\$4.09	\$0.15	\$0.20
Residential customers – (> 4)	\$3.90	\$5.21	\$4.10	\$5.48	\$0.20	\$0.27
Multi-Family customers	\$3.37	\$4.51	\$3.54	\$4.73	\$0.17	\$0.22
Non-Residential customers	\$4.05	\$5.42	\$4.25	\$5.68	\$0.20	\$0.26

**Sewer Service Rates
Proposed for Final Approval**

- b. Proposal to increase the rate for metered sewer services:

Metered Sewer Services

	FY 2019		FY 2020		FY 2020 vs. FY 2019 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53
Multi-Family customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53
Non-Residential customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53

- c. Proposal to decrease the annual Clean Rivers Impervious Area Charge (CRIAC) from \$276.00 to \$251.28 per Equivalent Residential Unit (ERU) in FY 2020.

The charge per ERU will be billed monthly at:

Clean Rivers Impervious Area Charge (CRIAC)

	FY 2019	FY 2020	FY 2020 vs. FY 2019
	ERU	ERU	Incr. / (Decr.) ERU
Residential customers	\$23.00	\$20.94	(\$2.06)
Multi-Family customers	\$23.00	\$20.94	(\$2.06)
Non-Residential customers	\$23.00	\$20.94	(\$2.06)

**District of Columbia Pass Through Charge
Right-of-Way Occupancy / PILOT Fee
Approved and Published per Resolution 18-56 on July 5, 2018**

- a) Increased the **Right-of-Way Occupancy Fee** for FY 2020:

ROW

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

- d. Increased the **Payment-in-Lieu of Taxes Fee** for FY 2020:

PILOT

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

**District of Columbia Clean Rivers
Impervious Area Charge Incentive Program
Proposed for Final Approval**

- b) Proposal to increase the Clean Rivers IAC Incentive Program Discount from 4% to 20%. Cost of the credits will be applied to the rate of the associated customer category.

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

This resolution is effective immediately.

Secretary to the Board of Directors