



**DISTRICT OF COLUMBIA
WATER AND SEWER
AUTHORITY**

BOARD OF DIRECTORS

*Governance Committee
September 14, 2011
9:30 a.m.*

MEETING MINUTES

Committee Members

Alethia Nancoo, Chairperson
Kathleen Boucher
Howard Gibbs
Alan Roth

DC Water Staff

Leonard Benson, Chief Engineer
Randy Hayman, General Counsel
Linda Manley, Board Secretary
Kim Turner, Director Policy and
Government Relations
Loretta Caldwell, DC Water Consultant
Third – Party Compliance Oversight

Chairperson Alethia Nancoo called the meeting to order at 9:45 a.m., and requested that, while they were waiting for additional Committee members, Agenda Item #3 – Government Affairs Update - be taken up first. Kim Turner, Director, Policy and Government Relations first reported on federal issues and legislation. Ms. Turner briefed the Committee on the status of appropriations for the Clean Rivers Project. While the House Appropriations Committee, through the Financial Services and General Government Operations Appropriations Bill, provided no funding for the Clean Rivers Project, DC Water reached out to the Senate Appropriations Committee and was able to brief them in depth about the Project. The Governance Committee asked if the Clean Rivers Project appropriation would be reviewed by the congressional Super Committee. Ms. Turner replied that everything was going to be reviewed by that Committee. Ms. Turner noted that both DC Water's external and internal lobbyists were working this issue.

Ms. Turner next reported that Senator Benjamin Cardin (D-MD) and Chairwoman Barbara Boxer invited DC Water to testify before the Senate Environment and Public Works Committee to discuss the DC Water Digester Initiative as an innovative model deserving national attention. Ms. Turner noted that NACWA has finalized a working draft of its regulatory prioritization legislation which sets forth a process under the Clean

Water Act to prioritize the growing array of regulations. The legislation is the product of the 'Money Matters Task Force' led by DC Water's General Manager, George Hawkins. Ms. Turner concluded her report on federal issues by pointing out that DC Water had filed comments on EPA's and the Army Corps of Engineers' Guidance Regarding Identification of Waters Protected by the Clean Water Act.

Ms. Turner turned the Committee's attention to District of Columbia rulemaking and legislative matters. Ms. Turner discussed the District Department of the Environment's (DDOE) proposed rulemaking for the stormwater fee discount program for retail water and sewer customers. DC Water commented on the proposed rulemaking and suggested that the details of the program be set out in a memorandum of understanding between DC Water (which collects the fee for DDOE) and DDOE. Ms. Turner discussed the General Manager's briefing on fire hydrants before the District's Committee on the Judiciary. Ms. Turner concluded her report with an update on DC Council committee reassignments. Councilmember Mary Cheh is now the Chairperson for the Committee on Public Works, Transportation and the Environment, which has oversight over DC Water.

Chairperson Nancoo then turned the Committee's attention to Agenda Item #2 – Proposed Compliance/Monitoring and Reporting Concerning Hiring Practices of the D-B Contractor for the Blue Plains Tunnel. Leonard Benson, Chief Engineer, reminded the Committee that this item resulted from the Board's concerns over some compliance practices of the District Department of Transportation's Contractor, Skanska. To assist in addressing these concerns, DC Water hired a third - party Compliance Officer, L.S. Caldwell & Associates, Inc. Mr. Benson then turned the presentation over to Ms. Caldwell.

Ms. Caldwell summarized the DC Water approach to the Blue Plains Tunnel. The approach included the following goals: (i) keep local project dollars local; (ii) encourage the First Source Agreement goals of having 51% of new hires be DC residents and having 35% of apprenticeship hours be performed by DC residents; (iii) encourage hiring opportunities for residents of the user jurisdictions; (iv) encourage the use of district-based and user jurisdiction-based MBE/WBEs; (v) achieve the MBE/WBE goals of 28%/4% for professional services and 32%/6% for construction and related services; and (vi) submit contractor monthly reporting in a timely manner, to keep community partners informed. Ms. Caldwell also gave an overview of District and federal labor provisions in the contracts. Ms. Caldwell noted that the District Office of Employment Services (DOES) enforces compliance/participation in the First Source Agreement. Ms. Caldwell also discussed the process for collecting employment data and discussed sample forms to be used to display the data.

At this point in the presentation, the Committee, noted that progress had been made, but expressed concern about the definition of the term 'new hire' and the fact that there are few openings for 'new hires' and that the fundamental problem is not being addressed. A discussion among Committee members ensued. Leonard Benson, Chief Engineer, was asked if the goal of hiring locally is taken into consideration during

negotiations with the contractors. The Committee requested facts and numbers regarding local hiring. Ms. Caldwell noted that the Committee would receive quarterly updates using the new forms to supply the requested information.

The Chairperson then turned to Agenda Item #4 –Emerging Issues. The Committee noted that DC Water was to develop its own First Source Program. The Chairperson then turned to Agenda Item # 5 –Agenda for Nov. 9, 2011 Committee meeting.

The Chairperson adjourned the meeting at 11:10 a.m.