

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 ten (10) in favor and none (0) 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
Date
Maureen Holman
EVP of Administration

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

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

 , 6/27/19
Date
David L. Gadis
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 ten (10) in favor and none (0) 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 Savannah, 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

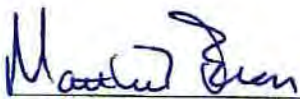
Funding:	Operating	Department:	Wastewater Treatment
Service Area:	Blue Plains AWTP	Department Head:	Akile Tesfaye

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 ten (10) in favor and none (0) 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

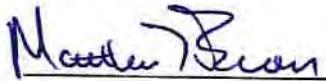
Funding:	Capital Improvement	Department:	Facilities
Service Area:	Non-Process Facilities	Department Head:	Brent Christ

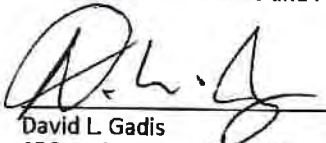
ESTIMATED USER SHARE INFORMATION

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 ten (10) in favor and none (0) 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		

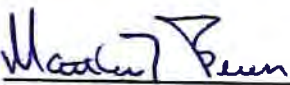
****ESTIMATED USER SHARE INFORMATION**

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 6-11-19
 Senior Vice President, Chief Engineer Date


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


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


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

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 ten (10) in favor and none (0) 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

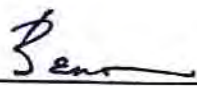
Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Sanitary, Stormwater, Water	Department Head:	Algynon Collymore
Project:	MC, LT		

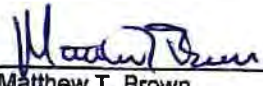
****ESTIMATED USER SHARE INFORMATION**

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.

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

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

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

 4/27/19
 David L. Gadis Date
 CEO and General Manager

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 ten (10) in favor and none (0) 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 ten (10) in favor and none (0) 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 five (5) in favor and none (0) 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 Incr. / (Decr.)
	ERU	ERU	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 Incr. / (Decr.)	
	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 Incr. / (Decr.)	
	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