



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
252nd MEETING OF THE BOARD OF DIRECTORS**

Thursday, April 4, 2019

9:30 a.m.

Headquarters

125 O Street, SE

2nd Floor-Board Room

- I. **Call to Order (Chairman Tommy Wells)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of March 7, 2019 Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Environmental Quality and Operations Committee (Howard Gibbs)**
 2. **DC Retail Water and Sewer Rates Committee (Kendrick Curry)**
 3. **Finance and Budget Committee (Sarah Motsch)**
- VI. **Issues of General Interest**
- VII. **CEO/General Manager's Report (David Gadis)**
- VIII. **Summary of Contracts (FYI)**
- IX. **Consent Items (Joint Use)**
 1. **Approval to Exercise Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America – Resolution No. 19-12 (Recommended by the Environmental Quality and Operations Committee 03/21/19)**
 2. **Approval to Exercise Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.– Resolution No. 19-13 (Recommended by the Environmental Quality and Operations Committee 03/21/19)**
 3. **Approval to Exercise Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc. – Resolution No. 19-14 (Recommended by the Environmental Quality and Operations Committee 03/21/19)**
 4. **Approval to Execute Contract No. 19-PR-DWT-14, Polydyne, Inc. – Resolution No. 19-15 (Recommended by the Environmental Quality and Operations Committee 03/21/19)**
 5. **Approval to Execute Contract No. 19-PR-DWT-15, Polydyne, Inc. – Resolution No. 19-16 (Recommended by the Environmental Quality and Operations Committee 03/21/19)**

6. [Approval of FY 2019-FY 2020 Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing – Resolution No. 19-17](#) (Recommended by the Finance and Budget Committee 03/28/19)
7. [Approval of FY 2019 – FY 2028 Ten Year Financial Plan – Resolution No. 19-18](#) (Recommended by the Environmental Quality and Operations Committee 03/21/19, DC Retail Water and Sewer Rates Committee 3/26/19 and Finance and Budget Committee 03/28/19)
8. [Approval of Proposed FY 2020 Operating Budget – Resolution No. 19-19](#) (Recommended by Finance and Budget Committee 03/28/19)

X. Consent Item Non-Joint Use

1. [Approval to Amend District of Columbia Clean Rivers Impervious Area Charge Incentive Program Discount from 4% to 20% Maximum Incentive Discount – Resolution No. 19-20](#) (Recommended by the DC Retail Water and Sewer Rates Committee 3/26/19)
2. [Approval to Revise Fiscal Year 2020 Retail Sewer Service Rates and Clean Rivers Impervious Area Charge – Resolution No. 19-21](#) (Recommended by DC Retail Water and Sewer Rates Committee 3/26/19)

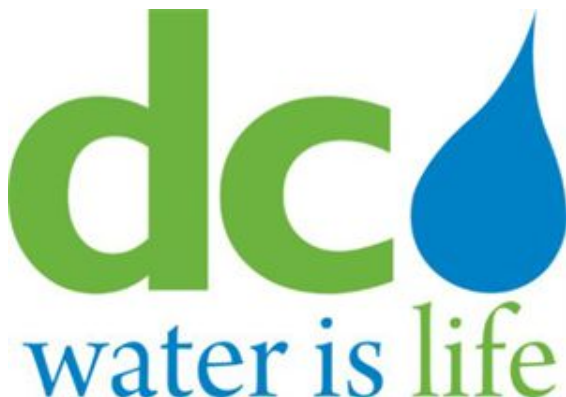
XI. Executive Session

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 – Tuesday, April 9, 2019 @ 9:00 a.m.
- Human Resource and Labor Relations Committee – Tuesday, April 9, 2019 @ 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, April 18, 2019 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, April 22, 2019 @ 9:30 a.m.
- Audit Committee – Thursday, April 25, 2019 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, April 25, 2019 @ 11:00 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, March 21, 2019

9:30 a.m.

MEETING SUMMARY

Committee Members

Howard Gibbs, Vice Chair
Jed Ross
Anthony R. Giancola
David Franco
Rev. Dr. Kendrick Curry
Randy Bartlett
Joseph P. Gill

DC Water Staff Present

Mustaafa Dozier, Chief of Staff
Leonard Benson, SVP and Chief Engineer
Linda Manley, Secretary to the Board
Gregory Hope, Interim EVP Office of Legal
Affairs
Matthew Brown, CFO and EVP of Finance and
Procurement

Other Board Member

Krystal J. Brumfield

I. CALL TO ORDER

Mr. Gibbs called the meeting to order at 9:30 A.M.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Vice President, Wastewater Operations, noted that plant performance for January 2019 was excellent with all effluent parameters well within the seven-day and monthly National Pollutant Discharge Elimination System permit requirements. Mr. Tesfaye highlighted the month of January was a wet month and the Washington Metropolitan Region experienced higher than normal rainfall and snow accumulation than is typical for this month, hence the plant average influent was higher than 300 MGD. Mr. Tesfaye further added, during the month a total of 270 MG of captured combined flows, conveyed to Blue Plains through the Anacostia River tunnel system, were pumped and treated through the Wet Weather Treatment Facility (WWTF).

The Committee inquired whether the entire flows into the LTCP tunnel system are put through the WWTF. Mr. Tesfaye clarified that all captured combined flows, received through the tunnel system and pumped by the Tunnel Dewatering Pumping Station (TDPS), are treated through high rate clarification, disinfection and dichlorination processes of the WWTF, and discharged through Outfall 001.

The Committee requested a future presentation on operating parameters to provide more clarity on the flows through the AWTP and WWTF during wet weather flow conditions.

Mr. Tesfaye highlighted that March 20, 2019 marked the one-year anniversary of the commissioning of the Anacostia River LTCP Tunnel and WWTF. During the first year of operation, total volume captured by the tunnel system, pumped and treated by the Wet Weather Treatment Facility is 5,018 MG and approximately 1,300 wet tons of screening and grits were removed.

The Committee suggested that DC Water needs to further spread the word and better inform the rate payers on the great environmental benefits achieved through implementation of LTCP tunnels and WWTF, such as the 90% wet weather CSO overflow capture rate.

The Committee expressed concern over the difference between the Bloom marketing goals versus Bloom actually marketed. The Committee inquired whether the Bloom FY2019 marketing goal is achievable or should be adjusted to a more realistic target and if the goals will exceed the 2018 achievements. Mr. Tesfaye recommended that Blue Drop respond to the enquiry, but the FY2019 results are expected to exceed FY2018 achievements.

II. FURTHER DISCUSSION OF PROPOSED CIP

Mr. Matthew Brown, Executive Vice President, Finance and Procurement and Mr. Craig Fricke, Director, Department of Engineering and Technical Services gave an update on the FY 2019 to FY 2028 Proposed Capital Improvement Program (CIP) Budget.

Mr. Fricke stated that as a follow up to a question from last month's Committee meeting, DC water evaluated the fiscal impact of increased annual small diameter water and sewer main replacement rates of 1.5%, 2% and 2.5%, on the CIP funding requirements, customer rates and the overall condition of the water and sewer systems. Mr. Fricke, mentioned that the goal of system replacement is to achieve an optimal balance (sweet spot) where the required replacement and renewal rates level off and the remaining service life of the pipe system as a whole is about 50% of the expected service life. Mr. Fricke highlighted when that would be expected to occur under each of the replacement scenarios and Mr. Brown highlighted the required funding and impact on customer rates for each scenario.

The Committee stated that the alternative scenario of 1.5% annual replacement rate seems to have a modest impact on customers' rate increases, yields a significant reduction in time to achieve the sweet spot and suggested this alternative scenario to be considered. Mr. Brown responded that the modified baseline scenario represents a balance between customer affordability and CIP funding needs and represents the CEO's recommendation.

The Committee inquired on DC Water's responsibilities associated with relocation of DC Water's facilities in the way of the DC Power Line Undergrounding (DC Plug) project. Mr. Fricke responded that it is DC Water's responsibility to help fund any required relocation of DC Water facilities required under this project. Mr. Brown responded that the plan was put forward by the previous DC Mayor to underground power lines. It involved court challenges and the final ruling was that Federal Government will not participate and pay for any underground utility relocation projects. In light of this and the fact that the program is stalled for so long, no funding associated with DC Plug is included in the budget.

The Committee inquired whether the costs associated with water system replacements are solely funded through the Water System Replacement Fee (WSRF). Mr. Brown responded that the WSRF is used for a variety of water projects and that no increase in the WSRF is proposed in this budget.

The Committee inquired whether DC Water utilizes PAYGO funds for water system replacements. Mr. Brown responded that PAYGO is used for a variety of projects in the capital program and is typically used for about one quarter of the program.

III. ACTION ITEMS

1. FY2019-FY2028 Proposed Capital Improvement Program (10-Year Disbursement Plan and Lifetime Budget
2. Contract No. 15-PR-DFS-05- Document Management Services, Canon Solutions America

The Committee inquired whether, upon completion of the last Option Year, the next contract will go through the formal RFP process. The Committee further inquired as whether consideration has been given to compare and evaluate the Canon America's services versus leasing and purchasing options. Mr. Bae responded affirmatively and added that prior to execution of Option Year 4, DC Water has researched the market for competitive solution providers as well.

3. Contract No. 18-PR-WWT-04 - High Pressure High Vacuum Cleaning Services, Mobile Dredging & Video Pipe, Inc.

The Committee inquired about the contractor's performance issues and how many more option years remained. Mr. Bae stated that there is only one more Option Year beyond this year and invited Mr. Joel Grosser, Manager, Procurement to further elaborate on the nature of the contractor's issues. Mr. Grosser explained that none of the performance issues have been significant and the contractor's level of service has not been compromised.

The Committee inquired whether DC Water communicated the concerns around these issues to the contractor verbally or in writing. Mr. Grosser, responded that DC Water standard protocol is to express its concern through meetings, followed by putting together a performance improvement plan and if needed the issue will be further elevated.

The Committee inquired whether the records of communications around performance concerns are being documented. Mr. Grosser responded affirmatively.

4. Contract No. 18-PR-DWT-13- Supply and Delivery of Sodium Bisulfite, PVS Chemical Solutions, Inc.
5. Contract No. 19-PR-DWT-14 - Belt Press Dewatering Polymer, Polydyne, Inc.

The Committee inquired whether the two firms are the only providers of this polymer. Mr. Bae responded affirmatively.

The Committee inquired whether DC Water reached out to large chemical firms such as DuPont to ensure the exclusivity of this specific polymer to these two firms. Mr. Bae responded affirmatively.

The Committee inquired whether the vendor delivers the chemicals using their own trucks or hires trucking companies to haul the polymers and whether local businesses have been considered to undertake the hauling of this polymer. Mr. Grosser responded that dedicated trucks are required to carry this specific chemical, hence no local trucking company had the capacity to execute this assignment. Mr. Bae added DC Water always strives to engage local businesses, where applicable.

The Committee inquired as whether this polymer is a proprietary compound. Mr. Bae responded that it is not, however it is only used at Advanced Wastewater Treatment Plants. Mr. Bae continued by adding, qualifying alternate polymers requires rigorous testing and the Department of Wastewater Treatment (DWT) is exploring alternative options.

The Committee suggested DC Water reach out to other major utilities to explore other possible alternatives. Mr. Bae confirmed that DC Water has been in close contact and consultation with other major utilities including WSSC. Mr. Bae further added that DC Water is working closely with WSSC to leverage enhanced purchasing power through collaboration.

The Committee noted the lack of LBE/LSBE participation on this contract and inquired whether DC Water can provide some insight on overall LBE/LSBE participation versus goals. Mr. Bae stated that DC Water's Procurement will provide the Committee with a LBE/LBSE participation report.

6. Contract No. 19-PR-DWT-15 - Centrifuge Pre-Dewatering Polymer, Polydyne, Inc.

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

IV. CLEAN RIVERS PROJECT STATUS UPDATE

Mr. Carlton Ray, Director, Clean Rivers Project provided a briefing on DC Clean River Projects Quarterly Update.

Mr. Ray started by recognizing several awards and nominations received.

The Committee inquired on who is ultimately responsible for the maintenance of the Kennedy Street project once constructed. Mr. Ray stated that DC Water will be responsible for the maintenance of one block and the rest remains the responsibility of the District.

Considering the reduction in CSO volumes already achieved, the Committee inquired how much

more effort DC Water needs to put in to further reduce CSO overflow volumes and what DC Water is mandated to complete. The Committee suggested in light of the great success to date and significant reduction in CSO overflows, whether there is a possibility to discuss the progress with EPA and renegotiate the consent decree particularly in light of the budget impacts.

Mr. Ray responded that back in 2003 EPA and the District agreed to implement this program to meet water quality standards, and the Board agreed to move forward with the consent decree and implementation of the program.

The Committee noted that since the discussion and agreement with EPA took place in 2003, it might be worthwhile to revisit the terms of consent decree. Mr. Ray mentioned that DC Water modified the consent decree through implementation of green infrastructure and that took DC Water five years to negotiate. Mr. Ray added that DC Water is mindful of the costs associated with the Clean Rivers Program and strives to explore any opportunity to drive the cost down.

The Committee acknowledged that DC Water needs to continue to move forward with the implementation of the program under the terms of consent decree.

The Committee further asked, what drives the fluctuation around the percentage of CSO overflow volume captured, specifically the July 2018 event. Mr. Ray responded that the pattern of the rainfall event, as well as operation and utilization of the LTCP Tunnel capacity, significantly impact the percentage CSO Overflow volume capture.

Mr. Ray continued by describing recent progress on the project. He noted that DC Water works closely with the local businesses impacted by the construction of the LTCP projects and continues to improve and enhance community outreach and impact mitigation plans in order to minimize the impact on the local businesses.

The Committee inquired whether DC Water solicits feedback from local businesses on the effectiveness of the outreach program. Mr. Ray acknowledged the effectiveness of the outreach program and provided examples of services offered by DC Water to minimize the adverse impact to local businesses.

V. SEWAGE AND STORMWATER PUMPING STATIONS FLOOD RISK ASSESSMENT

Mr. David Parker, Senior Technical Advisor, Department of Wastewater Engineering provided a presentation on Sewage and Stormwater Pumping Station Flood Risk Assessment.

Mr. Parker gave an overview on the following:

- Flood Risk Identification
- Pumping Station Risk Categorization
- DC Water Emergency Action Plan
- Pumping Station Risk Abatement Measures
- FEMA Grants

The Committee inquired on the accuracy of FEMA flood risk maps and whether they could be used to support planning for flooding events that happen in the District. The Committee mentioned, there are neighborhoods within the District that are clearly outside the FEMA 500-

year floodplain, and yet are subject to flooding. Mr. Parker clarified that FEMA flood risk maps are solely developed to identify the floodplains susceptible to high flows in the rivers and receiving bodies of water. Mr. Parker further added, inner District flooding events are due to localized surface runoffs and collection system capacity issues.

The Committee inquired whether updated FEMA flood risk maps have been officially released. Mr. Parker mentioned the updates had been concluded in 2016 but was unsure whether the updated floodplain maps have been officially released.

VI. OTHER BUSINESS/EMERGING ISSUES

None.

VII. ADJOURNMENT

Meeting adjourned at 11:07 a.m.

Follow-up Items

1. **Vice President, Wastewater Operations:** Provide a presentation on the Advanced Wastewater Treatment Plant and Wet Weather Treatment Facility operating parameters and the flow split logic relative to the volume of CSO flow captured in the tunnels going through the AWWTP versus the WWTF.
2. **Vice President, Procurement and Compliance:** Provide LBE/LBSE participation report.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY
Board of Directors**

DC Retail Water and Sewer Rates Committee

Tuesday, March 26, 2019

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Reverend Curry, Vice Chairperson
Tommy Wells, Chairman
Howard Gibbs
Ellen Boardman
Ivan Frishberg
David Franco
Emile Thompson

DC Water Staff

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

Call to Order

Vice Chairperson Curry convened the meeting at 9:31 a.m.

Proposed FY 2020 Rates, Charges & Fees (Attachment A)

Mr. Brown, CFO/EVP stated that there are two items on the agenda: 1) review the proposed FY 2020 Rates, Charges and Fees; and 2) a detailed discussion about the methodology that is associated with the proposed shift of FY 18% FY 2020, 28% FY 2021 & 37% FY 2022 of the Clean Rivers expenditures from the Clean Rivers Impervious Area Charge (CRIAC) to the sewer volumetric rate. He mentioned that the full Board adopted FY 2020 rates last year, which are already in place. He stated that what we are proposing is a change to the FY 2020 rates with the ultimate shift of 37%, whereas in the first year 18% of the Clean Rivers costs will shift to the sewer volumetric rate. He noted management is asking the Committee to move the publication of the rates to begin the public hearing process. He stated that the rates are scheduled to be adopted by the Board on July 11th.

Mr. Brown, CFO/EVP noted that the overall household charge increase of about 5.7% is the same as previously forecasted for FY 2020. He noted that if the Board decides not to take any action on the proposed shift of the CRIAC to the sewer volumetric rate, the previous rates will go into effect on October 1st, but that management is recommending a proposed change in the way the Clean Rivers cost will be recovered. In FY 2020, \$122.0 million is needed for the Clean Rivers, which includes debt service and the PAY-GO portion. He stated that the proposed action moves 18% of the Clean Rivers costs to the sewer volumetric rate and the remainder will be recovered from the CRIAC in FY 2020. He stated that the proposed 37% Phase-in shift of (18% FY 2020, 28% FY 2021 & 37% FY 2022) methodology is more easily defended. He noted that the proposed budget decreases the CRIAC from \$25.58 to \$20.94 per Equivalent Residential Unit (ERU), per month, while at the same time it increases the water and sewer volumetric rate by 11.5%, which results in the average household charge changes from \$114.48 to 114.49, or one cent. He noted that there will be an increase in the CRIAC discount from 4% to 20% for stormwater best management practices.

Mr. Brown, CFO/EVP briefed the Committee on the various proposals from the Environment Quality & Operations Committee (EQ&OPS). He stated that the budget proposal includes 1% replacement of the water and sewer infrastructure per year. He mentioned that the Environmental Quality and Operations (EQ&OPS) Committee asked management to look at other alternatives (1.5%, 2.0% & 2.5%) for water and sewer infrastructure replacement and determine the impact on how it would affect the average household, multi-family and commercial customers. He stated that last week the EQ&OPS Committee concurred with the 1% replacement water and sewer infrastructure plan, which is what was proposed in the CEO's budget. He stated that the investment rate would have been higher in the other alternatives, as would the cost to customers. He noted that the Capital Budget and Ten-Year Financial Plan are adopted every year but our practice is to adopt rates for a two-year period.

Mr. Brown, CFO/EVP updated the Committee on the FY 2019 and FY 2020 operating revenues. He noted that our revenues are well diversified and come from a variety of customers and the proportions remain about the same.

Mr. Brown, CFO/EVP gave an overview of the historic and projected combined household increases for residential customers. He noted that the combined household increases include all rates, charges and fees. He mentioned that we have held the overall increase for average households at 5.7% in FY 2020 and beginning in FY 2021 with the Phase-in of the increase spending on capital the overall increase for average households is 8.5%.

Mr. Brown, CFO/EVP updated the Committee on the projected CRIAC from FY 2019 – FY 2028. He pointed out that the current CRIAC is \$23.00 per ERU, per month but under the shift the CRIAC in FY 2020 will be \$20.94, FY 2021 \$20.95 and FY 2022 \$19.85 per ERU, per month. He noted that the CRIAC decreases, however at the same time the sewer volumetric rate increases higher than what had been previously projected.

Mr. Brown, CFO/EVP provided an overview of the shifting cost from CRIAC to sewer volumetric rate. He noted that the 18% Shift – calculated based on an average of pollutants concentrations in sanitary wastewater, stormwater runoff and Combined Sewer Overflow (CSO) and 37% Shift – calculated based on volume of sanitary wastewater, stormwater runoff and CSO.

Mr. Brown, CFO/EVP briefed the Committee on the two-shifting cost from CRIAC to sewer volumetric rate alternatives and impacts: 1) 18% of CRIAC shift to sewer volumetric, Phase-in year one; and 2) 37% of CRIAC shift to sewer volumetric, no Phase-in. He noted that the 18% alternative is in the proposed budget. He provided an overview of the 18% and 37% alternatives and impacts to the average household, multi-family, sample commercial sample cemetery and sample non-profit (house of worship with high and low consumption) customers. He noted that the shift does increase costs for customers that use a lot of

water. He stated that commercial customers that have a lot of property and do not consume a lot of water, bills could see a decrease.

Mr. Brown, CFO/EVP provided an overview of DC Water's rate comparison with other CSO communities. He noted that DC Water's \$2.7 billion Combined Sewer Overflow – Long Term Control Plan (CSO-LTCP) consent decree is paid for by a relatively small number of customer accounts.

Mr. Brown, CFO/EVP updated the Committee on the Customer Assistance Program (CAP) customers. He stated that the CAP customer would continue to receive a 58% discount. He noted that the CAP customer's bill would increase from \$45.16 in FY 2019 to \$47.12 in FY 2020. He stated that in FY 2019 DC Water expanded the Customer Assistance Program (CAP). The District Government contributed \$7.0 million for (CAP2, CAP3 & CRIAC Non-profit Relief Program) and DC Water contributed \$6.0 million for (CAP2) for a total of \$13.0 million. He noted that the Mayor has included \$4.0 million in the FY 2020 budget for the CAP2, CAP3 & CRIAC Non-profit Relief Programs. He noted that the Mayor indicated based on the current run rates the District funds from the current fiscal year could be extended to FY 2020 with the same benefits.

Mr. Brown, CFO/EVP provided an update on the single family monthly bills – comparison of charges with & without income-based affordability programs graph. He stated that DC Water customers pay some of the lowest out of pocket cost for water under our existing CAP program, just over \$40.00 as compared to other cities.

Mr. Brown, CFO/EVP gave an overview of the projected average monthly residential customer bill. He mentioned that the average residential customer bill is projected to increase from \$108 in FY 2019 to \$185 in FY 2028, which incorporates the modified baseline asset management plan.

Mr. Brown, CFO/EVP gave an overview of the revenue comparison by customer class. He noted that overall revenue is up by 4.3% between FY 2019 and FY 2020. He stated that there are some shifts in retail revenue, which is up 5.4% between FY 2019 and FY 2020, and wholesale revenue is down slightly 0.5% over the same period, due to anticipated flows are down from the suburban customers in FY 2019 and have been adjusted for FY 2020

Mr. Brown, CFO/EVP updated the Committee on the customer impacts on water and sewer lines replacement (18%-28%-37%). The table shows the impact on a customer's bill with varying consumption and ERUs.

Mr. Brown, CFO/EVP gave an overview of the CRIAC discount. He stated that the budget proposes an increase from 4% to 20% for stormwater best management practices. He said that the proposal was well received when discussed with the Stakeholder Alliance. He stated that during the City Council Budget oversight hearing Council members congratulated DC Water on this initiative. Mr. Frishberg requested examples of a homeowner's bill to include stormwater best management practices that could be used during the customer engagement outreach process.

Mr. Fanco inquired if there has been any discussion regarding the implementation of the Phase-in of the 18%, 28% and 37% beyond just the three years of implementation. He stated that it seems like a drastic change in a short period of time and suggested an incremental Phase-in of a two year implementation of the 18%, 28% & 37%. Mr. Brown, CFO/EVP replied that Mr. Carlton Ray would provide a presentation to explain the methodology of the shift and that staff are prepared to have discussion on litigation risk in executive session associated with the proposed shift in the way that Clean Rivers costs are recovered.

Finally, Mr. Brown, CFO/EVP gave an overview of the next steps for the FY 2020 budget. He briefed the Committee on the meetings with the Wholesale customers, Board and Committees to date. He stated that management is asking the Board to adopt the budget by April 4th. He mentioned that the budget will be submitted to the District Council. He briefed the Committee on the workplan item #1 Propose and

Establish Retail Rates for FY 2020, rulemaking dates and Committee and Board actions required to establish the FY 2020 rates, charges and fees, effective October 1, 2019.

Percent Wastewater in Combined Sewer Overflow (CSO) (Attachment B)

Mr. Carlton Ray, Director Clean Rivers Project, presented the Percent Wastewater in Combined Sewer Overflow (CSO) methodology of the proposed shift. He stated that the purpose of his analysis was to estimate the percent of wastewater in CSO for the purpose of recovering a portion of costs for Clean Rivers using volumetric rather than Impervious Area Charge (IAC). He explained that he used five methods in his analysis: (1) pulled pollutant concentration from the Long-Term Control Plan(LTCP) with data sources from 1999-2001; (2) pulled pollutant concentrations from the LTCP and partially complete Anacostia Tunnel System, with data sources from 1999-2001; (3) Volume, using average year and LTCP (4); Volume, using partially complete Anacostia Tunnel system; and (5) a tracer modeling method which is ongoing.

Mr. Carlton Ray, Director of Clean Rivers explained the challenges of the methodologies which included, CSO flows that are variable, sanitary and stormwater components which changes with time and the differences for each event and watershed. Mr. Ray, Director of Clean Rivers confirmed Mr. Franco's concerns that a gallon of waste water and storm water are allocated equitably and not because of their concentration. Mr. Carlton Ray, Director of Clean Rivers explained the mass balance approach that was used to measure the concentrations which included three data sets and sampling of phosphorous and nitrogen

Next, Mr. John Cassidy, Manager Clean Rivers Project stated that given the circumstances the best method was, method three, volume, using average year and LTCP model. He said the approach was the same collection system model used to develop the LTCP, it also used the average year rainfall from 1988-1990, which is the same basis as Department of Energy and Environment (DOEE) and the Environmental and Protection Agency's (EPA) water quality standard determination for the LTCP. He further stated that the dry weather flow was the same as the Intermunicipal Agreement (IMA) allocation and basis for the LTCP and Blue Plains capacity. He said the approach determined dry weather flow (sanitary) from each sub shed, calculated total flow (diverted flow plus overflow) during CSO events only and calculated percent of wastewater assuming completely mixed, and did it for each CSO and each event in a three-year period and aggregated it together. Mr. John Cassidy, Manager of Clean Rivers concluded that the volumetric method was 37% of the wastewater and does not have the uncertainties associated with the pollutant concentrations and the methodology considered big and small rain events and is the most defensible.

Mr. Carlton Ray, Director of Clean Rivers stated that the Tracer model is new, less costly than onsite testing but requires extensive testing time. He stated that they are conducting the computer simulations which will be completed in late spring.

Mr. Brown, CFO/EVP concurred with Reverend Curry that any new information regarding the shift, to help us refine the rates, will be considered if the rates can be reasonable explained and supported.

Reverend Curry, Vice Chairperson moved the Committee into executive session.

Executive Session

The Committee went into executive session to discuss legal and privileged matters.

Action Items (Attachment C)

Mr. Brown, CFO/EVP briefed the Committee on the recommendation. He stated that the recommendation is the same that is in the proposed budget for FY2020: 1) 18% shift from the Clean Rivers Impervious

Area Charge (CRIAC) to the sewer volumetric rate for FY 2020; and 2) Ten-Year Financial Plan FY 2019 – FY 2028, which shifts 28% of the CRIAC costs in FY 2021 and 37% of the CRIAC costs in FY 2022. He noted that the Board will consider future rate increases next year. He mentioned that the 18% shift is the first year of the shift and this recommendation is not the rate approval, but approval to begin the public hearing process to receive comments.

Mr. Frishberg characterized that the 37% is a policy decision, which will be phased in over three years. Reverend Curry, Vice Chairperson mentioned that the 37% figure could change after collecting more data. Mr. Gibbs voiced his opinion that it is not so much the number, but there is a certain amount of pollution that is in the Combined Sewage Overflow (CSO), which may cause the number to fluctuate. Reverend Curry, Vice Chairperson mentioned that the 37% is idea given what we know now. Mr. Franco noted that DC Water should explore other measures such as: 1) create another rate payer class to provide more equity to the CRIAC charge.

Mr. Brown, CFO/EVP reiterated that the Committee's recommendation is for a 18% shift in FY 2020, 28% shift in FY 2021, and 37% shift in FY 2022. The Committee will not be adopting rates beyond FY 2020, but the Ten-Year Financial Plan FY 2019 – FY 2028 that will be adopted includes the \$5.0 billion modified asset management program and rates that support the Financial Plan which includes the 18%, 28% and 37% shifts. He noted that the 37% is most justified and he presented a three-year phase-in plan, and will need consensus from the Committee about the ultimate plan to implement the shift. Ms. Boardman inquired if we would be on solid ground if the Committee selected either the 18% shift pollutants concentrations or 37% shift volume methodologies. Mr. Brown, CFO/EVP responded that from a ratemaking perspective the 37% shift could be more easily defended.

Mr. Frishberg commented that the rationale and the plan that is proposed today for FY 2020 is reasonable and prudent. He noted that the Committee reserves its right after one year to come back and look at impacts that were unforeseen that would trigger adjustments.

Mr. Wells, Chairman inquired if the Committee was supporting a rate increase or a rate shift. Several Committee members replied that the recommendation is for a rate shift. Mr. Brown, CFO/EVP commented that if the Committee did not move the action items to the full Board today, rates have already been approved for FY 2020 that are based on the 5.7% increase for the average household customer.

Reverend Curry, Vice Chairperson asked the Committee to move the action items to the full Board. The Committee concurred to refer the items to the full Board:

- Proposal of FY 2020 retail Rates, Charges and Fees (Action Item 1)
- Proposal of Ten-Year Financial Plan FY 2019 – FY 2028 (Action Item2)

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

Mr. Brown, CFO/EVP updated the Committee on the workplan. He briefed the Committee on item #1 Propose and Establish Retail Rates for FY 2020, rulemaking dates and Committee and Board actions required to establish the FY 2020 rates, charges and fees, effective October 1, 2019.

Agenda for April 23, 2019 Committee Meeting (Attachment E)

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

Other Business

There was no discussion on other business.

Adjournment

Reverend Curry, Vice Chairperson adjourned the meeting at 11:16 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (March 26, 2019)

- 1) Provide examples of a homeowner's bill to include stormwater best management practices. (Mr. Frishberg) **Status:** (April 2019)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance & Budget Committee

Thursday, March 28, 2019

11:00 a.m.

MEETING MINUTES

Committee Members

Sarah Motsch, Vice Chairperson
Tommy Wells, Board Chairman
Krystal Brumfield

DC Water Staff

Mustaafa Dozier, Chief of Staff
Matthew T. Brown, Chief Financial Officer & Executive
Vice President (EVP), Finance and Procurement
Gregory Hope, Interim EVP, Legal Affairs
Linda Manley, Secretary to the Board
Lola Oyeyemi, Director, Budget
Chris Peot, Director, Resource Recovery

(via conference call)

David Gadis, CEO and General Manager

Call to Order

Vice Chairperson Sarah Motsch called the meeting to order at 11:01 a.m.

February 2019 Financial Report

Ms. Lola Oyeyemi, Director, Budget, provided the monthly financial report, noting that DC Water's expenditures and revenues are on track and in line with budgetary expectations. With approximately 42 percent of the fiscal year completed, total operating revenues are at \$303.2 million, or 46.7 percent of budget, operating expenditures at \$220.2 million or 37.8 percent of budget, and capital disbursements at \$172.0 million, or 39.2 percent of budget.

Ms. Oyeyemi informed the Committee that the Inter Municipal Agreement (IMA) settlement is being finalized, after which, it will be mailed out to the wholesale customers. She also noted that the FY 2019 mid-year projections are underway and anticipated for review with the Committee in May 2019.

Next, Ms. Oyeyemi explained that revenue is trending higher than budget due to the second quarter payments from the federal government and wholesale customers that were received two months into the quarter. Regarding the other revenue category, she noted that DC Water had received \$6 million from the District Government for the CAP expansion program. She apprised the Committee that based on the

updated cost of service study, the fire protection service fee is trending higher than was anticipated when the budget was developed.

Ms. Oyeyemi further explained that in the operating budget, the area where DC Water is seeing the most pressure is in chemicals, primarily due to higher prices for methanol and ferric chloride as well as higher than anticipated load coming from the tunnels which is also having an impact on the treatment cost. She stated that spending for contractual services and water purchase categories are expected to increase during the summer months. Any overages will be covered by underspending in the personnel budget due to the temporary hiring freeze and eliminated aged vacancies. She stated that the overall operating expenditure is expected to come within the overall budget at the end of the year.

Regarding capital disbursements, Ms. Oyeyemi reported that the year-to-date spending is trending below budget, and she anticipates that the projected spending for the year will come within the overall budget.

Mr. Matthew Brown, CFO, reviewed the cash levels and stated that the financial plan includes debt issuance of about \$100 million for the current fiscal year. He anticipates issuing close to \$300 million of debt either in September or October, and that will represent the current fiscal year as well as next fiscal year's debt to support the capital program.

Solar Project Overview

Mr. Chris Peot, Director, Resource Recovery, provided an overview on the solar project which includes two phases, with the goal of reducing energy costs and hedging against future grid energy costs increases. He stated that DC Water has a Power Purchase Agreement (PPA) with Ameresco for Phase I at Blue Plains, mainly to finance the project by retaining the Solar Renewable Energy Credits (SRECs) to reduce DC Water's risk. Mr. Peot explained that Phase I is over the parking lots and building roofs and will generate an estimated 4.5MW of power during daylight hours, while Phase II will be over settling tanks and generate approximately 10.5MW of power.

Mr. Peot reminded the Committee that he received a request from Board Chairman, Tommy Wells, to provide an overview of the financing plan for the solar project, during the period that the developer received the benefit of the (SRECs). He reported that the market in the District for SRECs is increasingly robust, and the most valuable market in the country, and that there is an opportunity to sell SRECs if DC Water were to fund projects in the future. He also noted that the Ameresco contract includes a buyout in years six and nine, giving DC Water the option to own the power and the SRECs, and should be considered at that time. DC Water has a great opportunity, since Phase II has not been bid, and it is estimated to generate more than double the energy power of Phase I. He further explained that at the end of Phase II, if the power generated by the digesters is included, DC Water will be able to produce up to two-thirds of the power needed to run the Plant during daylight hours, when energy cost is the most expensive.

Next, Mr. Peot discussed in detail, the project solicitation process and options considered, structure of the PPA, value and sustainability of SRECs, compliance penalty, and the impact of the Clean Energy DC Act of 2018 on DC Water's electricity bills. He reported that the recently passed clean energy omnibus bill by the City Council, commits DC to achieving 100% energy from renewable sources by 2032, 10% of which will be solar.

Mr. Peot reviewed the various project opportunities under consideration by management. These include solar on offsite reservoirs (Fort Reno, Fort Stanton and Brentwood), Renewable Natural Gas (RNG) injection, and construction of a curing pad, all of which could generate \$30-\$40 million in annual revenues after 2 to 3-year capital payback.

Chairman Tommy Wells stated that since DC Water is a large single user of electricity in the District, to reduce continued reliance on the power grid, management should consider pursuing these solar projects using the valuable of the SRECs or Rate Stabilization Fund. In response to his inquiry about the evaluation and confidence in the stability of the SRECs Market, Mr. Brown responded that while the SRECs market has been robust, management is having ongoing discussions with its financial consultants and this would be useful to guide future investments and Board's consideration. Chairman Wells advised that DC Water take a closer look at the resiliency/redundancy issue, which is vital to the City and our jurisdictional partners so that the burden may not have to be paid entirely by DC Water. He further stressed the importance of having that overlay in terms of creating capacity as safeguard, just in case the system goes down.

Proposed FY 2020 Budget

Mr. Matthew Brown, CFO and Executive Vice-President for Finance and Procurement, provided an overview of the budget proposal and budget adoption calendar. He reported that both the Environmental Quality & Operations (EQ&OPS) and DC Retail Water & Sewer Rates Committees have reviewed and provided their respective recommendations to proceed with the ten-year capital program and FY 2020 water and sewer rates to the full Board for action.

Mr. Brown reported that extensive discussions on increased capital investments in the small diameter water mains and sewer lines, and related customer impacts were held with the EQ&OPS Committee. He highlighted the Board and management's commitment to addressing infrastructural challenges, and continued focus on balancing needs with customer affordability. He stated that management recommendations comprise of the FY 2020 operating budget of \$614.5 million and FY 2019 – FY 2028 modified baseline capital disbursement budget of \$4.96 billion, which is an increase of \$0.95 billion over the previously approved plan. Management is also recommending the FY 2020 total operating revenue of \$694.0 million, and includes a shift of 18% of CRIAC (Clean River Impervious Area Charge) to sewer volumetric rate, providing ratepayers more control over their bills, with proposal to a continued phase-in approach of 28% in FY 2021, and 37% in FY 2022 and beyond to sewer volumetric rates. Also, there is an increase from 4% to 20% CRIAC discount for Stormwater Best Management Practices.

Next, Mr. Brown provided a brief overview of the ten-year capital disbursement budget of \$4.96 billion and the lifetime project budget of \$12.1 billion. He stated that \$4.4 billion of the disbursement budget is for capital construction projects managed by the Department of Engineering and Technical Services (DETS), the largest of which is the Clean Rivers program. The remaining \$527 million is for capital equipment items of \$340 million related to information technology, pumps, and other small equipment, while the remaining \$187 million is DC Water's share of the Washington Aqueduct's infrastructure program. He further explained that the lifetime project budget of \$12.1 billion includes pre-2019 disbursements of \$4.6 billion with the remainder is for the active capital projects under current the ten-year window.

Mr. Brown reviewed the details of the operating budget proposal, which includes an increase of \$31.7 million over the approved FY 2019 budget mainly in personnel, water purchases, chemicals and

debt service costs. He explained that while the costs of operations and maintenance (O&M) have grown more slowly debt service continues to represent a significant portion of the overall operating budget. He reported that a new bond issuance of about \$300 million is anticipated during late summer 2019. The overall increase in debt service is to support the capital program, and it represents up to 31% of the total operating budget in FY 2019 and FY 2020, respectively. Mr. Brown further explained the components and related risks of the O&M budget, noting that staff is monitoring the pressures in chemicals experienced in FY 2019 and may continue into FY 2020. He provided a breakdown and called out contractual services to show it remained relatively flat, and to ensure transparency and compliance with appropriation law.

Next, Mr. Brown reviewed the operating revenue budget proposal, including the water & sewer rates and phase-in approach for the shift of CRIAC costs to sewer volumetric rate. He stated that the increase in the overall household charges of 5.7% is the same as previously approved by the Board for FY 2020, with increase of one cent from \$114.48 to \$114.49 per month. He mentioned that under the recommended modified baseline CIP, the monthly household charges range from \$124 in FY 2021 to \$185 in FY 2028.

In response to Chairman Wells question on the impact of the CRIAC shift on multi-family customers who use more water, Mr. Brown explained that several options were discussed by the Stakeholder Alliance Group and various customers, and the commonality was that shifting is a more equitable approach to recover the CRIAC costs. He noted that the Retails Rates Committee held in-depth discussions on the phase-in approach to shift 37% of CRIAC costs to sewer volumetric rate based on the amount of stormwater that goes into the tunnels, and agreed that this methodology was a more justifiable approach. Mr. Brown mentioned that the reduced revenues from the wholesale customers is due to updated flows and has been reflected in the ten-year plan.

Next, Mr. Brown reviewed the objectives and underlying assumptions for the ten-year financial plan, average residential customer monthly bill, retail rates, charges and fees. He mentioned that the transfer of \$6.0 million from the Rate Stabilization Fund for the one-time CAP2 program is in FY 2019.

In closing, Mr. Brown reviewed the various action items before the Committee and explained that the intent to reimburse capital expenditures with proceeds of \$340 million borrowing is for the anticipated bond issuances, including green bonds and \$50 million in premiums, in FY 2019 and FY 2020.

Action Items

The Committee members agreed to move the following action items to the full Board -

- FY 2020 proposed operating budget
- FY 2019 – FY 2028 Capital Improvement Program (Disbursements and Lifetime Budget)
- FY 2019 – FY 2028 Ten-Year Financial Plan
- Intent to Reimburse Capital Expenditure with Proceeds of a Borrowing

Adjournment

Hearing no further business, Committee Vice Chairperson Sarah Motsch adjourned the meeting at 12:21 p.m.



CEO'S REPORT

David L. Gadis

April 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

April 2019 CEO/GM REPORT

Department of Finance and Procurement

Proposed FY 2020 Budget Process

Proposed FY 2020 Budget Process: The CEO began his tenure at the helm of affairs of DC Water in June 2018. One of the major projects that was underway was the development of the Proposed FY 2020 operating budget and the ten-year capital disbursements and financial plan. As part of welcoming Mr. Gadis to DC Water, this was a great time for the Authority to assess, plan and commit to its priorities for the future. This is especially significant given the fact that with similar utilities in the industry, DC Water was faced with addressing the challenges of an ageing infrastructure and customer affordability.

The budget process began with planning in May 2018, several budget review meetings with all 26 departments and the Budget Office during Summer & Fall 2018, and management reviews and preliminary recommendations in late Fall/early Winter 2018. As part of this process, tough choices were made to further tighten the cost of core business operations, increase process efficiencies, increase investments in capital infrastructure and ensure comparable rates. The Executive Team presented the budget proposals to the Board during the Budget Workshop in February 2019 and subsequently held in-depth reviews and discussions with the Board Committees in February & March 2019. All these activities culminated with the Committees' recommendations based on management's budget proposals, which are scheduled to be adopted by the Full Board on April 4, 2019. The Chief Financial Officer would like to express appreciation to all staff and management from all the operations, engineering, administrative and finance departments, for their dedication, commitment and collaborative efforts in delivering these budget proposals. This is a true testament to the "Teamwork" value of The Blueprint.

ADMINISTRATION

Leadership Update

George Porter selected as new Director of the Department of Occupational Safety & Health. He joined Team Blue at the Safety Oscars event on March 15th, and will be joining the Authority in April.

- DC Water Energy Analyst Richard Quaofio was selected to be on the "Creating the Next Generation of Green Professionals" panel at the 2019 National Environmental Justice Conference and Training Program.

April 2019 CEO/GM REPORT

EMERGENCY MANAGEMENT

General accomplishments

- Facilitated situational awareness, collaboration, and emergency notifications for severe winter weather event that occurred on February 20th and upon which the Authority was closed.
- Collaborated with: Washington Navy Yard on a Drinking Water System Emergency Response Plan Workshop and Tabletop Exercise on March 5th; DC Health and Medical Coalition on a Hazard Vulnerability Assessment Workshop on March 11th; MWCOG on Building Water System Decontamination Workshop on March 4th.
- Assisted in facilitating and evaluating SCADA drill with Department of Pumping Operations (DPO) on March 13th. Tactical command vehicle requested and deployed for the exercise. The valuable and vital drill preparation and practice for the March 13th exercise was utilized during a real event on March 14th which affected Bryant Street Pump Station. DPO staff dealt with the issue swiftly and with increased confidence and communication.
- Provided signed DC Water Hazard Mitigation Plan to HSEMA, FEMA, and Executive Staff. Task force is being established and quarterly meetings will be implemented to track project and status updates.
- Partnered with HSEMA to sponsor staff who are interested in becoming approved participants in the District's newly established Incident Management Team Academy and in initiating task books to evaluate position specific incident management team competencies.

Upcoming news

- DC Water Internal Communications Drill on March 21st
- DC Water will participate as the US Naval Observatory conducts a NAVFAC-sponsored Drinking Water System Emergency Response Plan Workshop and Tabletop Exercise (TTX) to provide stakeholders responsible for the operation, maintenance and security of the drinking water system as well as critical customers an opportunity to become familiar with the draft Water System Emergency Response Plan (ERP). The event will consist of a four-hour workshop and TTX on Tuesday, March 26th
- IMT - Size up and Initial Incident Training on April 9th
- Incident Command System 200 (ICS 200) training on April 10th

April 2019 CEO/GM REPORT

SAFETY

Completed projects

- Completed the DC Department of Energy & Environment (DOEE), Hazardous Waste Program Annual Self-Certification forms for Blue Plains, O Street, Fort Reno, and Bryant Street facilities and transmitted them, along with an annual fee, to DOEE prior to the March 1, 2019, deadline.
- Completed the TIER II Emergency and Hazardous Chemical Inventory forms and transmitted them to DC Homeland Security and Emergency Management Agency prior to the March 1, 2019, deadline.
- Completed and submitted the OSHA 300A Annual Summary Report of Accidents and Injuries to OSHA and the Bureau of Labor Statistics (BLS).

Events

Safety Oscars were successfully held on March 15th. The winning video was produced by OMAC and featured Wendy the Waterdrop as well as several members of Team Blue. A DJ contest was also held, and after an initial tie DJ D \$treet (aka IT's own Nelson Sims) took home the title over DJ Daddy A (aka EVP Armon Curd). There were 15 safety video submissions, with 13 departments represented, and there were almost 2,000 views online as staff voted on their favorites.

- This year's event was the largest attended to date (approximately 95 staff in attendance).
- The winning video was produced by OMAC and featured Wendy the Waterdrop as well as several members of Team Blue.
- The Battle of the DJs was a special element added for the 5 year celebration of the Video Contest. It was well received by the attendees. The crowd was disappointed that the tie wasn't broken in the traditional spinoff fashion. However, without a doubt, the winner was D \$treet (Nelson Sims, IT Security Manager) over DJ Daddy A (Armon Curd, EVP).

SECURITY

Completed projects

- Installed DC Water cores for key access at Poplar Point
- **General accomplishments**
- Conducted vulnerability assessments for two DC Water facilities
- Digitalized incidents reporting for the Security Command Center

Upcoming news

- Security Assessment commencement – AECOM

April 2019 CEO/GM REPORT

FLEET

General Accomplishments

- Fleet has been requested to speak at the APWA conference in Richmond, VA May 19th- May 22nd
- Winter season is ending Fleet is preparing to convert to Rain Season
- Fleet attended the Greater Washington Region Clean Cities Coalition Grand Opening @ Wash Gas at the Wharf location; Fleet is an Executive board member.
- Fleet attended GWRCCC Executive board meeting at COG
- Fleet is in continued discussions to detect and report air borne pathogens via its telematics technology solutions with GeoTab
- Fleet CDL/Apprenticeship candidate attended/testified @ City Council meeting, where he received a standing ovation from the public for his testimony.
- United Soy Board – USB has recognized DC Water in an article regarding the use of the Fifth Wheel Grease!

Upcoming news

- WAVE mobile app forms portal implementation has been pushed to April 2019
- WAVE Parts In-house app, bar code scan and testing to begin in April 2019

FACILITIES

Awards

- Good Catch Award for Randy Harris. Pointed out safety issue with unfinished handrail at HQ.

Completed Projects

-
- Demolished and disposed of DDOT trailer at Annex 8/McMillan Reservoir location at Bryant Street campus
- Procured and installed new A/V one-way glass window in Board Room at HQ
- Repaired sink hole/depressions at Channing Street Mining Site & Blue Plains
- Demolished and disposed of former chemical feed structure north of Main Pumping Station
- Installed safety signs in and around HQ building
- Installed Knox box for fire department access to HQ
- Provided connection point for makeup water for boilers at O St Pump Station
- Coordinated with Pump Operations Electrical to complete electrical feeder installation for new boilers at O St Pump Station

Completed Projects

April 2019 CEO/GM REPORT

- Worked with Pumping Operations Electrical to safely abandon electrical connections to A/V boxes in HQ lobby and smooth out the walls in preparation for OMAC installation
- Coordinated with Pumping Operations to provide rolling dumpsters to support screenings removal at O St Pump Station
- Initiated partnering meetings with Procurement to support One-Team
- Started recycling use of spent Belt Filter Press fabric in landscape applications
- Added recycle bins to HQ at multiple locations to support recycle program

Events

- Successfully supported multiple Roadshow events at multiple locations
- Successfully supported multiple breakfast events for employee engagement survey

Legislation/Regulations

- Renewed geese control measures registration for Blue Plains

Accomplishments

- Provided 800 Roadshow booklets on short notice
- Facilities Responded to the March 1st snow/ice event

Team members attended training for:

- Line of Sight program
- Defensive Driving
- Building a Culture of Coaching
- Green roof training at Poplar Point Pump Station

Upcoming News





- Coordination with Safety Department for mold remediation training for all Facilities shops personnel. Training to take place in May and June of 2019
- Fort Reno trailers for Water Services Department
 - Design for Fort Reno trailer space office interior layout – requisition for Design PO is in process
- Design for Department of Pumping Operations office upgrades in Main Pumping Station
 - Design for office interior layout – requisition for Design PO is in process
 - Coordination meetings with stakeholders are scheduled
- RFQ for Non-Process Facilities Master Plan updates and related work pending

ORGANIZATIONAL PERFORMANCE DASHBOARD (February 2019)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	75,679	Actual	303	Actual	220	Actual	172
Target	34,010	Target	271	Target	243	Target	225
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	166	Actual	2	Actual	2.41	Actual	2
Target	126	Target	3	Target	2.53	Target	2.45
	(\$ mil)		(%)		(%)		(%)





Customer Care and Operations Highlights

Call Center Performance	Command Center Performance	First Call Resolution	Emergency Response Time
 Feb 86	 Feb 89	 Feb 74	 Feb 100
85	85	75	90
(% of calls rec)	(% of calls rec)	(% of calls rec)	(% of calls rec)
Fire Hydrants out of Service	Fire Hydrant Insps. and Maint.	Fire Hydrants Replaced	Permit Processing within SLA
 Feb 47	1207	 Feb 69	91
47	(count)	250	(%)
(count)		(YTD count)	

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	30	Previous	61
Target	33	Current	128
	(\$ tho)		(\$ tho)

Operational Highlights

Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production	Total Nitrogen (lbs/yr mil)
		459	
5	0.0%	(wet tons)	3.5
Plant Effluent Flow (gal mil)	Excess Flow	Water Main Leaks	Water Valve Leaks
	0	44	3
344	(gal mil)	(count)	(count)
Non-Revenue Water	Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO
Sold 8.18	5	90	0
Purchased 10.8 (CCF mil)	(count)	(count)	(events)
Recruitment Activity	Electricity Usage	Employee Lost Time Accidents	Vendor Payments
Filled 6	16	0	Actual 96
Open 23	(MWh)	(count)	Target 97
(count)			(%)

FINANCIAL HIGHLIGHTS

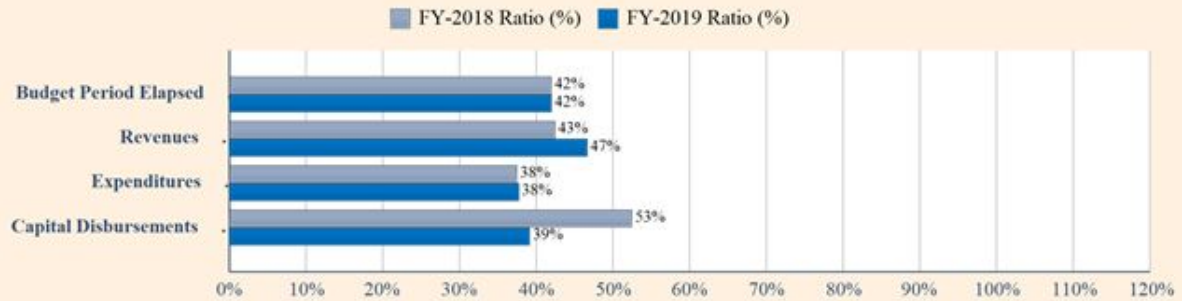
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

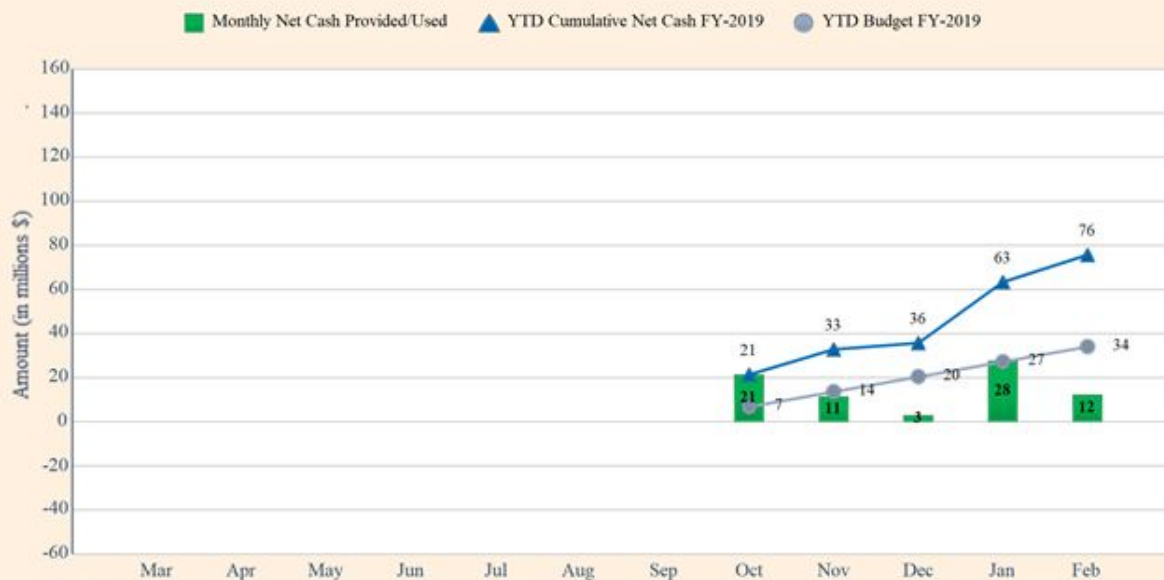


YEAR TO DATE ANALYSIS



NET OPERATING CASH

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



Net cash to date for February was above budget by \$41.7 Million

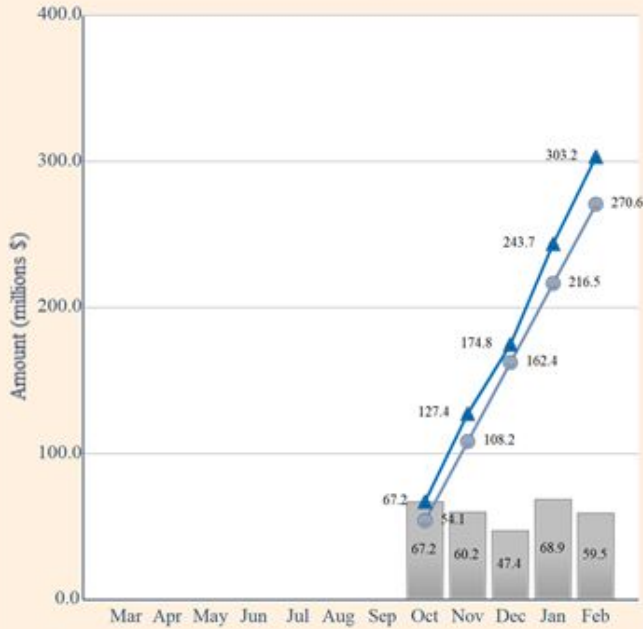
FINANCIAL HIGHLIGHTS

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

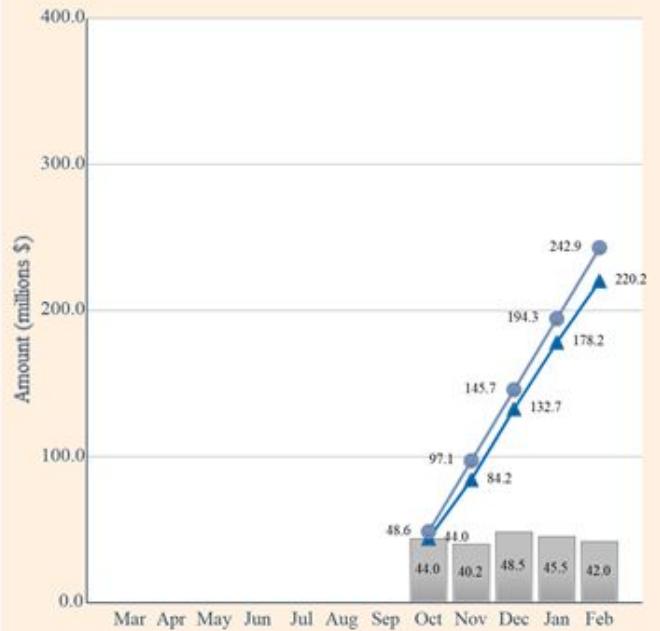


Revenue to date for February was above budget by \$32.6 Million

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 February was below budget by \$22.7 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 February was below budget by \$52.9 Million. YTD spending reflects comparison to the approved budget.

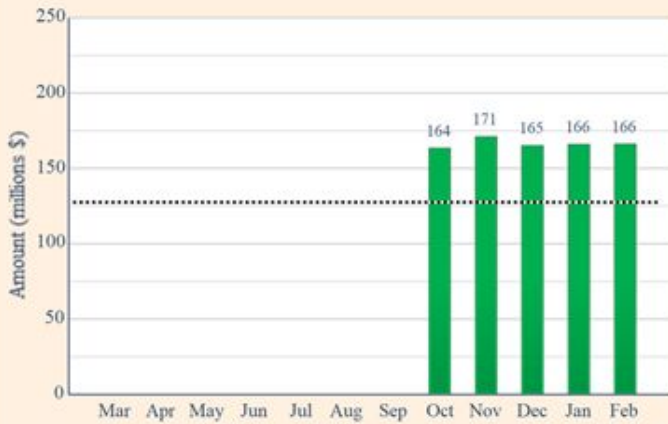
FINANCIAL HIGHLIGHTS

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)

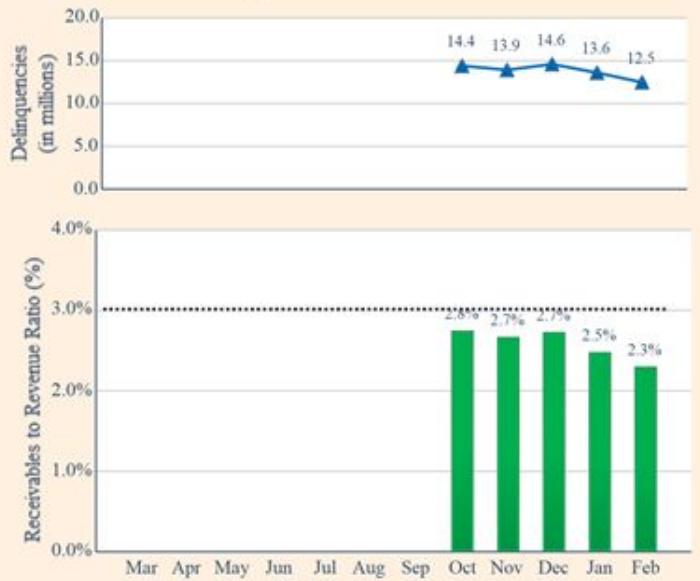


Cash Balance for February was above target by \$40.9 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

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



February Receivables to Revenue Ratio is 2.30, Delinquency is 12.47 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



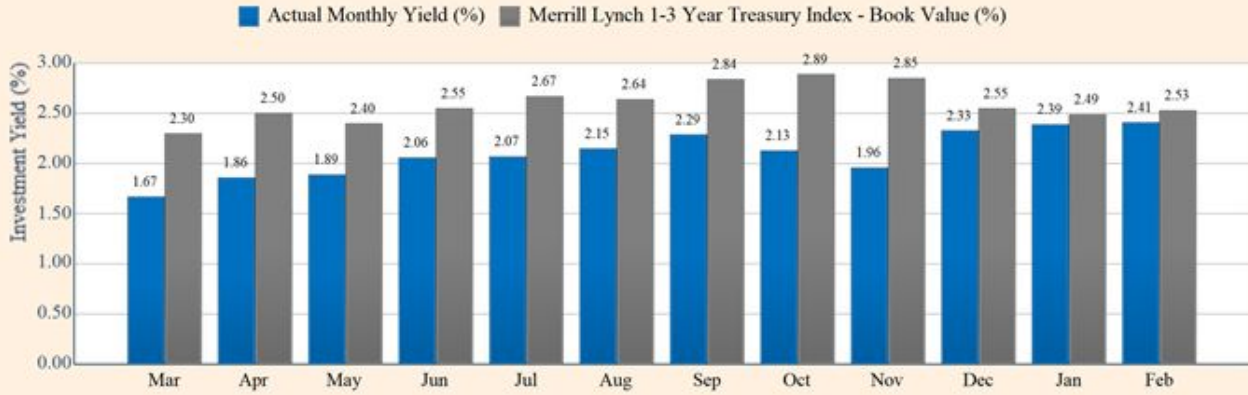
Earnings to date for February were above Projected Budget by \$250,660.

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for February was less than the treasury index by 0.12%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for February was less than the Merrill Lynch yield by 0.45%

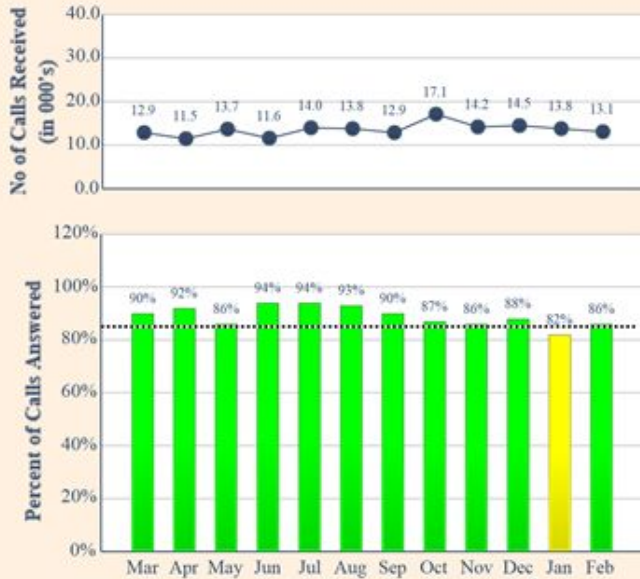
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

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

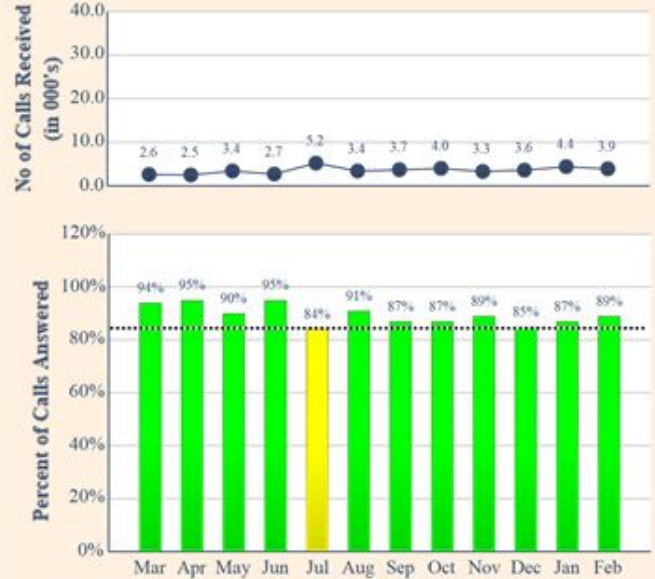


Performance for February was above target by 1%

COMMAND CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

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

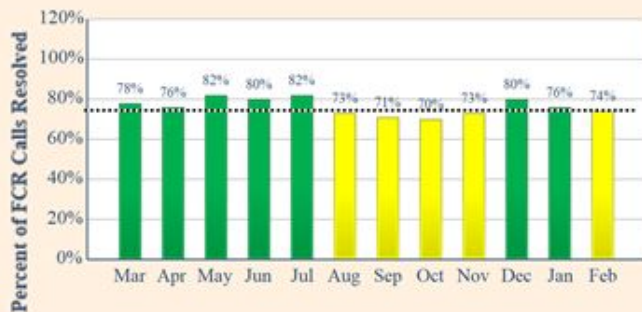


Performance for February was above target by 4%

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

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

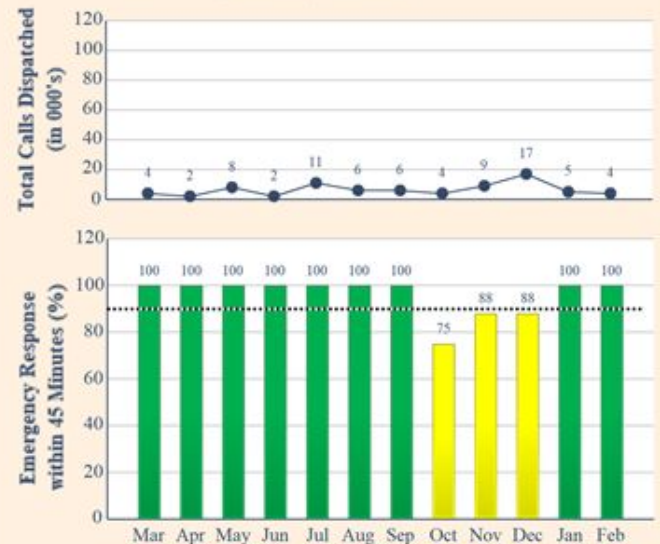


Performance for February was below target by 1%

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

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



Performance for February was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target

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



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

- Hydrant Inspections and Maintenance



Total Hydrant Replacements Per Month

Annual Replacement Target (250)

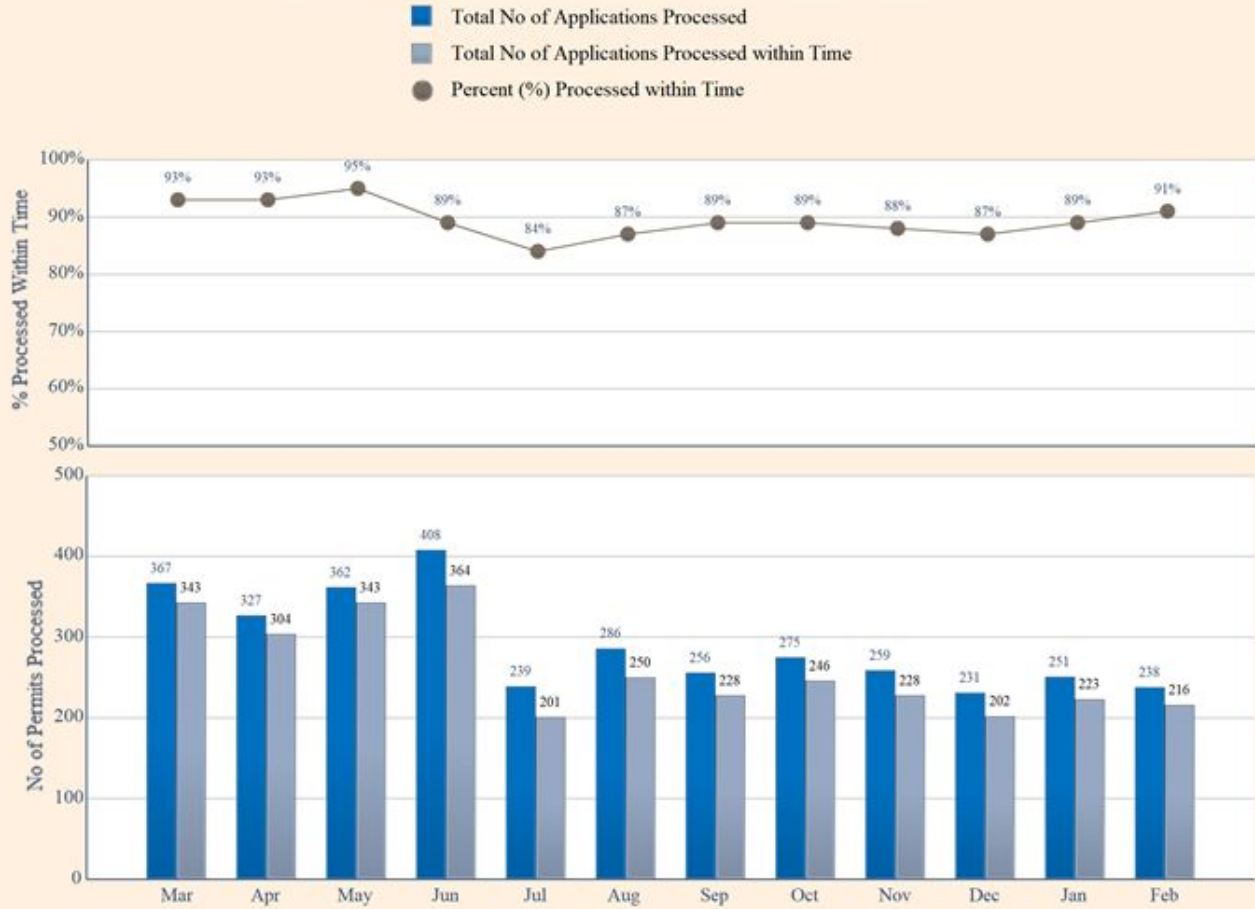
- Hydrants Replaced



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



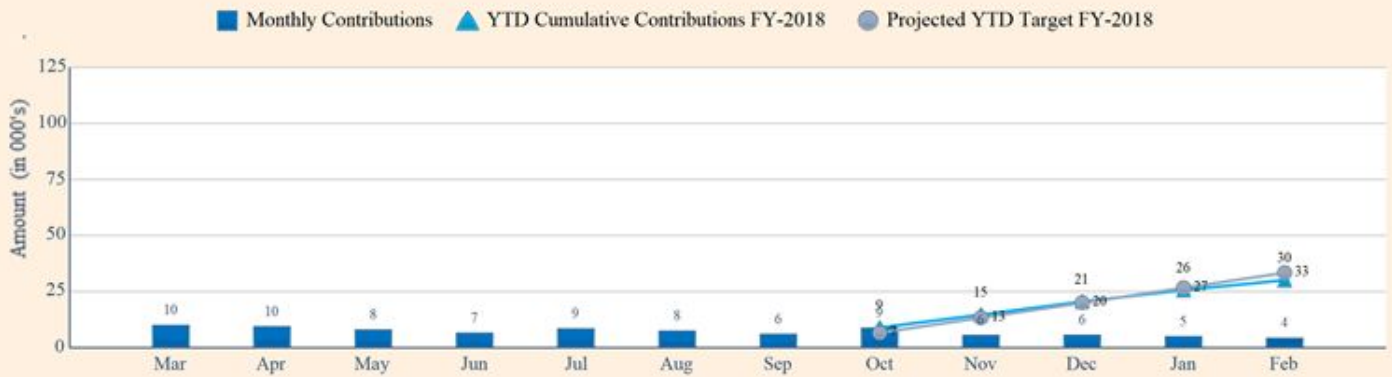
Permits processed in February were 6% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

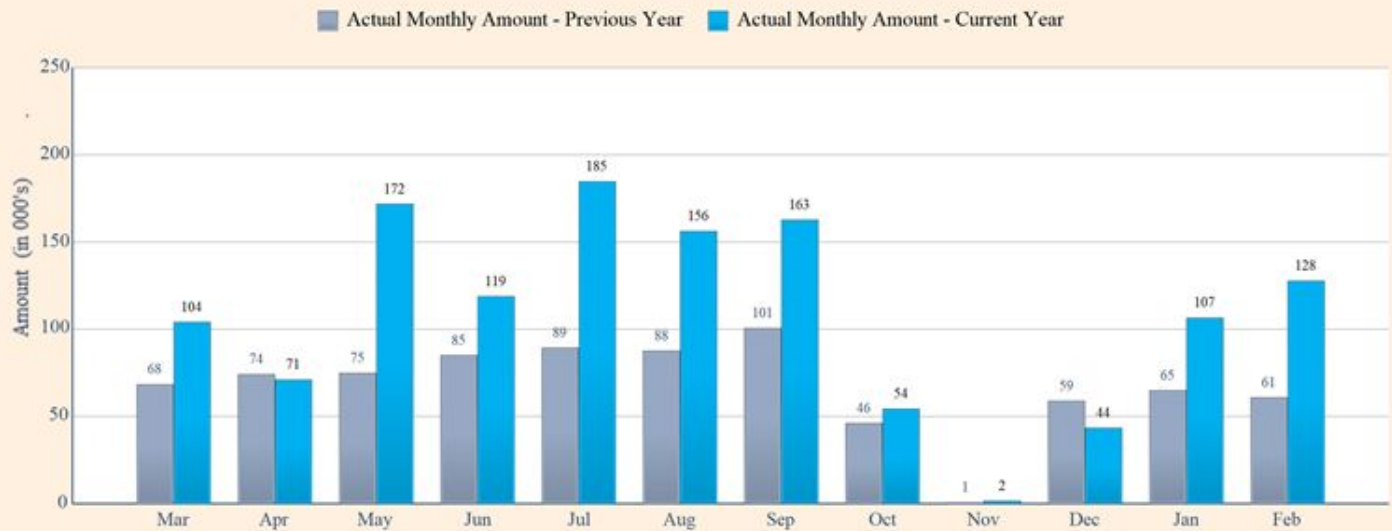


Total SPLASH Contributions to date for February was below target by \$3200.

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods



OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

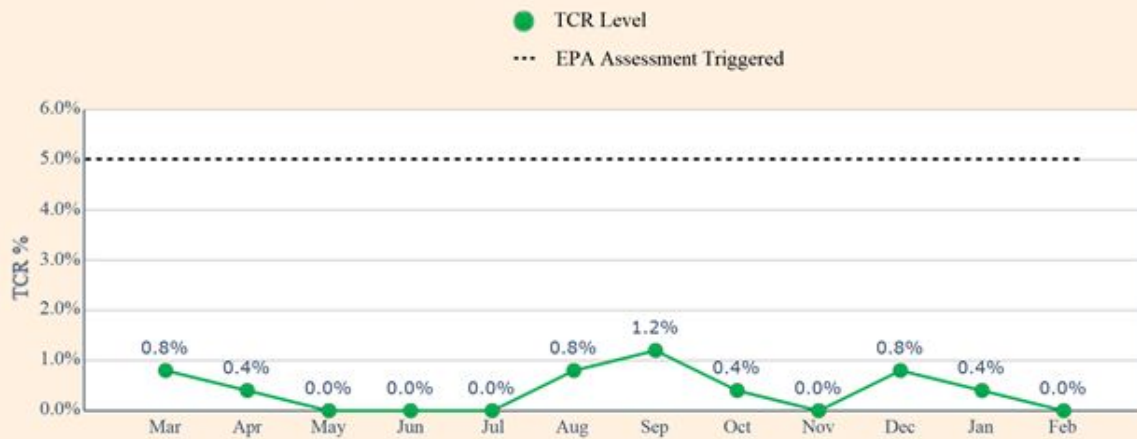
Semi-Annual LCR Monitoring Results



Jan-Feb 2019 results to date.

TOTAL COLIFORM RULE (TCR) COMPLIANCE

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



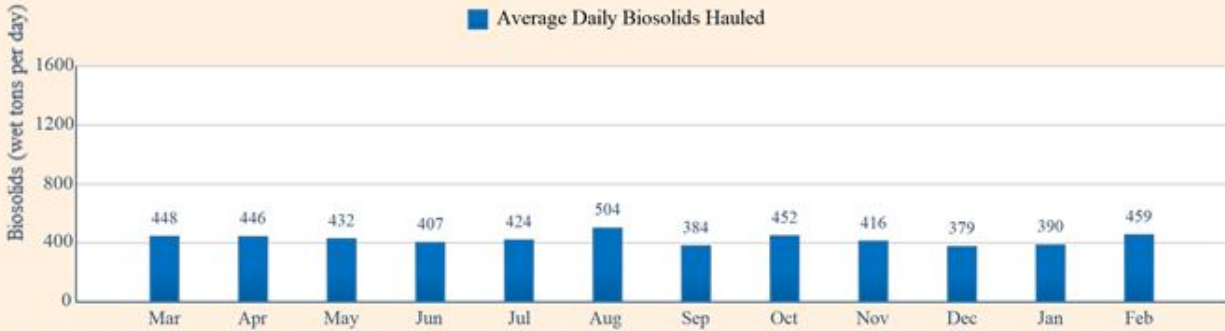
Coliform Positive was recorded at 0.0% in February.

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

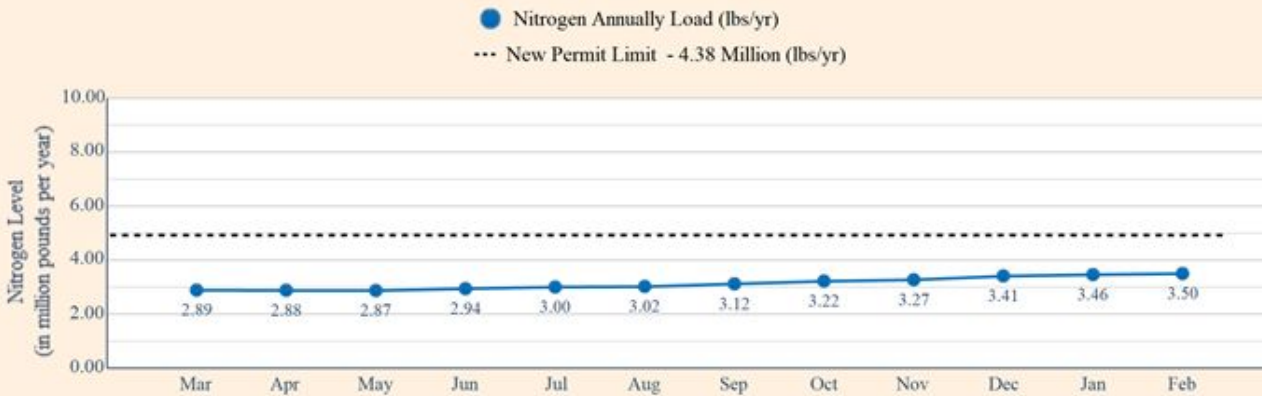
Average Daily Biosolids Production



Biosolids Daily Production for February were 459 wet tons per day

TOTAL NITROGEN

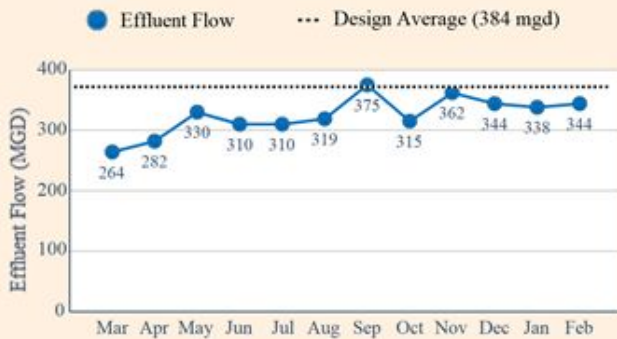
Total Nitrogen Compared to New Permit Levels



Nitrogen level for February were below permit by 0.88 million lbs/yr

OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In February Influent flow was below design by 40 MGD

OUTFALL 001 - DISCHARGE FLOW

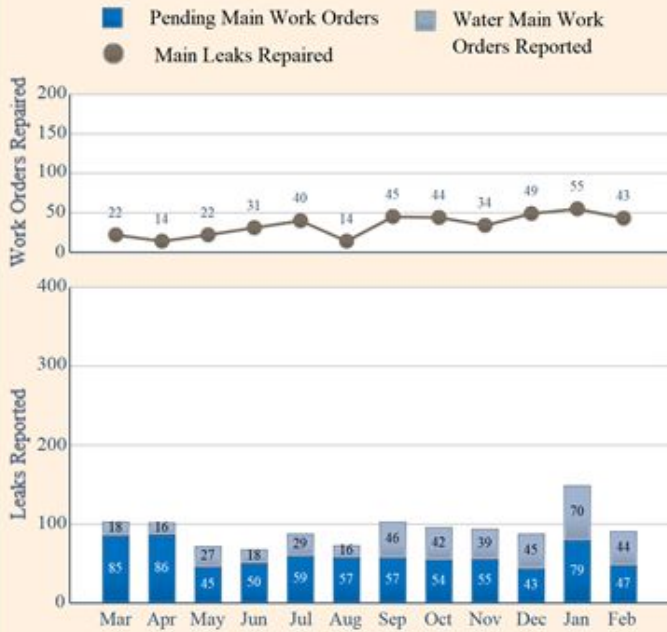


Excess flow events were recorded at 0 MG in February

OPERATIONAL HIGHLIGHTS

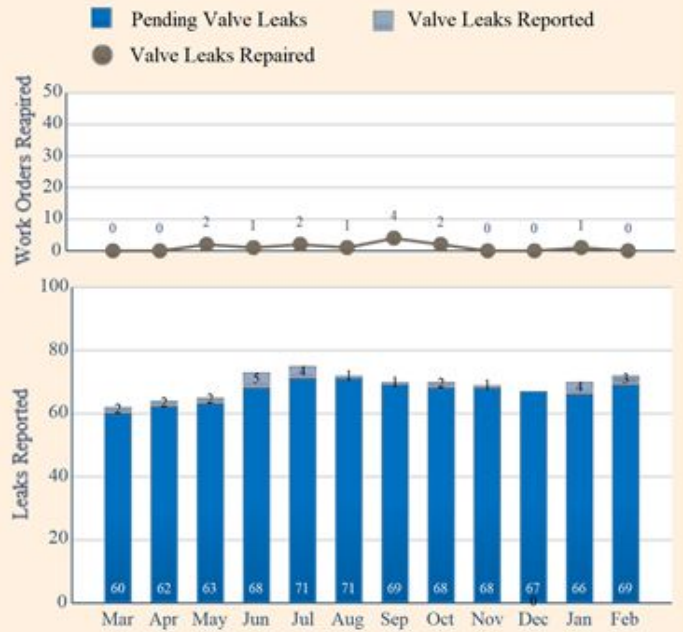
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 44 Water Main Work Orders reported in February.

WATER VALVE LEAKS

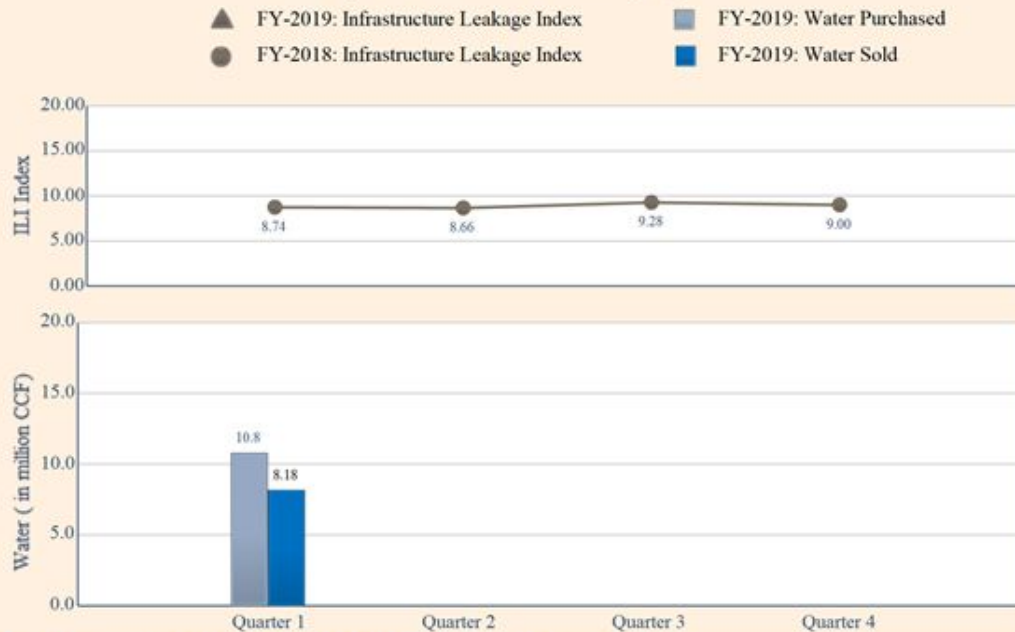


No leaks were resolved in February.

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



In the 1st quarter of FY 2019, 8.18 out of 10.80 million cubic feet of water was sold.

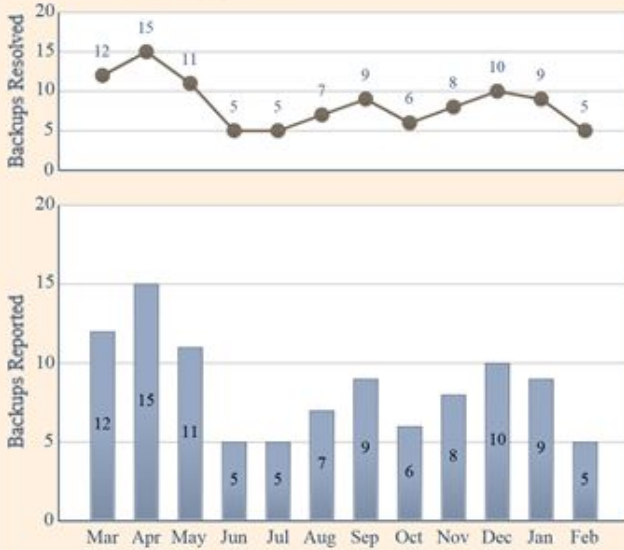
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

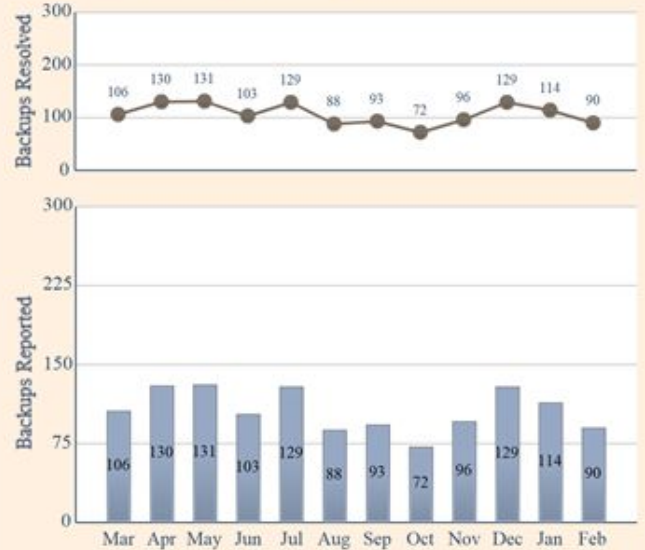


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Overflow Volume (MG)
- Number of CSO Events



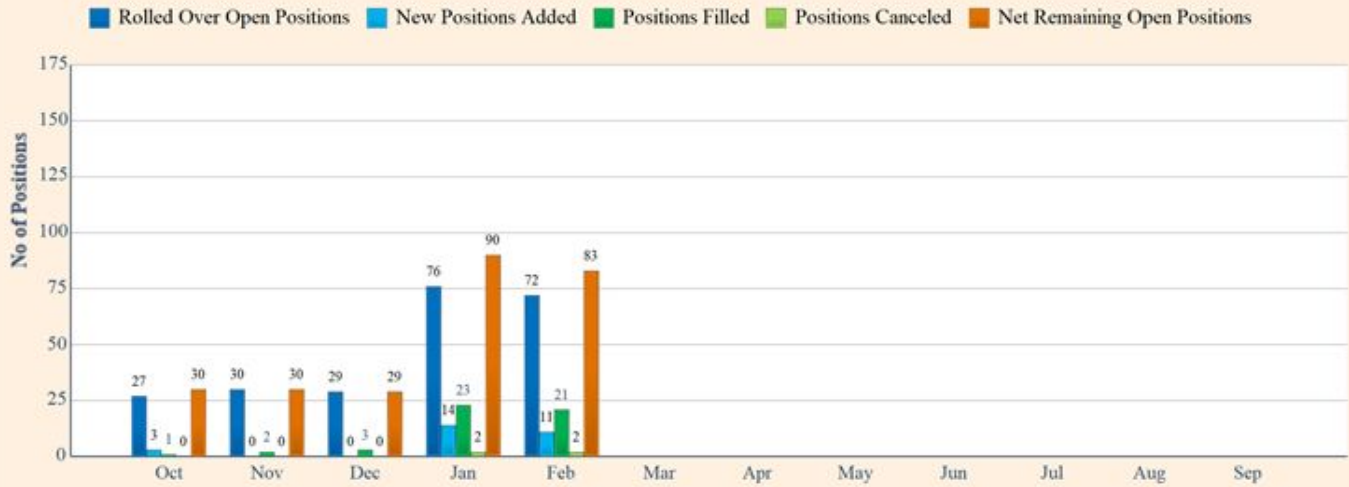
No dry weather Combined Sewer Overflow events were recorded in Feb 2019

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

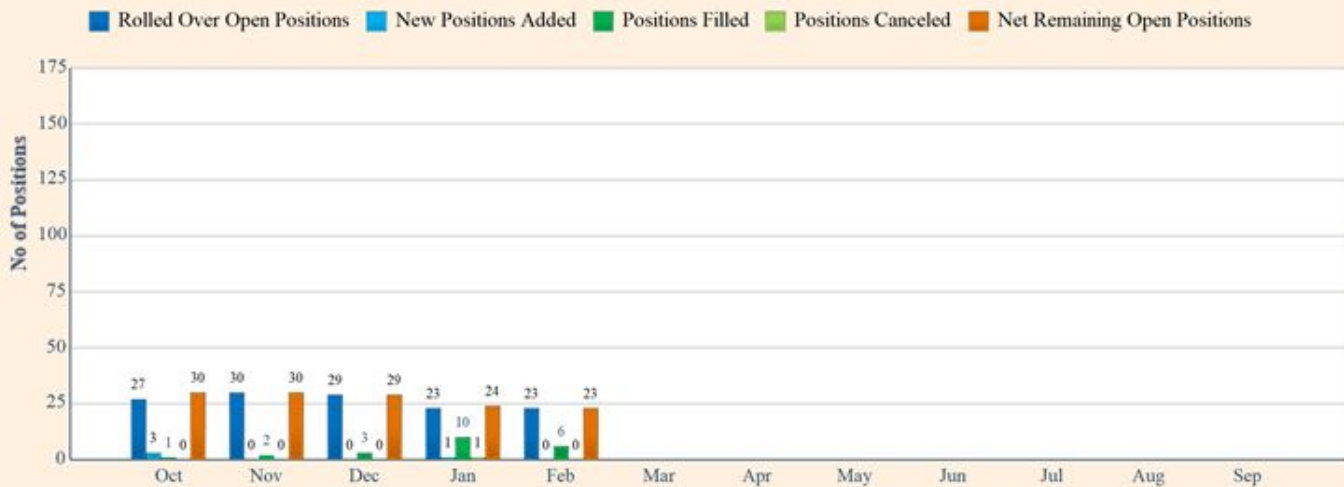
RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR



RECRUITMENT ACTIVITY

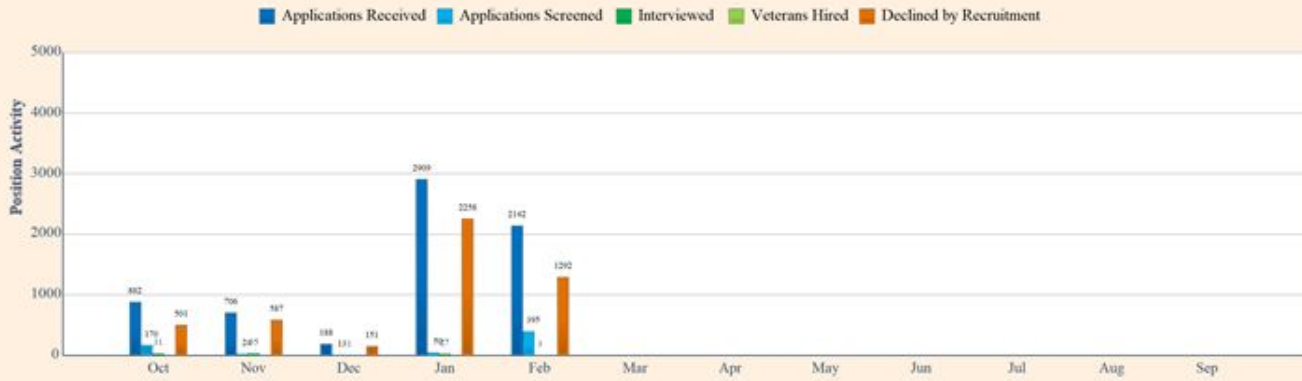
CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC
PREVIOUS FISCAL YEAR



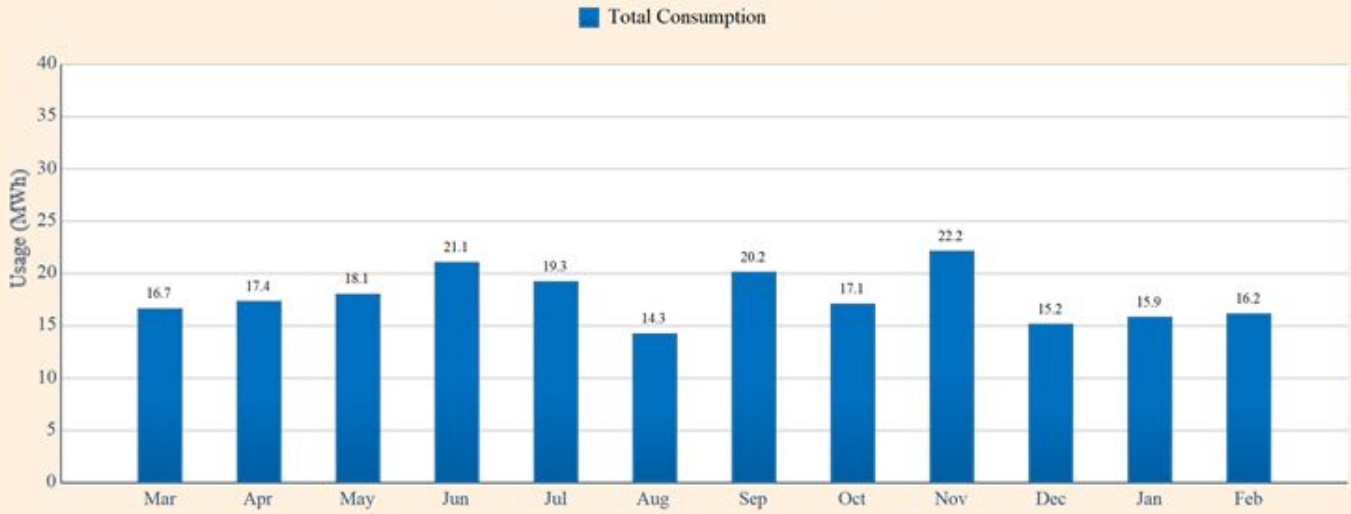
RECRUITMENT PERFORMANCE METRIC
CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

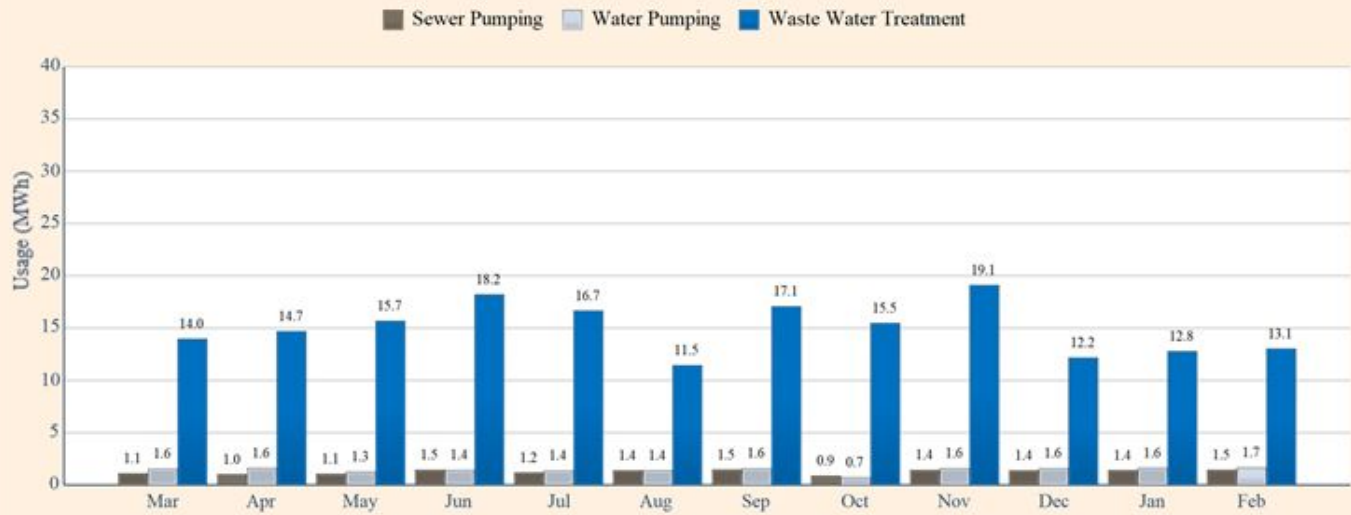
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity Consumption in February was 16,189 KWh

ELECTRICITY USAGE BY SERVICE AREA



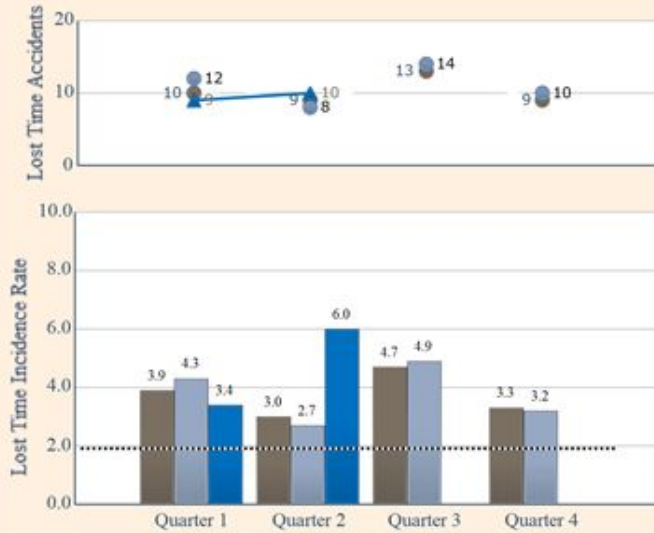
Waste Water Treatment had the highest electricity consumption in February at 13,053 KWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

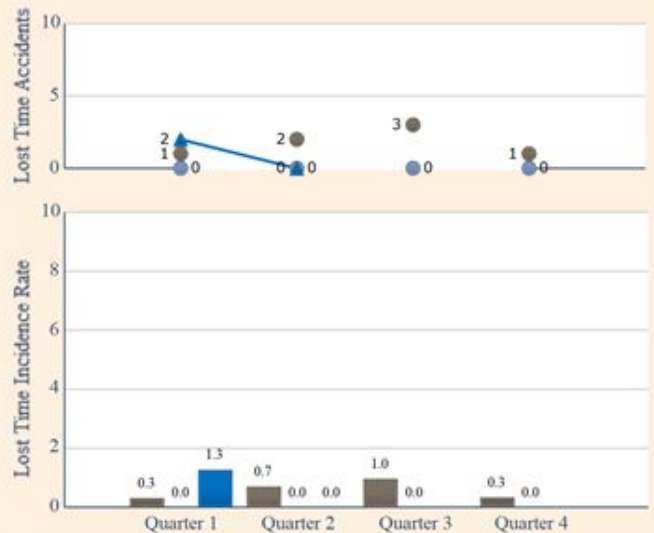
- FY-2017: No of LT Accidents
 - FY-2018: No of LT Accidents
 - ▲ FY 2019 No of LT Accidents
 - FY-2017: LT Incidence Rate
 - FY-2018: LT Incidence Rate
 - FY 2019 LT Incidence Rate
- Target/National: LT Incidence Rate



In the 2nd quarter, 10 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

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



In the 2nd quarter, 0 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE

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



Performance for February was below the monthly target by 1%

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

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

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

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

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

Command Center Performance

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

First Call Resolution (FCR)

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

Emergency Response Time

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

Fire Hydrants Out of Service (OOS)

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

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded****

Total Applications Processed within Service Level Agreement (SLA)

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

Dynamic Color Coding Legend

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

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

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

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

Customer Assistance Program (CAP)

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

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

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

Total Coliform Rule (TCR)

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

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

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

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

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

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

Non Revenue Water

- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

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

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

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

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

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

E



Consent Agenda

Summary of Contracts

252nd Meeting of the DC Water Board of Directors

Thursday, April 4, 2019

Joint Use Contracts

1. **Resolution No. 19-12, Execute Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America.** The purpose of the option is to provide additional funds to service DC Water's New Headquarters building mail room as well as new software for copiers. The option amount is \$407,500 **(Recommended by the Environmental Quality and Operations Committee 03/21/19)**
2. **Resolution No. 19-13, Execute Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.** The purpose of the option is to continue providing high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water's Blue Plains Plant. The option amount is \$666,250. **(Recommended by the Environmental Quality and Operations Committee 03/21/19)**
3. **Resolution No. 19-14, Execute Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc.** The purpose of the option is to continue to supply and deliver sodium bisulfite to the Department of Wastewater Treatment at DC Water. The option amount is \$757,500. **(Recommended by the Environmental Quality and Operations Committee 03/21/19)**
4. **Resolution No. 19-15, Execute Contract No., 19-PR-DWT-14, Polydyne, Inc.** The purpose of the contract is to supply and deliver belt press dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,781,700. **(Recommended by the Environmental Quality and Operations Committee 03/21/19)**
5. **Resolution No. 19-16, Execute Contract No. 19-PR-DWT-15, Polydyne, Inc.** The purpose of the contract is to supply and deliver dry pre-dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,384,900. **(Recommended by the Environmental Quality and Operations Committee 03/21/19)**

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America

**#19-12
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 April 4, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America. The purpose of the option is to provide additional funds to service DC Water's New Headquarters building mail room as well as new software for copiers. The option amount is \$407,500.

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

**Document Management Services
(Joint Use)**

Approval to exercise option year four (4) for Document Management Services in the amount of \$407,500.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Canon Solutions America One Canon Park Melville, NY 11747	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$389,409.84
Original Contract Dates:	04-23-2015 – 04-22-2016
No. of Option Years in Contract:	4
Option Year 1 Value:	\$389,409.84
Option Year 1 Dates:	04-23-2016 – 04-22-2017
Option Year 2 Value:	\$389,409.84
Option Year 2 Dates:	04-23-2017 – 04-22-2018
Option Year 3 Value:	\$389,409.84
Option Year 3 Dates:	04-23-2018 – 04-22-2019
Option Year 4 Value:	\$407,500.00
Option Year 4 Dates:	04-23-2019 – 04-22-2020

Purpose of the Contract:

To contract for uninterrupted Document Management Services which includes managing the Reprographic Center, Mailroom Operations and Copier Maintenance services for the District of Columbia Water and Sewer Authority (DC Water) Department of Facilities Services.

Additional funds are needed for Option Year 4 to service DC Water’s New HQO building mail room as well as new software for copiers. A new Solicitation will be issued on the first quarter of FY2020.

Spending Previous Year:

Cumulative Contract Value:	04-23-2015 to 04-22-2019: \$1,540,111.65
Cumulative Contract Spending:	03-02-2016 to 02-25-2019: \$1,517,184.19

Contractor’s Past Performance:

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

No LSBE participation

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest Rated Offeror
Commodity:	Services	Contract Number:	15-PR-DFS-05
Contractor Market:	Open Market with Preference Points for LBE and LSBE participation		

BUDGET INFORMATION

Funding:	Operating	Departments:	Facilities
Service Area:	DC Water Wide	Department Heads:	Brent Christ

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.90%	\$170,742.50
Washington Suburban Sanitary Commission	43.10%	\$175,632.50
Fairfax County	9.59%	\$39,079.25
Loudoun Water	4.64%	\$18,908.00
Other (PI)	0.77%	\$3,137.75
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$407,500.00

 3/15/19
 Maureen Holman Date
 EVP of Administration

 3/15/19
 Dan Bae Date
 VP of Procurement and Compliance

 3/15/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 4/1/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.

**#19-13
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 April 4, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc. The purpose of the option is to continue providing high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water's Blue Plains Plant. The option amount is \$666,250.

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
High Pressure High Vacuum Cleaning Services
(Joint Use)**

Approval to exercise option year 1 for high pressure high vacuum cleaning services in the amount of \$666,250.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Mobile Dredging & Video Pipe, Inc. 11420 Old Baltimore Pike Beltsville, MD 20705	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$725,000.00
Original Contract Dates:	04-1-2018—03-31-2019
No. of Option Years in Contract:	2
Option Year 1 Value:	\$666,250.00
Option Year 1 Dates:	04-1-2019—03-31-2020

Purpose of the Contract:

This contract is to supply a professional industrial cleaning team to provide high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water’s Blue Plains Advanced Waste Water Treatment Plant.

Contract Scope:

The services of a qualified contractor to provide the resources needed to complete high pressure water blasting and high vacuum cleaning services for structures and equipment (e.g. cleaning of large pipes and drains, grit chambers, scum pits, nitrification reactors, solids compactors and conveyance systems, Thermal Hydrolysis Process (THP) reactors, and other solids processing equipment) located at the Blue Plains Advanced Waste Water Treatment Plant. This includes the use of commercial multi-pressure water blast equipment, high vacuum wet/dry trucks, combination jet/vacuum trucks, and personnel to clean various facilities, equipment and structures at the plant.

Spending Previous Year:

Cumulative Contract Value:	04-1-2018 to 03-31-2019: \$725,000.00
Cumulative Contract Spending:	04-1-2018 to 01-31-2019: \$573,685.00

Contractor’s Past Performance:

According to the COTR, there have been issues with the Contractor’s performance, however DC Water and the Contractor have developed a plan to resolve the outstanding issues and have agreed to move forward with Option Year 1 of the contract.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

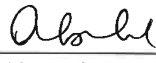
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Industrial Cleaning	Contract Number:	18-PR-WWT-04
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

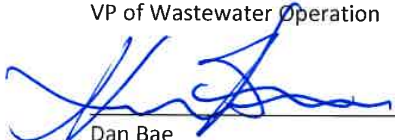
BUDGET INFORMATION


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

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$279,158.75
Washington Suburban Sanitary Commission	43.10%	\$287,153.75
Fairfax County	9.59%	\$63,893.38
Loudoun Water	4.64%	\$30,914.00
Other (PI)	0.77%	\$5,130.13
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$666,250.00

 / 3/5/19
 Aklile Tesfaye Date
 VP of Wastewater Operation

 / 3/11/19
 Dan Bae Date
 VP of Procurement and Compliance

 / 3/14/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 4/1/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc.

**#19-14
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 April 4, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc. The purpose of the option is to continue to supply and deliver sodium bisulfite to the Department of Wastewater Treatment at DC Water. The option amount is \$757,500.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT OPTION YEAR
Supply and Delivery of Sodium Bisulfite
(Joint Use)**

Approval to exercise option year 1 for the supply and delivery of sodium bisulfite in the amount of \$757,500.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: PVS Chemical Solutions, Inc. 10900 Harper Avenue Detroit, MI 48213	SUBS: N/A	PARTICIPATION: N/A
---	---------------------	------------------------------

DESCRIPTION AND PURPOSE

Original Contract Value:	\$700,000.00
Original Contract Dates:	04-16-2018—04-15-2019
No. of Option Years in Contract:	2
Prior Modifications Value:	\$200,000.00
Prior Modifications Dates:	01-01-2019—04-15-2019
Option Year 1 Value:	\$757,500.00
Option Year 1 Dates:	04-16-2019—04-15-2020

Purpose of the Contract:

This contract is to supply and deliver sodium bisulfite to the Department of Wastewater Treatment (DWT) at DC Water. Sodium bisulfite removes residual chlorine from effluent water, and its use is required to meet environmental standards.

Contract Scope:

DC Water’s DWT has a continuing need for the supply of sodium bisulfite. DWT adds sodium bisulfite to treated wastewater following disinfection with sodium hypochlorite and prior to discharging the effluent to the Potomac River. The hypochlorite leaves residual chlorine in the water, which is removed by sodium bisulfite. The NPDES permit from EPA regulations requires that the discharge from the plant has a non-detectable residual chlorine level. The base year sodium bisulfite consumption has increased significantly due to high wet weather flows received to Complete Treatment and Wet Weather Treatment Facility.

Spending Previous Year:

Cumulative Contract Value:	04-16-2018 to 04-15-2019: \$900,000.00
Cumulative Contract Spending:	04-16-2018 to 01-07-2019: \$699,999.00

Contractor’s Past Performance:

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

No LBE/LSBE participation in the contract award.

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Sodium Bisulfite	Contract Number:	18-PR-DWT-13
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		


BUDGET INFORMATION

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

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$317,392.50
Washington Suburban Sanitary Commission	43.10%	\$326,482.50
Fairfax County	9.59%	\$72,644.25
Loudoun Water	4.64%	\$35,148.00
Other (PI)	0.77%	\$5,832.75
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$757,500.00

 / 3/15/19
 Aklile Tesfaye Date
 VP of Wastewater Operation

 / 3/15/19
 Dan Bae Date
 VP of Procurement and Compliance

 / 3/15/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 4/1/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: April 4, 2019
SUBJECT: Approval to Execute Contract No. 19-PR-DWT-14, Polydyne, Inc.

#19-15
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 April 4, 2019 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to approve Contract No. 19-PR-DWT-14, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the contract is to supply and deliver belt press dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,781,700.

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 AWARD YEAR

**BELT PRESS DEWATERING POLYMER
(Joint Use)**

Approval to execute a contract award for the Belt Press Dewatering Polymer in the amount of \$1,781,700.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Polydyne, Inc. One Chemical Plant Road Riceboro, GA 31323	N/A	N/A

DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$1,781,700.00
Option Years in Contract:	2
Anticipated Contract Start Date:	05-01-2019
Anticipated Base Year End Date:	04-30-2020
Proposal Received:	1
Preference Price Reduction Awarded	\$0.00

Purpose of the Contract:

The purpose of this contract is to supply and deliver belt press dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. This polymer conditions biosolids to help remove water in the Final Dewatering Facility at Blue Plains.

Contract Scope:

In the belt press dewatering operations, the polymer is used to help remove water from biosolids after the digestion process. Dewatering biosolids improves the quality of this important co-product by removing water to concentrate the solids and reduce its volume, which also reduces the cost to transport biosolids to application sites.

Supplier Selection:

DC Water periodically re-evaluates its polymers to ensure we use the best products at optimal dosing rates. Recent industry consolidation has left only two manufacturers for dry polymer that can meet DC Water’s specification: Polydyne and Solenis. Both were invited for plant trials, but only Polydyne accepted DC Water’s invitation. DC Water will re-invite Solenis during the base year and request to compete with Polydyne for option year 1.

No LBE/LSBE participation

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Dewatering Polymer	Contract Number:	19-PR-DWT-14
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		


BUDGET INFORMATION

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

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$746,532.30
Washington Suburban Sanitary Commission	43.10%	\$767,912.70
Fairfax County	9.59%	\$170,865.03
Loudoun Water	4.64%	\$82,670.88
Other (PI)	0.77%	\$13,719.09
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,781,700.00

 / 3/15/19
 Aklile Tesfaye Date
 VP of Wastewater Operations

 / 3/15/19
 Dan Bae Date
 VP of Procurement and compliance

 / 3/15/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 4/1/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: April 4, 2019
SUBJECT: Approval to Execute Contract No. 19-PR-DWT-15, Polydyne, Inc.

#19-16
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 April 4, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 19-PR-DWT-15, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the contract is to supply and deliver dry pre-dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,384,900.

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 AWARD YEAR
CENTRIFUGE PRE-DEWATERING POLYMER
(Joint Use)**

Approval to execute a contract award for the Pre-Dewatering Polymer in the amount of \$1,384,900.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Polydyne, Inc. One Chemical Plant Road Riceboro, GA 31323	N/A	N/A

DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$1,384,900.00
Option Years in Contract:	2
Anticipated Contract Start Date:	05-01-2019
Anticipated Base Year End Date:	04-30-2020
Proposal Received:	1
Preference Price Reduction Awarded	\$0.00

Purpose of the Contract:

The purpose of this contract is to supply and deliver dry pre-dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. This polymer conditions biosolids to help remove water in the centrifuge process.

Contract Scope:

DC Water uses dry cationic polymer at Blue Plains to help reduce water content and increase the solids content in the feed to Thermal Hydrolysis (THP). This conditioning improves the performance of the THP and digestion processes, leading to exceptional-quality Bloom that can be applied for beneficial use.

Supplier Selection:

DC Water periodically re-evaluates its polymers to ensure we use the best products at optimal dosing rates. Recent industry consolidation has left only two manufacturers for dry polymer that can meet DC Water’s specification: Polydyne and Solenis. Both were invited for plant trials, but only Polydyne accepted DC Water’s invitation. DC Water will re-invite Solenis during the base year and request to compete with Polydyne for option year 1.

No LBE/LSBE participation

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Pre-Dewatering Polymer	Contract Number:	19-PR-DWT-15
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION


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

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$580,273.10
Washington Suburban Sanitary Commission	43.10%	\$596,891.90
Fairfax County	9.59%	\$132,811.91
Loudoun Water	4.64%	\$64,259.36
Other (PI)	0.77%	\$10,663.73
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,384,900.00

 3/15/19
 Aklile Tesfaye Date
 VP of Wastewater Operation

 3/15/19
 Dan Bae Date
 VP of Procurement and Compliance

 3/15/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 4/1/19
 David L. Gadis Date
 CEO and General Manager

Presented and Adopted: April 4, 2019

**SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing**

**#19-17
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 (“DC Water”), at the Board meeting held on April 4, 2019, upon consideration of a joint-use matter, decided by a vote of ___() in favor and ___ () opposed, to take the following action with respect to the reimbursement of capital expenditure with proceeds of borrowing.

WHEREAS, DC Water intends to acquire, construct and equip improvements to the System, which shall be considered “Costs of the System” as defined in the Master Indenture of Trust between DC Water and Wells Fargo Bank, N.A., dated as of April 1, 1998, potentially including, but not limited to the items and projects set forth in Exhibit A hereto (collectively, the “Projects”); and

WHEREAS, plans for the Projects have advanced and DC Water expects to advance its own funds to pay expenditures related to the Projects (“Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both.

NOW THEREFORE BE IT RESOLVED THAT:

1. DC Water utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the “Bonds”) or other debt in an amount not currently expected to exceed \$340,716,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 19-05 of the Board adopted on February 7, 2019, plus amounts projected to be reimbursed during Fiscal Year 2019 – 2020.
2. DC Water intends to use the proceeds of the Bonds to reimburse itself for Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. DC Water reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under

general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of DC Water so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of DC Water.

4. DC Water makes a reimbursement allocation, which is a written allocation by DC Water that evidences DC Water's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The DC Water recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Board adopts this Resolution confirming the "official intent" within the meaning of Treasury Regulations 26 C.F.R. § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

This resolution is effective immediately.

Secretary to the Board of Directors

Exhibit A - List of Projects

Blue Plains Plantwide Projects
Blue Plains Enhanced Nitrogen Removal Facilities
Blue Plains Liquid and Solids Processing Projects
Sanitary Sewer System Projects
Combined Sewer System Projects
DC Clean Rivers Project
Stormwater Sewer System Projects
Water Pumping, Distribution and Storage Projects
Metering and Capital Equipment
Washington Aqueduct Projects

Presented and Adopted: April 4, 2019
SUBJECT: Approval of Fiscal Year 2019 - 2028 Ten-Year Financial Plan

#19-18
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 (“DC Water”) at the Board meeting held on April 4, 2019 upon consideration of a joint-use matter decided by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to the Fiscal Year 2019 - 2028 Financial Plan.

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

WHEREAS, the Board, in Resolutions 11-10 and 13-57, adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with the Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2020 operating and capital budgets; and

WHEREAS, the ten-year financial plan is based on assumptions detailed in the proposed Fiscal Year 2020 Operating and Capital Budgets; and

WHEREAS, the ten-year financial plan is consistent with projections appearing in the attached Schedules A, B and C of this resolution; and

WHEREAS, on February 28, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed the proposed ten-year financial plan, and did not recommend the plan to the Board but asked staff to review the proposed \$5.0 billion modified baseline Capital Investment Plan (CIP) and alternative CIP scenarios; and

WHEREAS, on March 26, 2019, and March 28, 2019, the DC Retail Water and Sewer Rates Committee and Finance and Budget Committee, respectively, met and reviewed the proposed ten-year financial plan, and recommended that the Board adopt the plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby accepts and approves the proposed Fiscal Year 2019 - 2028 Financial Plan that is supported by the attached Schedule A, B and C and the proposed Fiscal Year 2020 Operating and Capital Budgets.

This resolution is effective immediately.

Secretary to the Board of Directors

Schedule A

**District of Columbia Water & Sewer Authority
FY 2019 - FY 2028 Financial Plan
(In 000's)**

OPERATING	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Retail*	\$ 543,327	\$ 571,666	\$ 618,152	\$ 659,845	\$ 704,304	\$ 756,859	\$ 780,566	\$ 810,514	\$ 841,471	\$ 879,686
Wholesale*	82,992	82,539	85,015	87,566	90,193	92,898	95,685	98,556	101,513	104,558
Other	33,331	39,774	46,805	51,271	53,758	53,445	54,361	57,081	57,391	58,349
RSF	6,000	-	-	-	-	-	-	-	-	-
Operating Receipts (1)	\$ 665,650	\$ 693,979	\$ 749,972	\$ 798,682	\$ 848,255	\$ 903,202	\$ 930,612	\$ 966,151	\$ 1,000,375	\$ 1,042,593
Operating Expenses	(338,499)	(347,881)	(358,264)	(368,967)	(379,998)	(391,369)	(403,089)	(415,169)	(427,622)	(440,458)
Debt Service	(198,754)	(215,340)	(235,421)	(254,235)	(272,838)	(285,693)	(295,505)	(306,629)	(318,969)	(331,609)
Cash Financed Capital Improvement	\$ (26,999)	\$ (28,556)	\$ (30,907)	\$ (39,591)	\$ (49,301)	\$ (52,980)	\$ (62,445)	\$ (72,946)	\$ (75,732)	\$ (79,172)
Net Revenues After Debt Service	\$ 101,398	\$ 102,202	\$ 125,380	\$ 135,889	\$ 146,118	\$ 173,160	\$ 169,573	\$ 171,407	\$ 178,052	\$ 191,354
Operating Reserve-Beg Balance	166,796	165,000	180,000	185,000	194,000	201,000	205,000	215,000	220,000	230,000
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(16,803)	(2,131)	-	-	-	-	-	-	-	-
Project Billing Refunds	(11,000)	(4,000)	(4,000)	-	-	-	-	-	-	-
Transfers To RSF	-	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(75,391)	(81,071)	(116,380)	(126,890)	(139,118)	(169,161)	(159,573)	(166,407)	(168,052)	(181,356)
Operating Reserve - Ending Balance	\$ 165,000	\$ 180,000	\$ 185,000	\$ 194,000	\$ 201,000	\$ 205,000	\$ 215,000	\$ 220,000	\$ 230,000	\$ 240,000
Rate Stabilization Fund Balance RSF (2)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)
Senior Debt Service Coverage	425%	438%	461%	508%	505%	593%	611%	598%	585%	614%
Combined Debt Service Coverage	162%	168%	174%	178%	180%	187%	187%	188%	187%	189%
Actual/Projected Water/Sewer Rate Increases	13.0%	11.5%	12.5%	11.5%	8.5%	7.5%	6.0%	5.5%	5.5%	4.5%
*Operating Receipts \$ Increase/Decrease										
Retail	23,697	28,339	46,486	41,693	44,459	52,555	23,707	29,948	30,957	38,215
Wholesale	1,970	(453)	2,476	2,551	2,627	2,705	2,787	2,871	2,957	3,045
*Operating Receipts % Increase/Decrease										
Retail	4.6%	5.2%	8.1%	6.7%	6.7%	7.5%	3.1%	3.8%	3.8%	4.5%
Wholesale	2.4%	-0.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund
(2) FY 2020 planned transfers of \$0.0 million to Rate Stabilization Fund will maintain the total fund balance at \$55.45 million

Schedule B

District of Columbia Water & Sewer Authority
FY 2019 - FY 2028 Average Residential Customer Monthly Bill

	Units	Proposed									
		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
DC Water Water and Sewer Retail Rates ⁽¹⁾	Ccf	\$ 68.27	\$ 76.38	\$ 86.00	\$ 96.08	\$ 104.23	\$ 112.02	\$ 118.73	\$ 125.25	\$ 132.14	\$ 138.08
DC Water Clean Rivers IAC ⁽²⁾	ERU	23.00	20.94	20.95	19.85	21.45	25.28	24.35	25.06	25.73	29.31
DC Water Customer Metering Fee	5/8"	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86
DC Water Water System Replacement Fee ⁽⁴⁾	5/8"	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 101.43	\$ 107.48	\$ 117.11	\$ 126.09	\$ 135.84	\$ 147.46	\$ 153.24	\$ 160.47	\$ 168.03	\$ 177.55
Increase / Decrease		\$ 5.96	\$ 6.05	\$ 9.63	\$ 8.98	\$ 9.75	\$ 11.62	\$ 5.78	\$ 7.23	\$ 7.56	\$ 9.52
Percent Increase in DC Water Portion of Bill		6.2%	6.0%	9.0%	7.7%	7.7%	8.6%	3.9%	4.7%	4.7%	5.7%
District of Columbia PILOT Fee ⁽¹⁾	Ccf	\$ 3.10	\$ 3.16	\$ 3.22	\$ 3.29	\$ 3.35	\$ 3.41	\$ 3.47	\$ 3.53	\$ 3.60	\$ 3.66
District of Columbia Right-of-Way Fee ⁽¹⁾	Ccf	1.12	1.18	1.18	1.18	1.18	1.24	1.24	1.24	1.24	1.24
District of Columbia Stormwater Fee ⁽³⁾	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.89	\$ 7.01	\$ 7.07	\$ 7.14	\$ 7.20	\$ 7.32	\$ 7.38	\$ 7.44	\$ 7.51	\$ 7.57
Total Amount Appearing on DC Water Bill		\$ 108.32	\$ 114.49	\$ 124.18	\$ 133.23	\$ 143.04	\$ 154.78	\$ 160.62	\$ 167.91	\$ 175.54	\$ 185.12
Increase / Decrease Over Prior Year		\$ 6.02	\$ 6.17	\$ 9.69	\$ 9.05	\$ 9.81	\$ 11.74	\$ 5.84	\$ 7.29	\$ 7.63	\$ 9.58
Percent Increase in Total Bill		5.9%	5.7%	8.5%	7.3%	7.4%	8.2%	3.8%	4.5%	4.5%	5.5%

(1) Assumes average monthly consumption of 6.2 Ccf, or (4,638 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

Schedule C

District of Columbia Water & Sewer Authority
Retail Rates, Charges and Fees
FY 2020

	Units		FY 2019	Proposed	FY 2020
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	\$	2.91	\$	3.06
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	\$	3.90	\$	4.10
DC Water Retail Rates Water (Multi-Family)	Ccf	\$	3.37	\$	3.54
DC Water Retail Rates Water (Non-Residential)	Ccf	\$	4.05	\$	4.25
DC Water Retail Rates Sewer	Ccf	\$	7.75	\$	8.89
DC Water Clean Rivers IAC	ERU	\$	23.00	\$	20.94
DC Water Customer Metering Fee	5/8"	\$	3.86	\$	3.86
DC Water Water System Replacement Fee	5/8"	\$	6.30	\$	6.30
District of Columbia PILOT Fee	Ccf	\$	0.50	\$	0.51
District of Columbia Right-of-Way Fee	Ccf	\$	0.18	\$	0.19
District of Columbia Stormwater Fee	ERU	\$	2.67	\$	2.67

Presented and Adopted: April 4, 2019
Subject: Approval of Proposed Fiscal Year 2020 Operating Budget

#19-19
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, (“DC Water”) at its meeting on April 4, 2019, upon consideration of a joint-use matter, decided by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to the Fiscal Year 2020 Proposed Operating Budget.

WHEREAS, on February 7, 2019, the Chief Executive Officer and General Manager, Chief Financial Officer and Chief Engineer at the budget workshop briefed Board members on the Proposed FY 2020 Operating Budget that totaled \$614,523,000; and

WHEREAS, on February 28, 2019, the Finance and Budget Committee and the DC Retail Water and Sewer Rates Committee, in a joint meeting, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks and customer impact; and

WHEREAS, on March 28, 2019, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions and risks, and recommended that the Board adopt the FY 2020 Operating Budget that totals \$614,523,000 including \$253,000 for representation, official meetings, employment events, and engagement, of which \$143,000 is for refreshments.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water’s Proposed Fiscal Year 2020 Operating Budget totaling \$614,523,000 including \$253,000 for representation, official meetings, employment events, and engagement and as further detailed in the Chief Executive Officer and General Manager’s Proposed Fiscal Year 2020 Budget presented on February 7, 2019 and March 28, 2019 and accompanying materials.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: April 4, 2019

**SUBJECT: Proposal to Amend District of Columbia Clean Rivers
Impervious Area Charge Incentive Program Discount from
4% to 20% Maximum Incentive Discount**

**#19-20
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 April 4, 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 amending Title 21 of the District of Columbia Municipal Regulations (DCMR), Chapter 41, Retail Water and Sewer Rate, in order to amend District of Columbia Clean Rivers Impervious Area Charge Incentive Discount Program (the “CRIAC Incentive Discount Program”) from 4% to 20% maximum incentive discount.

WHEREAS, on March 6, 2008, the Board adopted Resolution # 08-34, which authorized the General Manager to consider developing a credit and incentive policy for certain eligible stormwater management practices that reduce the amount of stormwater runoff generated from a property; and

WHEREAS, the “Water and Sewer Authority Equitable Ratemaking Act of 2008” effective March 25, 2009 (D.C. Law 17-370; D.C. Official Code § 34-2202.16a. (2012 Repl.)), required DC Water to establish, together with the District Department of Environment (now Department of Energy and Environment (“DOEE”), an low-impact design incentive program to provide discounts to customers that install certain eligible stormwater management practices that reduce the amount of stormwater runoff generated from a property; and

WHEREAS, on July 3, 2013, Resolution 13-80, authorized the General Manager to publish final regulations for the CRIAC Incentive Discount Program in the *D.C. Register*, effective October 1, 2013, which provided a 4% maximum incentive discount off the chargeable CRIAC; and

WHEREAS, the regulations for the District of Columbia Clean Rivers Impervious Surface Area Charge Incentive Discount Program also included a provision in 21 DCMR § 4106.9(d) that terminated the CRIAC Incentive Discount Program three (3) years after the effective date; and

WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee met to review and consider an amendment to increase the CRIAC Incentive Discount Program discount from 4% to 20% maximum incentive discount; and

WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee recommended that the Board take action on the proposal to increase the maximum CRIAC incentive discount from 4% to 20%, effective October 1, 2019.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board proposes to amend 21 DCMR § 4107.1 for public comment, revising the maximum incentive discount for the DC Clean Rivers IAC Incentive Discount Program as provided in the Attachment and as follows:
 - Amend the DC Clean Rivers IAC incentive discount from 4% to 20% maximum incentive discount (actual discount amount will be calculated based upon the DOEE formula) not to exceed an annual, established budget allowance. The cost for the discounts will be applied to the CRIAC charged. The effective date for this amendment shall be October 1, 2019.
 - Eligibility will continue to be determined by DOEE's Stormwater Management Division based upon its published eligibility guidelines and criteria. Any eligibility appeals will be addressed by DOEE in accordance with their published procedures.
2. The Board proposes to amend 21 DCMR § 4106.9(d), deleting the three (3) year expiration provision as provided in the Attachment.
3. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and provide notice of the proposed amendments in the manner provided by the District of Columbia's Administrative Procedure Act.

This resolution is effective immediately.

Secretary to the Board of Directors

Attachment

- 4106.9** The IAC Incentive Discount shall expire on the first of:
- (a) The expiration of DDOE's approved stormwater fee discount period provided in Chapter 5 of this title;
 - (b) DDOE's revocation of the stormwater fee discount; or
 - (c) The sale or transfer of the property to a new owner
- 4107** **DISTRICT OF COLUMBIA CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE INCENTIVE DISCOUNT PROGRAM: DISCOUNT CALCULATION**
- 4107.1** The IAC Incentive Discount shall not exceed the maximum allowable IAC Incentive Discount percentage, which shall be twenty percent (20%) of the otherwise chargeable Clean Rivers Impervious Area Charge in the first year of the IAC Discount program, which may change in subsequent years subject to DC Water's budget appropriations.

Presented and Adopted: April 4, 2019
SUBJECT: Proposed Revised Fiscal Year 2020 Retail Sewer Service Rates and Clean Rivers Impervious Area Charge

#19-21
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 April 4, 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, Resolution 18-56, 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, Resolution 18-56, 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: 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; 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: the 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, a decrease of the annual CRIAC charge from \$276.00 per ERU to \$251.28 per ERU; 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); 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, effective October 1, 2019; and

WHEREAS, the increase in the retail sewer service rate for FY 2020 for a Residential customer's first 4 Ccf of water usage (Lifeline) will result in a combined retail water and sewer rate increase of \$1.29 per Ccf (\$1.72 per 1,000 gallons) or 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 increase in the retail sewer service rate for FY 2020 for a Residential customer's water usage greater than 4 Ccf will result in a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) or 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 increase in the retail sewer service rate for a Multi-family customer will result in a combined retail water and sewer rate increase of \$1.31 per Ccf (\$1.75 per 1,000 gallons) or 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 increase in the metered retail sewer service rate for a Non-Residential customer will result in a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) or 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, 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, DC Water's retail revenue projections for Fiscal Year 2020 reflect an approximate \$26.4 million increase due to the proposed \$43.8 million increase in retail water and sewer rates, an approximate \$0.4 million increase due to the PILOT fee increase, and an approximate \$17.8 million decrease due to the proposed Clean Rivers IAC decrease; and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended that the Board take final action on the proposed rate and fee increases at the conclusion of the public notice and comment period and Public Hearing, which will occur over the next several months.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds DC Water's recommended volumetric method is the best reasonable, explained, and supported method to estimate the percentage of wastewater in the CSO managed by the Clean Rivers tunnel system; and finds

that the phase-in of 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, will help minimize the impact of customer increases as a result of the shift.

2. The Board authorizes the General Manager to propose for public comment, a decrease in the CRIAC charge and an increase in the metered retail sewer service rate as described below:

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

- a. Increase in the rate for retail 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

- b. 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)

3. The Board authorizes the General Manager to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and provide notice of the proposed rate and fee adjustments and a Public Hearing in the manner provided by the District of Columbia’s Administrative Procedure Act and 21 DCMR Chapter 40.

This resolution is effective immediately.

Secretary to the Board of Directors

Attachment

Chapter 41, RETAIL WATER AND SEWER RATES AND CHARGES, is amended as follows:

Paragraph 4101.1(a) and Subsection 4101.3, RATES FOR SEWER SERVICE, are amended as follows:

4101 RATES AND CHARGES FOR SEWER SERVICE

Paragraph 4101.1(a) is amended to read as follows:

4101.1 (a) The retail rates for sanitary sewer service for each one hundred cubic feet (1 Ccf) of water use shall be:

Customer	Effective October 1, 2019	
	Per Ccf of water use	Per 1,000 Gals. of water use
Residential	\$8.89	\$11.89
Multi-Family	\$8.89	\$11.89
Non-Residential	\$8.89	\$11.89

Subsection 4101.3 is amended to read as follows:

4101.3 The annual Clean Rivers Impervious Area Charge (CRIAC) per Equivalent Residential Unit (ERU) shall be:

Customer	Effective October 1, 2019	
	Annual CRIAC per ERU	Monthly CRIAC per ERU
Residential	\$251.28	\$20.94
Multi-Family	\$251.28	\$20.94
Non-Residential	\$251.28	\$20.94