



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
247th MEETING OF THE BOARD OF DIRECTORS
Thursday, November 1, 2018
9:30 a.m.
5000 Overlook Avenue, SW
Room 407

- I. **Call to Order (Chairman Tommy Wells)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of October 4, 2018 Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Environmental Quality and Operations Committee (James Patteson)**
 2. **DC Retail Water and Sewer Rates Committee (Rachna Bhatt)**
 3. **Audit Committee (Anthony Giancola)**
 4. **Finance and Budget Committee (Timothy Firestine)**
- VI. **Issues of General Interest**
- VII. **CEO/General Manager's Report (David Gadis)**
- VIII. **Summary of Contracts (FYI)**
- IX. **Consent Items (Joint Use)**
 1. **Approval to Execute Option Year Two (2) of Contract No. 16PRHCM44AC, MB Staffing Services LLC – Resolution No. 18-69 (Recommended by the Environmental Quality and Operations Committee 10/18/18)**
 2. **Approval to Execute Contract No. 18-PR-DMS-49, M.C. Dean, Inc. – Resolution No. 18-70 (Recommended by the Environmental Quality and Operations Committee 10/18/18)**
 3. **Approval of the Adoption of Collective Bargaining Agreement on Working Conditions between DC Water and AFGE Local 2553 and AFSCME Local 2091 – Resolution No. 18-71 (Recommended by the Human Resource and Labor Relations Committee 09/12/18)**

X. Consent Item Non-Joint Use

1. [Approval to Publish Notice of Proposed Rulemaking for Proposed New and Amended Miscellaneous Fees & Charges – Resolution No. 18-72](#)
(Recommended by the DC Retail Water and Sewer Rates Committee 10/23/18)
2. [Approval of Proposed Notice of Rulemaking to Amend the Groundwater Sewer Retail Rates Effective October 1, 2019 – Resolution No. 18-73](#) (Recommended by the DC Retail Water and Sewer Rates Committee 10/23/18)

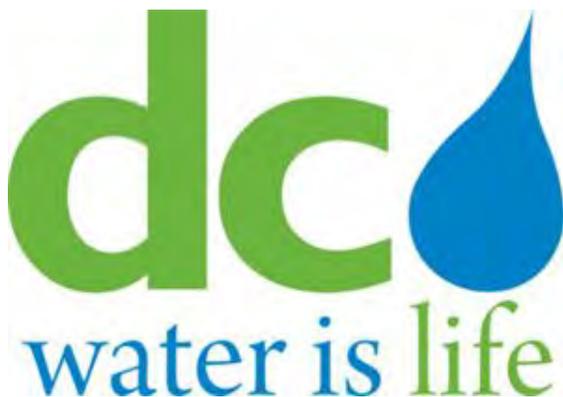
XI. Executive Session – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b) of the D.C. Official Code¹

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)(1); 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

- Finance and Budget Committee – Tuesday, November 13th at 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, November 15th @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Thursday, November 29th @ 9:30 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, October 18, 2018

9:35 a.m.

MEETING SUMMARY

Committee Members

James Patteson, Chairperson
Howard Gibbs, Vice Chairperson
Ivan Frishberg
Anthony Giancola
Kendrick Curry
Jedd Ross (teleconference)
Patty Bubar (teleconference)

DC Water Staff Present

David Gadis, CEO & General Manager
Leonard Benson, Chief Engineer
Linda Manley, Secretary to the Board
Henderson Brown, General Counsel

I. CALL TO ORDER

Mr. Gibbs called the meeting to order at 9:35 A.M.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Assistant General Manager for Wastewater Treatment reported the monthly average influent flow was 375 MGD. There was 338 MG of treated captured combined flow directed to Outfall 001 during this period.

Mr. Tesfaye highlighted that during the month of September 2018, the Washington Metro region received above normal total rainfall (9.73 inches compared to 3.72 inches normal). The wet weather resulted in peak flows through complete treatment exceeding 647 MGD. The Blue Plains Advanced Wastewater Treatment Plant performance was excellent and the events had minimal impact on the quality of the effluent discharge through the outfall. All effluent quality parameters were below the weekly and monthly average NPDES permit limits.

During the month, a total of 764 MG of CSO captured in the tunnel system, was pumped and treated using the Enhanced Clarification Facility (ECF). A portion of the treated flow of 426 MG was directed to the main plant to maximize complete treatment and the remaining portion of the treated captured combined flow, 338 MG, was disinfected, dechlorinated and discharged through Outfall 001, as stated above. Since the commissioning of the first section of the Anacostia River Tunnel Systems and the Wet Weather Treatment Facility (WWTF) on March 20, 2018, the total

volume pumped and treated through the WWTF is 3,300 MG. Since commissioning of the systems, over 500 wet tons of screenings and grit were removed that would have otherwise been discharged into the Anacostia River. The Committee inquired as to where the trash was being disposed of and if there were any environmental concerns. Mr. Tesfaye replied that the debris is transported to landfills and that there are no environmental concerns because all removal follows compliance requirements for disposal.

III. ACTION ITEMS

JOINT USE

1. Contract No. 18-PR-DMS-49 – Annual Maintenance and Repair of Electrical Power Distribution Equipment, M.C. Dean, Inc.,
2. Contract No. 16-PR-HCM-44AC – Temporary Staffing Services, MB Staffing Services, LLC.,

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

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

IV. PATH TO ASSET MANAGEMENT – COST OF PROACTIVE ACTION VS REACTIVE ACTION

Mr. Len Benson, Chief Engineer, DC Water, gave a presentation on “Identifying Asset Risks & Capital Investment Needs”. Mr. Benson began by highlighting some past presentations made to the Committee along the “Path to Asset Management”.

Mr. Benson compared the three 10-year CIP options, namely, the Current Baseline, Modified Baseline and Asset Management options for the six service areas (DCCR, Wastewater, Stormwater, Water, Sewer, Non-Process). The Committee commented that these options and their respective analyses are based on assets currently owned by DC Water and inquired if DC Water had considered the impacts that future add-ons might have (ex: if DC Water was required to provide for its own water source). Mr. Benson replied that the current proposal included additional infrastructure investment at the Washington Aqueduct Division (WAD), however; it does not include funding for a secondary water source to serve DC Water, regardless of whether WAD or DC Water would own the necessary infrastructure and/or other costs. The Committee also inquired if the projections considered potential staffing increases that would accompany the AMP ramp-up option. Mr. Matthew Brown, Chief Financial Officer (CFO), DC Water, and Mr. Benson replied there is enough money budgeted for those potential increases in the capital budget.

Mr. Benson outlined the challenges of the Baseline Program CIP and described highlights of the Modified Baseline program along with some of the risks and vulnerabilities associated with the program.

Mr. Benson concluded by stating that due to funding issues, sewer collection and water distribution systems have become less reliable, potentially jeopardizing the environment and public health & safety. Band-aid solutions and emergency responses are growing and will only accelerate causing more service issues and frustration with both customers and internally with the operations and engineering teams.

He also stated that at this time, the Modified Baseline CIP option, balances infrastructure risks and impacts on the financial plan. The Committee commended DC Water for the preparation and explanation given regarding the CIP budget scenarios. The Committee also inquired if the cost savings of being 'proactive' (i.e., eliminating or reducing emergency repairs) was included in the analyses. Mr. Brown and Mr. Benson replied that because potential cost savings are projections and may not necessarily be realized; therefore, DC Water did not include that in the budget proposals.

For the Current and Modified Baseline CIP options, the Committee noted that management describe the water and sewer service area funding levels "Generally Funded", when in fact "Underfunded" more accurately depicts and correlates levels of funding to expected levels of service. Mr. Benson agreed with the comment and replied that the changes will be incorporated.

II. CIP QUARTERLY REPORT

Mr. Paul Guttridge, Manager, Program Services, reported on the Fiscal Year (FY) 2018 3rd Quarter Capital Improvement Program (CIP), by exception. Mr. Guttridge stated that then current projected CIP disbursements through the end of September 2018, as \$41.05M or 10.3% above the baseline disbursement projection. Mr. Guttridge also stated that a wrap-up report for the whole of FY 18 will be presented to the Committee in November 2018.

III. DCCR PROGRAM MANAGEMENT FOR PROFESSIONAL ENGINEERING SERVICES

Mr. Carlton Ray, Director, DC Clean Rivers Project (DCCR), presented the DC Clean Rivers quarterly report, by exception. He reported that all activities are progressing per schedule.

IV. WATER QUALITY MONITORING

Ms. Maureen Schmelling, Director, Water Quality, DC Water, gave an update regarding water quality monitoring activities, by exception. All tests showed the water distribution system to be performing exceptionally well.

V. FIRE HYDRANT UPGRADE PROGRAM

Mr. Jason Hughes, Director, Water Utility Services, gave an update on the status of public fire hydrants in the District of Columbia, by exception.

VI. ADJOURNMENT

Meeting adjourned at 11:20 a.m.

Follow-up Items

1. Chief Engineer, DC Water: Under the Current and Modified Baseline CIP options, Water and Sewer service areas, change from 'Generally Funded' to 'Underfunded'.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, October 23, 2018

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Bhatt, Chairperson
Howard Gibbs
Ellen Boardman
Anthony Giancola
Jed Ross

DC Water Staff

David Gadis, CEO & General Manager
Matthew Brown, Chief Financial Officer
Henderson Brown, General Counsel
Linda Manley, Secretary to the Board

Consultant

Jon Davis, Raftelis

Call to Order

Chairperson Rachna Bhatt convened the meeting at 9:33 a.m.

Miscellaneous Fees & Charges Cost of Service Study Update (Attachment A)

Mr. Brown updated the Committee on the Miscellaneous Cost of Service Study (COS) presentation. He mentioned recently that the Committee had recommended and adopted changes to the Pre-treatment Fees and the High Strength Waste Fees. He stated that Mr. Gibbs in particular wanted to make sure that DC Water was reviewing its miscellaneous fees and charges on a continuous basis to ensure DC Water is recovering appropriate costs. Mr. Brown informed the Committee that the proposal is for fees that have not been updated since 2011 and new fees and charges for services that DC Water is currently providing. Mr. Giancola inquired why has it taken DC Water so long to update the miscellaneous fees and charges. Mr. Brown stated that typically government cost of service studies will set fees every three to five years. He added that there is a lot of effort and cost that goes into updating the fees and it needs to be balanced with the revenues that the fees generate. Mr. Giancola suggested that DC Water should perform the miscellaneous cost of service more frequently.

Mr. Brown introduced Mr. Jon Davis of Raftelis to provide an update on the Miscellaneous Cost of Service Study (COS) presentation. Mr. Davis briefed the Committee on the frequency of the cost of service study and reiterated that typically balancing the amount of revenue generated versus the time and effort it takes to perform the Miscellaneous Fee COS occurs less frequently than the retail water, sewer and CRIAC COS which determines rates that customers see on their monthly bills. Mr. Giancola stated that his concern is that DC Water is dealing with rate increases and that everything at once can be overwhelming. Mr. Brown replied that making sure that the miscellaneous fees are brought up to an appropriate level is

important as we increase fees for our retail rates customers and to ensure that cross-subsidization does not occur.

Mr. Davis provided an overview of the objectives of the miscellaneous fees and charges COS. He mentioned that there are two new fees Fats, Oils and Grease (FOG) and Cross Connection (CC) / Backflow Prevention (BFP) and the rest of the fees are updates to the retail customer fees and charges, permitting review fees and additional fees and charges. Mr. Davis noted that the objective of the study was to conduct a comprehensive review of the miscellaneous fees and charges. He mentioned that the new FOG and BFP programs are efforts to protect the system integrity and is based on FY 2019 budgeted costs. He informed the Committee that the FOG new fee is to prevent fats, oils and grease from being introduced into the collection system and the CC/BFP new fee is to prevent siphoning back into the potable water system. He stated that both of the new fees were built on a "Bottoms up" approach. He noted that the FOG inspections program will institute more robust inspections for these customers and was built up based on personnel, materials (equipment and vehicles), training billing and tracking software costs. Chairperson Bhatt inquired about how do we go about determining who needs to be assessed these fees such as restaurants, bars etc. Mr. Constant informed the Committee that the 4,700 establishments are derived from the District Department of Health (DC Health). He noted that the establishments have to be registered with DC Health. Mr. Davis stated that the total annual FOG program costs is \$0.7 million and the annual cost per participant is \$151. He noted that the CC/BFP program costs include personnel, materials (equipment and vehicles), training, billing system and tracking software. Mr. Davis stated that the total CC/BFP annual program costs is \$0.7 million and the annual cost per participant is \$66. Mr. Gibbs inquired how will the number of participants be determined. Mr. Constant replied that the fee is based on the number of backflow prevention assemblies that is in our database. He stated that over the years we have built up a database of 12,000 backflow prevention assemblies and over 3,500 sites. He noted that we anticipate about 20,000 backflow prevention assemblies as inspections occur over the next five years. Mr. Gibbs inquired what type of occupancies have backflow prevention assemblies. Mr. Constant replied that mostly commercial, multi-family, government and some residential customers (irrigation, sprinkler and pool systems). He noted that on average there are about three backflow prevention assemblies per site, however it can vary depending on the size of the site.

Ms. Boardman inquired about what is the exact service being provided on the backflow prevention assemblies. Mr. Constant replied that we are required to track the installation and maintenance (testing annually) of backflow prevention assemblies. Mr. Giancola inquired that DC Water already does inspections, so what is the reason for the request of additional personnel. Mr. Constant replied that our goal is to inspect backflow prevention assemblies and fats, oils and grease at sites every five years. He stated that currently we have five personnel in the compliance program. He mentioned that by doubling the staff this would allow us to meet the goal of inspecting each site once every five years and food establishments once every one or two years. He stated that the current frequency of inspections is once every twelve years. Mr. Giancola inquired is there an annual certification required for backflow preventers. Mr. Constant replied that the certification is part of the District's Municipal Regulations (DCMR) and District's plumbing code and we track the certifications outside of the District of Columbia Regulatory Affairs (DCRA) agency. Mr. Ross inquired if there is a distinction between the commercial and residential backflow assembly inspection process. Mr. Constant stated that we do not do inspection for residential properties, however we do track residential properties to make sure that they test their backflow assemblies. Mr. Ross inquired about the Bloomingdale community that received backflow preventers. Mr. Constant replied that the Bloomingdale community received back water valves which are connected to the sewer line and are not inspected by our department. Ms. Boardman asked if all residential properties with a backflow assembly be charged this fee which is the same fee for commercial properties. Mr. Constant replied in the affirmative. He noted that the BFP fee will be based on the number of backflow prevention assemblies at a site. He mentioned that residential properties will typically have one or two (sprinkler system) backflow prevention assemblies and that commercial properties will generally have three or four backflow prevention assemblies.

Mr. Davis updated the Committee on the proposed monthly FOG Fee of \$13.70 and the CC/BFP Inspection Fee of \$6.70 billed monthly. Mr. Gibbs asked what does the \$1.20 charge covers. Mr. Brown replied that the \$1.20 charge is for the cost of producing the bill. There was dialogue among the committee members regarding the \$1.20 billing charge. Mr. Brown stated that we can publish the fees and make revisions downward as part of the final adoption process. Mr. Ross indicated that the \$1.20 billing charge seems to be an additional cost if the annual costs encompasses the billing cost. Mr. Davis mentioned that the development of the fees was based on incremental changes to the billing system and the \$1.20 charge per month is the incremental cost for producing and mailing the bill. Chairperson Bhatt asked why is there an incremental cost for producing and mailing the bill. Mr. Davis replied that it is a separate bill which is not included in the customer's monthly bill. Chairperson Bhatt asked staff to look into the \$1.20 billing charge based on the Committee's questions. Mr. Ross asked staff to consider whether the FOG and BFP monthly bills can be incorporated in the customer's monthly bill to lessen the billing cost. Mr. Davis updated the Committee on the annual revenue impact of both the FOG and CC/BFP programs. He stated that the FOG annual revenue is projected at \$0.8 million and the CC/BFP revenue is projected at \$0.9 million, combined projected revenue of \$1.7 million.

Mr. Davis provided an update to the Committee on the existing retail customer fees. He stated that the last update was in 2011. He explained the methodology of the retail customer's fees. He noted that the retail customer fees have mostly not changed under this proposal. The new cross-connection violation fee is in relation to the proposed new BFP fee that will enforce compliance. He mentioned that the fees in general represent a 30% inflationary costs (labor and materials) from 2011-2019. Ms. Boardman inquired about the 30% inflationary increase that is being applied to the fees over the eight-year period. Mr. Davis replied that the 30% inflationary increase is to re-sync the fees with the cost of services that we are currently incurring. Chairperson Bhatt mentioned that her understanding is the 30% increase is to re-sync the fees currently based on the costs and not trying to recoup the cost over the past eight- years. Mr. Brown noted that DC Water is a cost recovery organization and what we are trying to do is set the fees for the current cost to prevent cross-subsidization. Mr. Davis noted that as part of the methodology behind the retail fees some fees are being aligned to better reflect how services are provided. He stated that the methodology utilizes best industry practices and peer benchmarks.

Mr. Davis provided an overview of the revenue impact on the retail customer fees. He stated that the total amount of the fees is \$1.2 million annually, which excludes the retail customer penalty late fee.

Mr. Davis provided an overview of the Engineering and Review fees. He noted that there is a total target of about \$4.0 million that we need to cover costs. He stated that the increase in the fees is due to additional resources required to address number of demands from customers, inflation of costs and putting in new systems. He noted that the engineering fees review reflects a "Top down" methodology for fee development. He stated that we started with the cost of providing the services of \$4.0 million and each fee is allocated a weighting factor based on time required to provide the service. Mr. Gibbs asked how will our charges be based if there are several reviews of a plan in ProjectDox before the plan is approved. Mr. Brown replied that there is a base plan submission and if there is a rejected plan there is an additional fee. Mr. McDermott provided an overview of ProjectDox. He stated that ProjectDox is DCRA official record. He mentioned that at the culmination of the projects we go into ProjectDox and validate that the plans we received are the ones we reviewed and we are providing our authorization. He stated that we review the plans numerous times in our own review process. He stated that we have an excessive permit review fee if called on to review a plan numerous times. Mr. Ross inquired if the Permits department has a velocity program similar to DCRA in the proposal of the engineering review fees. Mr. McDermott replied in the affirmative. He stated that we instituted a fee similar to the DCRA velocity program. Mr. Giancola asked if we contract out the expedited services. Mr. McDermott replied that we do everything in-house. He mentioned that with the recent ProjectDox we had an influx of a lot of projects and we used some contract labor to assist in the reviews. Mr. Davis informed the Committee that there is an expedited review fee for fast track projects and it is set universally at 175% of the standard fee for every class. He mentioned that there is no cross subsidization among the fees.

Mr. Davis provided an overview of the additional fees. He noted that there is an event fee that was developed to cover the costs of DC Water attending special events in the District. The fee will be the summation of personnel time and cost of rental equipment. He mentioned that some of the additional fees have already been approved by the Committee in the past such as the pre-treatment fees, high strength waste fees, industrial permitting fees and groundwater sewer charge. He noted that some of the existing miscellaneous fees were realigned to cover costs and some miscellaneous fees have been discontinued.

Mr. Ross inquired if any of the fees are designed for revenue generation. Mr. Brown replied that the fees for the most part are set for cost recovery. Ms. Boardman inquired if the private fire hydrant flush fee is for new or existing construction. Ms. Schmelling replied that there are many areas that have private fire hydrants such as college campuses, nursing home facilities and homeowner's associations. She mentioned that we need a vehicle to help these customers flush their private fire hydrants. Ms. Boardman asked if there was a fire would the private owner be responsible for putting out the fire. Ms. Schmelling replied that the District would provide fire protection, but the private owner would be responsible for the maintenance of the private fire hydrant. Mr. Gibbs inquired about the large project sheeting and shoring review fee and how does it relate to what we do. Mr. McDermott replied that the sheeting and shoring review fee is critical when someone is digging next to the utility. He stated that the concern is how are we protecting our infrastructure. He noted that we will review the plans to ensure that the protections are put in place for pre and post construction inspection to validate if there was any damage. He stated that there is an assessment of fees for deposits against damages and requirements for analysis to ensure that the work being done, should it start to fail or move, would not damage our infrastructure.

Mr. Ross inquired about the communication plan for the miscellaneous fees and charges. He stated that DC Water will need to manage the public response to the increases of costs to recover its expenses. Mr. Brown replied that the first step will be to publish the fees and charges. He noted that if the Committee suggest certain types of outreach we will accommodate those requests. He mentioned that the fees and charges will be posted on the DC Water website and efforts will be made to reach out to target audiences such as developers and industry associations etc. Mr. Lisle stated that most of the general public would not be impacted by the fees, but we can communicate with the groups that are directly impacted.

Ms. Boardman inquired what is our plan going forward with the miscellaneous fees and charges cost of service study that would incorporate a routine and systematic methodology to allow for efficient and modest outcomes. Mr. Brown replied that at the Board meeting he will have a specific plan that will address the cost recovery and we do not want one part of the organization cross-subsidizing another. He also noted that before the Committee adopts the final miscellaneous fees and charges action item we will bring forth a more frequent plan for the miscellaneous fees and charges cost of service study. Mr. Giancola suggested that there may need to be a Board policy on the frequency of performing a miscellaneous fees and charges cost of service study. Chairperson Bhatt stated that we may need an analysis on the costs of the cost of service studies if we decide to reduce the frequency from eight to three or four years. Chairperson Bhatt asked for a presentation on the costs of the cost of service studies. Chairperson Bhatt mentioned that we do not typically hear a lot about the outreach, media and communication efforts as part of rate and fee increases, therefore going forward this aspect will need to be incorporated in proposals. Chairperson Bhatt mentioned that before this Committee is asked to vote on anything in terms of next steps we will need to hear very clearly that we did actually go out to industry associations and did meet our plan in terms of community outreach and take into consideration public comments.

Action Item (Attachment B)

Chairperson Bhatt asked the Committee to move action items 1 and 2 to the full Board. The Committee concurred to refer the items to the full Board.

- Approval of Proposal to Amend the Miscellaneous Charges & Fees (Action Item 1)

- Approval of Proposal to Amend the Ground Water Sewer Retail Rates (Action Item 2)

CAP Expansion Implementation Update (Attachment C)

Mr. Brown briefed the Committee on the Customer Assistance Program (CAP) Expansion Implementation presentation. He noted that there was a lot of discussions at the last Committee meeting about how the CAP implementation plan would be rolled out. He mentioned that Carolyn MacKool, Director of Customer Service will provide that information. He stated that we have included some information in the presentation about the District's Clean Rivers Impervious Area Charge (CRIAC) Non-profit Relief Program. He noted that there was a request from Reverend Curry to provide information to the Committee about the District's proposal. He informed the Committee that Mr. Brian Van Wye and Mr. Matt Johnson from the Department of Energy and Environment (DOEE) are here to brief the Committee about the District's proposal.

Ms. MacKool stated that we have several parallel paths that we are working on in order to have a successful implementation in January. She mentioned the paths that we are undertaken: 1) funding approval, 2) regulatory process, 3) system design, 4) customer outreach and 5) application processing. She stated that we have started capturing customers through the DOEE application process although the program is not formally opened. She noted that the relationship between DOEE and DC Water continues to be refined in a Memorandum of Understanding (MOU) to make sure we understand both parties' specific rolls. She noted that primarily DOEE will complete the applications, provide us the eligible customers and provide us the funding. She stated that DC Water will apply the rates and credits to the eligible accounts, track and monitor.

Ms. MacKool gave a brief update on the regulatory timeline. She noted some of the significant dates such as the October 30 public hearing, December 6 final Board approval and the January 2019 go-live dates. Chairperson Bhatt inquired how are we reaching out to people to notify them of the CAP expansion public hearing. Mr. Lisle replied that we will put out a press release this week and also work with DOEE to make people aware.

Ms. MacKool provided an update on the system design. She mentioned that these are some of the principles we followed to design the system: 1) ensure compliance with the regulations and approved rules, 2) minimize administrative expense to maximize the funds for assistance to customers, 3) leverage existing technologies to avoid issues with process of work. She stated that we have been meeting with DOEE since September to refine the requirements and processes. She noted that in October we are finalizing the requirements from DOEE and DC Water relating to design and reporting. She mentioned that in November we will perform testing and finalize the tracking program and in December perform regression and system testing with the new program and finalize the training and customer communication plan. Mr. Giancola inquired about whether the program estimated participant numbers will be exceeded or not exceeded. Mr. Brown replied that we have made various estimates of the number of participants. Mr. Brown stated that Chairman Wells informed the Board that he felt we were being too conservative with the numbers we are projecting for CAP2. He stated that we have funding for just short of 13,000 participants. We will cap the programs at the dollar amounts authorized and will be monitoring the participants approved to exercise financial control over the programs. Mr. Giancola asked what will happen if there are funds remaining at the end of the year. Mr. Brown replied that the funds would revert back to the Rate Stabilization Fund (RSF) if there is no action from the Board.

Ms. MacKool provided a brief update on the funding source and design assumptions. She noted that the DC Water CAP2 program is similar to the existing CAP program where the customer's credits will be applied to the rate. She mentioned that the DOEE CAP3 and CRIAC Non-profit Relief Programs customer credits will be applied as a payment.

Ms. MacKool provided an update of the data sharing for application and enrollment process. She then

provided an overview on the CAP and CAP2 bill. She explained how the credits will be applied to the CAP2 bill. She noted that the CAP2 credits will be applied similar to the existing CAP bill. She stated that on the CAP2 bill there will be a welcome message and bill adjustments back to the enrollment date. She stated that on the CAP3 and CRIAC Non-profit Relief bills the credits will appear in the other charges and credits section of the bill and bill messages will inform customers of enrollment. Ms. Boardman stated that on the (sample) CAP2 bill the customer can clearly see their fee and the credit that abates the fee. She stated that the CAP3 bill does not show clearly the credit applied to a specific fee. Ms. MacKool replied that the credits will have the specific CAP3 or CRIAC Non-profit Relief program name on the bill. She also stated that the bill messages will inform customers of enrollment and why they are receiving the credits.

Ms. MacKool gave a brief update on the customer outreach. She stated that information on all new programs will be available on both DC Water's and DOEE's websites starting in January 2019. She noted that DC Water will provide a bill insert in January explaining the CAP expansion programs. There will be targeted outreach via bill messaging and phone calling to residential customers who have past due balances. DOEE will send mailings to roughly 1,100 organizations that may qualify for the CRIAC Non-profit Relief Program based on tax records in January 2019.

Ms. MacKool provided an update on the funding reconciliation. She noted that DOEE and DC Water will reconcile the records maintained by both parties on a monthly basis to validate the program fund balance. Ms. Boardman commented that she objects to any excess DOEE funds held by DC Water will be rolled over into future years. She noted that the DOEE program ends on October 30, 2019 and if there is a new program then we will start again.

Chairperson Bhatt introduced Mr. Brian Van Wye and Mr. Matt Johnson of DOEE. Chairperson Bhatt inquired how is hardship determined for charitable organizations and what kind of documentation will DOEE be reviewing. Mr. Van Wye replied that there are two different categories: 1) E3 - charitable organizations, 2) E1 - religious organizations and E7 – cemetery organizations. He stated that DOEE will be reviewing the most recent budget year from the non-profit. He stated that for E3 charitable organizations the hardship rule is that the CRIAC is a least 5% of revenue after expenses and verification of the IRS Form 990. He mentioned that for E1 religious organizations the hardship rule is that CRIAC is at least 0.75% of revenue after expenses and a self-certified on application. Ms. Boardman stated that it appears that DOEE is not looking at hardship but simply a dollar amount when the rule for E3 organizations is the CRIAC is a least 5% of revenue. Mr. Van Wye replied that Budget Support Act (BSA) that established the programs required DOEE to look at the amount of the CRIAC relative to the revenue of the organization. He noted that the 5% of revenue after expenses is a more stringent level of relief for the charitable organizations than the religious and cemetery communities.

The Committee members engaged in more lengthy dialogue concerning the program. The Committee members discussed that it appears DOEE is making judgement calls regarding charitable organizations providing important services and that is very subjective criteria on who decides what is important and what is not. The Committee members noted that these are legitimate issues surrounding the DOEE hardship criteria.

FY19-28 Capital Improvement Program (Attachment D)

Mr. Brown provided a brief update on the FY19-28 Capital Improvement Plan (CIP). Mr. Brown stated that when the budget was adopted last year the Board was asked to move forward with management's recommendation. He noted that there were some proposals on increased expenditures on infrastructure, but there were some things that the management team thought we needed to do over the next several months in order to understand the commitment that we will be making on behalf of our rate payers and the kind of assets we would be addressing through increased spending on the CIP.

Mr. Brown noted that the Chief Engineer has spent a lot of time going over condition assessments in the Environmental Quality and Operations (EQ&OPS) Committee meeting last week. He stated that we would like to provide the presentation today to the Retail Rates Committee and the presentation will be given to the Finance and Budget Committee meeting to discuss asset conditions, system needs and costs. He stated that we are running the financial plan scenarios now to determine the impact on the increased CIP spending. He stated that in the last week of November the CIP cost presentation will go before the rescheduled Retail Rates Committee meeting. The purpose of the presentation today is to give Mr. Benson the opportunity to discuss the condition assessment and to provide the two options for increased capital spending. Mr. Brown noted that there is no recommendation today. He stated that the General Manager will propose his budget and recommendation in January.

Chairperson Bhatt suggested that due to time the any member of the Retail Rates Committee can join in on the conference call with the Finance and Budget Committee to receive the full presentation.

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

There were no comments on the Committee workplan.

Agenda for November 13, 2018 Committee Meeting (Attachment F)

There were no comments on the November 13, 2018 agenda.

Other Business

No other business

Executive Session

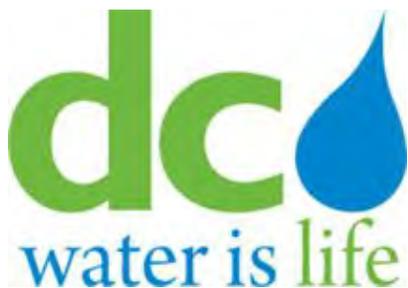
There was no executive session.

Adjournment

The meeting was adjourned at 11:38 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (October 23, 2018)

There were no follow up items.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Audit Committee

Thursday, October 25, 2018

9:30 a.m.

Meeting Minutes

COMMITTEE MEMBERS PRESENT

Anthony Giancola, Vice Chairperson
Howard Gibbs, Committee Member

On the Phone:

Rachna Butani, Committee Member

Other Board Member

Jed Ross, Board Member

INTERNAL AUDIT STAFF PRESENT

Dan Whelan, RSM US LLP
Charles Barley, RSM US LLP
Sophie Tomeo, RSM US LLP
Ethan Bickford, RSM US LLP
Vanita Kataria, RSM US LLP

DC WATER STAFF PRESENT

David Gadis, GM & CEO
Biju George, COO
Henderson Brown, General Counsel
Tom Kuczynski, Chief Information Officer
Linda Manley, Secretary to the Board

Call to Order (Item 1)

Mr. Anthony Giancola called the Audit Committee meeting to order at 9:30am.

Internal Audit Update (Item 2)

RSM Partner, Dan Whelan, presented the FY 2018 internal audit plan status update. He noted that the Work Order Management audit is currently in the reporting phase as management finalizes their responses, and the full report will be presented during the January meeting. Additionally, it was noted that the IT Risk Management audit was delayed to FY19, due to the increased scope of the CIS Post-Implementation audit.

Ms. Sophie Tomeo presented the status of prior audit findings. For audit findings prior to FY 2015, there are no open items, as the one item related to Water Services comprehensive update of SOP's was just closed this week. There are no open items related to FY 2015 audit findings. There are nine open FY 2016 audit findings. Two

Overtime Audit and Analysis findings were closed during the quarter, while one remains open. Mr. Giancola inquired about the three open items related to the Strategic Plan, to which Ms. Tomeo responded that the items remain open as the new strategic plan is currently in development. Internal Audit expects a further update following the leadership retreat in November. There are 16 open audit findings from FY 2017. In coordination with the FY18 Integrated Work Order Management audit, Internal Audit was able to close one FY17 DMS Work Order Management item and move two into pending testing, while one remains open. Ms. Tomeo explained that the five open Entity Level Assessment items are related to Authority-wide strategic initiatives, such as the strategic plan, updating all policies and procedures, and an entity-wide risk assessment. Mr. Gibbs inquired as to the nature of the four open HR/Employee Privacy Review items, and discussion was deferred to executive session due to the sensitive nature of the findings.

Ms. Tomeo then gave an annual summary of follow-up. For FY14 – FY17 prior audit findings, 85%, or 206 items, are now closed. Fifty audit items were closed during FY18. Follow up on the FY18 audit findings will begin in FY19 and reporting to the Committee will commence in January. Mr. Giancola thanked Biju and management for their efforts in remediating follow-up items throughout the year.

Ms. Tomeo followed with an action deferred update. Items considered “action deferred” are contingent on Union approval of policy. The comprehensive safety policies are in review by the new Director, Occ Safety and Health. Mr. Giancola mentioned that he would like special attention given to Safety this year, to which Ms. Tomeo responded that it has been incorporated into the FY19 audit plan. Two action deferred items were closed, while two remain in review by the Labor Relations Manager, and one is under review by management.

Ms. Tomeo also provided the Committee an update on the COR/COTR training, which pertains to a high risk finding from the FY 2016 contract compliance and monitoring audit. The original finding was due to a lack of COR/COTR training. There were three phases to the remediation plan for this finding, and Ms. Tomeo reported that all three phases have now been completed and the finding is closed. Mr. Giancola noted that COTR training remains an important initiative at the Authority, and should continue to be monitored by management for effectiveness.

Mr. Ethan Bickford presented an overview of the Payroll and Timekeeping Internal Audit. Mr. Bickford explained the scope and objectives of the audit, which included validating controls over timekeeping, and validating that data used to generate payroll disbursements are adequate. Specifically, he noted that DC Water went through an implementation of the Ceridian DayForce suite during March of 2018, which streamlined and further automated portions of the payroll process. There were no high risk findings to report. There is one moderate risk finding and three low risk findings, two of which have already been addressed by management.

Ms. Vanita Kataria presented an overview of the Accounts Payable Internal Audit. She explained that in the 21 months between October 1, 2016 and June 30, 2018, DC Water's accounts payable team processed over 37,000 transactions totaling approximately \$1.15 billion. Ms. Kataria detailed the scope of the audit, which included evaluating the adequacy of existing accounts payable policies, invoice processing and payment. Specifically, this included proper requisition and approval, timeliness of payment, appropriate vendor maintenance, and adequate segregation of duties. There were no high risk findings to report. There were two moderate risk and three low risk findings. Two findings have already been addressed by management.

Ms. Tomeo provided an update on the Hotline. She informed the Board that since the July 2018 Audit Committee meeting, when six calls were open, three additional calls have been received. Eight total cases have been closed since July, and one case remains open. Mr. Gibbs expressed interest in hearing more regarding the nature of the hotline cases, and discussion was deferred to executive session due to the sensitive nature of the matters.

Mr. Whelan presented an overview of the FY19 Risk Assessment and Audit Plan. He detailed that the risk assessment is performed on an annual basis through interviews with various members of management and the Board. Incorporating the risks identified in the interviews and throughout the year, Internal Audit compiles a risk register that assists in creating the Audit Plan for the fiscal year. The scope of each individual audit is then refined with management and the relevant department(s) involved. Mr. Giancola asked how Internal Audit determines risk prioritization, to which Mr. Whelan responded that Internal Audit assigns an impact and likelihood score to each risk, and analyzes the risks based on rating and factors such as time since last audit or outstanding follow-up. With management's input, Internal Audit creates the audit plan. Mr. Giancola added that he is content knowing that management weighed in on the plan, and considers the Asset Management and Use of Maximo, Occupational Safety and Health, Wi-Fi Security Review, and IT Risk Management & Compliance audits to be of most interest to him.

Executive Session (Item 3)

There was a motion to move into Executive Session by Mr. Gibbs to discuss legal, confidential, and privileged matters pursuant to Section 2-575(b)(11) of the D.C. Official Code. It was so moved and seconded, and motion carried. The room was cleared of non-Executive members and all public individuals. The Audit Committee went into Executive Session at approximately 10:03 a.m. and reconvened into open session at 10:24 a.n.

Adjournment (Item 4)

The Audit Committee meeting adjourned at 10:25 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, October 25, 2018

11:00 a.m.

MEETING MINUTES

Committee Members (via conference call)

Timothy Firestine, Committee Chairperson
Krystal J. Brumfield
Jed Ross

Other Board Members (via conference call)

Rachna Bhatt

DC Water Staff

David Gadis, CEO & General Manager
Matthew T. Brown, Chief Financial Officer (CFO)
Len Benson, Chief Engineer
Henderson Brown, General Counsel
Linda Manley, Board Secretary

Call to Order

Chairperson Timothy Firestine called the meeting to order at 11:00 a.m.

Path to Asset Management

Mr. Matthew T. Brown, Chief Financial Officer, requested a change in the agenda to present the Capital Improvement Program presentation first, and the Committee agreed. He mentioned that this is a joint presentation with Mr. Benson who will provide details of the capital projects, and he will cover the capital equipment, Washington Aqueduct and next steps.

Mr. Brown provided the background and reminded the Committee that the Board adopted the management recommended budgets on March 1, 2018, and requested staff to develop the Path to Asset Management for the capital budget. In doing so, over several months, the Environmental Quality and Operations Committee (EQ&OPs), the Chief Engineer, along with staff, conducted site visits to see the condition of DC Water's assets to get an understanding of the system needs and areas requiring additional investment. He noted that the same presentation has been provided to the EQ&Ops and Retail Rates Committees of the Board.

CFO Brown stated that the presentation addresses management's commitment to assess the needs, risks and investments in the Authority's capital infrastructure; and provides information to begin the budget discussion about the impact on retail customer rates. He reported that all costs for the capital projects, capital equipment, and DC Water's cash contributions to support Washington Aqueduct (WAD)'s capital program were included in the Modified and Asset Management Capital Improvement Plan (CIP) options.

Next, Mr. Benson, Chief Engineer, provided a detailed overview of previous presentations and workplans to the Board Committees which included benchmarking analysis and best practices for linear and vertical assets. He reviewed the details for the three CIP options of the current Approved Baseline (\$4.1 billion), Modified Baseline (\$5 billion) and Asset Management (\$6.5 billion). Mr. Benson informed the Committee that it was not prudent to continue with the current baseline, because it showed continued underinvestment in the Authority's infrastructure. Based on Asset Management best practices, the age of the pipes indicates a need for small diameter pipe replacement of 22 miles per year for the Water Distribution System and 40 miles per year for the Sewer Collection System. He stated that the cost for emergency repairs versus proactive costs is estimated at ten times and are not sufficient to recover the assets.

Mr. Benson compared the three 10-year CIP options for the six service areas (DC Clean Rivers (DCCR), Wastewater, Stormwater, Water, Sewer, and Non-Process facilities). He reviewed each service area, explaining the funding levels (Generally Funded, Underfunded, and Fully Funded) under each CIP option. He stated that the Small Diameter Water Mains pipes replacement of 11 miles per year is a Board stated goal and is underfunded under the current baseline and fully funded under the Asset Management scenario. He reported that while the risks of the small diameter pipes are not catastrophic, traffic disruptions and impact to the Authority's reputation should be considered. Compared to the Current Baseline, the cost increments in the Modified Baseline and the Asset Management options, provide a better risk management profile. Also, the difference in the Modified Baseline versus the Asset Management is found in the small diameter water and small diameter sewers.

Next, Mr. Brown reviewed the funding levels for the capital equipment and Washington Aqueduct. He explained that the current baseline is underfunded for capital equipment mainly in the latter years and generally funded for Washington Aqueduct, with increased funding levels under both the Modified Baseline and Asset Management CIP options. He noted that DC Water has contributed \$10 – \$13 million to Washington Aqueduct, and will need to increase the level of funding to maintain their infrastructure and that the Asset Management option includes DC Water's proportionate share of the Federally Owned Water Main and Advanced Treatment projects. Mr. Brown clarified that these projects were not requested by WAD but are needs to be addressed in the future.

Then, Mr. Benson explained the challenges of the current baseline and that the impact of delayed investments increases the risks exposure (permit compliance, health and safety, system reliability public confidence) and costs (emergency repairs, operations and maintenance) of the CIP.

Next, CFO Brown reported that the finance office is currently running the financial models for the impacts on customer rates, level of borrowing and other metrics. He presented the initial estimates, stating that based on the ten-year CIP options, the Current Baseline would increase rates by 60%, the Modified Baseline would increase rates by about 75% and the Asset Management would double rates. The detailed analysis will be presented during the special meeting of the Retail Rates Committee on November 29.

The committee members discussed potential cost savings and efficiencies that can be realized as DC Water moves to an Asset Management CIP program. Mr. Benson explained that best practices such as the Reliability Centered Maintenance program to minimize lifecycle costs have been implemented by the

operations team. The condition of the linear assets is harder to determine based on location, while the vertical assets are easier to access and monitor. He indicated that the engineering team will work with the finance team to quantify other areas of efficiencies/cost savings.

Mr. Brown reviewed the Board adoption calendar and mentioned that quantifiable and realizable savings due to additional capital investments and other potential sources of capital funding will be assessed for inclusion in the financial plan. He explained that the potential sources of capital funding include funds from the Federal Government through the Infrastructure Plan; request for DC Government to contribute \$40 million for impervious area charge, which would provide supplemental funds to allow DC Water lower rates paid by other customers for the Clean Rivers Program; rehabilitation of storm water pumping stations (a request will be submitted to DC Government to help with funding); and the PILOT and Rights of Way Fees of \$21 million annually (this is being reviewed for further discussion with the Board).

Mr. Brown stated that he will attempt to quantify the opportunities for discussion with the Board and unless the funding sources are certain, they will not be incorporated into the financial plan. He stated that he plans to package the "Other Sources of Capital Funding" and present them for discussion at the various committees as part of the Board adoption.

September 2018 Financial Report

CFO Brown provided the preliminary year-end financial report and stated that they are consistent with previously reported mid-year projections with no significant deviation. At the end of the fiscal year, total operating receipts are \$631.2 million and above budget by \$10.7 million or 101.7%; estimated operating expenditures are \$553 million and below budget at 98.5%; and capital disbursements total \$489.9 million or \$40 million above budget.

The overall operating revenues were in line with previously reported projections with the Residential, Commercial and Multi-Family category slightly lower than budget at \$353.6 million. The District Government receipts came in slightly higher at \$21.4 million, due to a FY 2017 bill being paid in FY 2018. Wholesale revenues were higher than budget at \$81 million, due to collections from MJUF (Multi-Jurisdictional Use Facilities). Mr. Brown also noted that MJUF will stay at the higher level in FY 2018 because it was not included in the budget.

Operating expenditures were in line with projections with the major budget variances in personnel services due to the impact of Board-ratified union contract and other salary adjustments, and chemicals due to higher unit prices (methanol and sodium bisulfite). He explained that the impact of the union contract has been adjusted in the FY 2019 budget and that management is taking a closer look at the chemicals to assess the impact on FY 2019 budget. These cost increases were offset by lower spending on contractual services, water purchases and utilities. Also, debt service cost was lower than budget, primarily due to refinancing of the Authority's debt. Capital labor at \$15.1 million was less than the budget of \$21 million and the midyear projection of \$17.3 million. Staff is currently conducting an analysis of how actual charges compare to what was budgeted, to make recommendations for process improvements, and appropriately capture charges from capital.

The capital disbursements totaled \$489.9 million and were higher than the revised budget and mid-year projections. Mr. Brown stated that a full report of capital disbursements will be provided next month. He reviewed that Cash Balance Report, highlighting that the carry-over of \$18 million over the target reserve will be used for Pay-Go financing.

Adjournment

Hearing no further business, Chairperson Firestine adjourned the meeting at 12:03 p.m.



CEO and GENERAL MANAGER'S REPORT

David L. Gadis – November 2018

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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

Message from the CEO/GM

November GM Report

Leading Blue

The Leading Blue Line of Sight program is a leadership development program for first time and front-line supervisors, foremen, general foremen and managers. Our aim is to institutionalize the Authority's leadership competency model, advance the leadership capability of supervisors, and improve relationships between supervisors and employees. The Pilot of this program launched in October of 2018 and will be launched across the Authority in early 2019. Approximately 200 supervisors will be participating in the program as a mandatory requirement for the first year. After the first year, the program will be held once a year to accommodate new participants.

Blue Drop Board

This month, the duties of the member representative and Chairperson positions of the Blue Drop Board transitioned to David L. Gadis, DC Water's General Manager and Chief Executive Officer. Mr. Gadis presided over his first Blue Drop Board meeting on Friday, October 12. The three newest Board members were also in attendance. The discussion focused on finding markets and new revenue opportunities, as well as reviewing the key elements of the draft Blue Drop strategic plan.

Staff Advancement

November 7 – 9, I will host our first Staff Advancement for all Senior Management to attend and participate. This three-day event will be held at the offsite location, the Bolger Center and provide an opportunity for me to share my short and long-term vision for DC Water. Staff will have an opportunity to learn about and respond to new changes I have planned, in addition to launching of our new strategic plan, The Blueprint. Each day will present a major topic and engage staff in setting a path forward in achieving our strategic and operational priorities, including sessions to discuss our vision, values and leadership culture. Overall, this event will serve as an opportunity to empower my leadership team to deliver on our commitments in the workplace and community.

Organizational Assessment

In September, I reported my interest in gaining greater insight into our current structure, operational practices and ability to plan for a successful path forward. To accomplish this, we retained the services of Accenture and ADC to conduct a comprehensive assessment of our organizational structure. This assessment commenced in September and will conclude in the next few weeks. During this effort, Accenture and ADC assessed our current state and recommended alignment of capabilities and functions to deliver on new strategic priorities and community expectations. Preliminary findings highlight key findings and opportunities for change in our structure, culture and operations. These findings - in addition to my own key observations - will inform my leadership and direction moving forward.

Utility of the Future Recognition

For the third straight year, DC Water was named a Utility of the Future through a joint NACWA/WEF recognition program. The *Utility of the Future* concept encourages the nation's water systems in the transformation of operations through innovation and technology. The *Utility of the Future* is a model for utilities of all sizes to achieve more efficient operations, enhanced productivity, and long-term sustainability. CEO/GM David Gadis received the recognition in a ceremony during the annual WEFTEC conference in New Orleans, LA. DC Water met stringent requirements in the category of Watershed

Message from the CEO/GM

Stewardship to earn the recognition this year. Previously, we were recognized in the areas of Energy Generation and Recovery, and Beneficial Biosolids Reuse.

SCADA Assessment

Over the past 3 years the Authority has been making incremental improvements to its existing Distribution and Conveyance SCADA system to ensure reliable monitoring and control of these systems. While substantial progress has been made on improving the capabilities of the system the complexities of the environment continue to grow and assets continue to age; replacing older technologies and expanding the system is essential to achieving and sustaining a successful Asset Management Program. As such a much a more focused and aggressive plan, supported by dedicated resources is necessary. As a result, the Authority has issued an RFP for qualified vendors to assess our current capabilities, identify opportunities for improvement across the hardware and software platforms and help with the execution of a comprehensive plan for the SCADA system. More detailed information the scope, cost and schedule for the plan will be available after the proposals have been received and evaluated. Proposals are due to DC Water on November 28th.

Annual NPDES Compliance Evaluation and Inspection

Inspectors from The District of Columbia Department of Environment and Energy (DOEE) completed the Annual NPDES Compliance Evaluation and Inspection of all permitted facilities. The 3-day inspection, that occurred during the last week of September 2018, included field inspection and review of treatment processes and equipment, effluent sampling and laboratory procedures and records, discharge monitoring reports, Stormwater Pollution Prevention Plan (SWPPP), and other O&M records. No concerns were identified during the inspection.

CEO/GM Meetings and Presentations with WERF Leadership

- Participated in the WEF Inflow Panel – special program for students from Howard and other Historically Black Colleges and Universities (HBCUs) to introduce them to the industry; included the President of Howard University and other water sector leaders
- Meeting with WERF Leadership - Met with Executive Director Eileen O' Neil and Deputy Executive Director to discuss the broader view of what WERF has to offer moving forward in the future.

Bloom Sales

	9/2018	YTD
Tons diverted (calculated into Fresh)	830.6	9252
Cost of tons (\$45/ wet ton)	\$37,377.00	\$416,340.45
Revenue to Blue Drop (includes hauling costs paid by customers)	\$3,512.81	\$40,689.23
Bloom Cost to DC Water	\$19,657.96	\$137,020.64
Marketing cost \$5/ton	\$4,153.00	\$44,265.45
Hauling costs	\$15,504.96	\$92,755.19
Cost Savings to DC Water	\$17,719.04	\$279,319.81

Message from the CEO/GM

Office of Marketing and Communications (OMAC)

The Office of Marketing and Communications worked with Finance and Customer Service on rate increase information for the website, for the call center and for social media inquiries. OMAC also developed and distributed a press release.

Government Relations

- This month was extremely busy, as the government relations team worked on two different pieces of legislation before the DC Council. The first was a series of modifications to the lead voucher legislation introduced back in 2017 by Council member Nadeau. That bill was significantly revised and edited by Council member Cheh with input from DC Water, among others. The second bill is the plan to place resources with the DC Office of the People's Counsel so they can hire analysts to represent DC Water customers in disputes with us. Both bills appear to be headed for approval later this year.
- Another big project continued to be supporting the GM's stakeholder alliance. We worked closely with the team on the agenda and topics, along with logistics and identifying the final member of the panel, a Ward 6 resident. The GR team did a presentation at the most recent Alliance meeting on the CRIAC calculator.
- Finally, we worked on a variety of customer and constituent issues relating to the city.

Media Relations

- This month we managed media inquiries on flooding at the Kennedy Center that was due to Tropical Storm Florence, though it was attributed to a water main break. We managed multiple inquiries on the sinkhole at 3500 6th St., SE. We also managed inquiries into Legionella at the Ingleside retirement community.
- We proactively pitched the new pressure zone in Anacostia and the 6-month results of the Anacostia River Tunnel, which resulted in a WTOP story and a WAMU interview.
- OMAC worked with the University of Minnesota on a press release about our inclusion in a new study. This resulted in an article in Engineering News Record and an interview with Minnesota Daily.
- We also worked on planning for the new HQ and did a press release on new rates going into effect at the start of the new fiscal year.

News Coverage:

- [Anacostia River Tunnel has blocked 3 billion gallons of sewage — and it's ready for more](#) (WTOP / September 24, 2018)
- [Cars Left Teetering on Edge of Large Sinkhole in SE DC](#) (WRC-4 / September 25, 2018)
- [Officials find that they're all in the same boat when trying to control runoff](#) (Chesapeake Bay Journal / September 28, 2018)
- [Water Sector Embracing Big Data](#) (Engineering News-Record / October 10, 2018)

Message from the CEO/GM

Press Releases

- October 10: DC Water Highlights Multiple Ways Residents & Businesses Rely on Water
- September 26: DC Water completes water pressure increase in parts of Ward 8
- September 21: DC Water's Anacostia River Tunnel beating all projections for a cleaner Anacostia
- September 18: DC Water's Board Approves New Rates With Eye Towards Increasing Affordability
- September 18: New DC Water Stakeholder Alliance Created to Provide Input to Authority

Customer Newsletter

The customer newsletter for October was the semi-annual mandated double issue covering progress on the Clean Rivers Project. It included a cover story on the TBM naming ceremony, an article on the Northeast Boundary Tunnel, active project construction sites, the groundbreaking for the first green project for the Potomac River, and an update of the success of the Anacostia River Tunnel segment that was put into operation in March. The latter story gave the impressive capture rates. Finally, the newsletter included the required FAQ page.

Drinking Water Marketing and Communication

- For the first time, the Authority sent a mailer directly to approximately 11,333 customers with known lead service pipes encouraging them to enroll in DC Water's voluntary lead service pipe replacement program (voluntary LSR program). The mailer included a bilingual letter on behalf of Mr. Gadis directing customers to DC Water's robust lead program and resources, as well as an engaging, brief FAQ about the voluntary LSR program. The information was randomly distributed and sent out over six days: 9/24-9/27 and 10/1-10/3. As of October 12, 131 additional customers enrolled in the voluntary LSR program, 176 customers are being processed, and 383 customers ordered lead test kits.
- OMAC staff delivered a presentation to a residential building in Northeast attended by approximately 50 customers, and answered questions related to rate structuring, water quality, lead monitoring, and the Clean Rivers Project. Staff also had significant interactions and face-to-face customer service at the DC State Fair, H St Festival, and the Festival del Rio Anacostia this month. The Festival del Rio Anacostia provided an opportunity for DC Water to focus outreach to Spanish-speaking communities in and around Washington, DC.
- OMAC staff worked closely with the Department of Water Quality & Technology and DC Health coordinating a response effort to address a case of Legionnaire's Disease at a senior care facility in Northwest. Staff participated in multiple Q&A sessions to address concerns, and assisted in the planning and communicating of short-term, and long-term solutions.
- DC Water highlighted the multiple ways residents and businesses rely on water on October 10 as part of the national "Imagine A Day Without Water" campaign. OMAC staff visited different corners of the city to encourage the public to contemplate the

Message from the CEO/GM

value of water in their daily lives, engage in lessons, activities, and trivia. OMAC staff started the day with students and elected officials at "Walk to School Day" where participants shared how they used water in their morning routine. DC Water partnered with Compass Coffee ("the best brew begins with DC Water") and hosted an outreach event in Gallery Place at lunchtime engaging with customers face-to-face on a variety of topics including water quality, lead abatement, and DC Water's projects and goals. The day concluded with "Water is Life" themed trivia at a local bar near HQO where trivia participants competed to win DC Water gear, and a picture with Wendy.

Tours

• September 20 th	State Department	21 Adults
• September 20 th	Chinese Delegation	15 Adults
• September 26 th	World Resource Inst.	25 Adults
• Oct 3 rd	UMD EMNC	15 Adults
• Oct 4 th	Accountability Office	15 Adults
• Oct 5 th	University of MD	50 Adults
• Oct 10 th	University of MD	25 Adults
• Oct 11 th	Smithsonian	11 Adults

Meetings/Presentations/Events

- DC Water provided an educational lesson at the Back to School Night event at Center City Public Charter School- Capitol Hill Campus.
- As one of its "YOTA" events for this year, DC Water participated in the Annual DC State Fair. In support of the event, we provided our Quench Buggy, Cooling Station, information, giveaways, and special guest appearance by Wendy.
- DC Water conducted an interview with Shayla Johnson, daughter of one of our own employees (Katrina Johnson) and 9th grade student at McKinley Technology High School, who completed a water-related mission/study abroad in the Dominican Republic this summer. More specifically, Shayla and other students were part of a team that actually constructed an aqueduct! To gauge her experience during this worthwhile effort, DC Water asked Shayla the following questions: 1) Describe the program that took you to the Dominican Republic this summer; 2) Take a moment to discuss your overall experience; 3) Describe your participation in creating the aqueduct; 4) What lessons did you learn from the experience?; and 5) What message would you want to share with others about the importance of water infrastructure? This interview was posted onto Twitter.
- In support of the Potomac Interceptor Manhole 31 to Manhole 30 Pipe Rehabilitation Project, DC Water's project team met with Fairfax County Supervisor John Foust to share results of our latest investigations of this segment of sewer pipe, and possible construction measures to get the work completed. Additionally, there were a few requests we submitted to Supervisor Foust, such as support from his office in attaining the necessary construction permits.

Message from the CEO/GM

- DC Water attended a series of meetings with ANC 7C to obtain a formal letter of support from the ANC for an after-hours permit that we will need during construction on our Watts Branch Sewer Rehabilitation Project. These meetings included the following:
 - ANC 7C Monthly Executive Meeting
 - ANC 7C Regular Monthly Meeting
- Since the 5-year storm which occurred on August 12, 2017, a number of customers across the city have continued to endure tumultuous flooding and sewage backups into their homes. Under-sized sewers ill-equipped to meet demands placed upon them by a much larger population in today's District, exacerbated by unseasonably short and heavy rain storms throughout the past year which override the system, possibly recent conversion of many basements into condominium homes, and some obstructions found in the system, have all contributed to the problem. In many cases, entire blocks/areas have been affected, presenting a need for deeper analysis of the problem. As part of this analysis, DC Water has been conducting a series of site visits to the affected blocks to talk face-to-face with residents about the issues they're facing, discuss our inspection of their local sewers, and even go into many of the homes to see the entry point(s) of water. One of the locations recently visited is the 1700 block of Riggs Place NW. The results of these site visits and investigations have been fairly positive. They provide opportunities for our knowledgeable Engineering staff and master plumber contractor to meet with residents and discuss possible solutions. Inspections of the pipes have identified obstructions within some of the mainline sewers such as roots and root balls, and these issues are being addressed. Finally, some entire blocks have been pre-approved for our Backwater Valve Rebate Program, and residents are subsequently contacted with information on how the program works, and next steps.
- DC Water attended the 128th Anniversary Celebration of Rock Creek Park Day. In support of the event, we provided our Quench Buggy, Misting Tent, Cooling Station, information, giveaways, and special guest appearance by Wendy.
- DC Water attended the Barracks Row Main Street Fall Festival and Truck Touch. In support of the event, we provided our Misting Tent, Cooling Station, information, giveaways, and special guest appearance by Wendy.
- DC Water attended the 49th Annual Fiesta DC Festival. In support of the event, we provided our Quench Buggy, Misting Tent, Cooling Station, information, giveaways, and special guest appearance by Wendy.
- As part of our Environmental Education program, DC Water provided an educational lesson on our DC Clean Rivers Project to 68 middle school students at Center City Public Charter School-Brightwood Campus.
- DC Water attended a community meeting hosted by SMD 8E06 – PSA 706/708 to provide an update on our Anacostia Pressure Zone Improvement Program, status of the area-wide water pressure increase as part of the program, and directions on usage of the water pitcher filter kits that were provided to affected residential and some multifamily customers prior to the start of the pressure increase.
- On Wednesday, October 10, DC Water attended/hosted three separate promotional events throughout the day in celebration of an initiative which challenges customers to

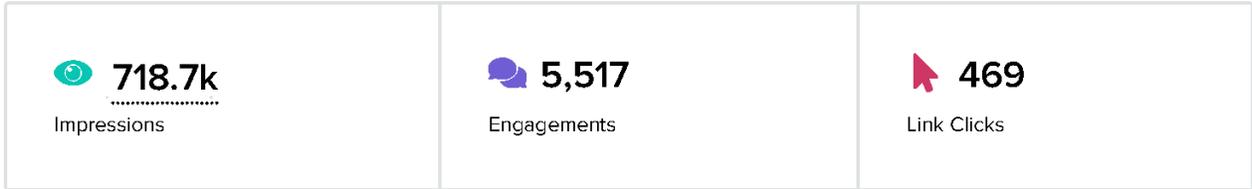
Message from the CEO/GM

“Imagine A Day Without Water!” This was done to help reinforce with our customers the following messages surrounding water: 1) Value and safety of drinking water (water quality); 2) Drinking water journey: from source to tap; 3) Water conservation; and 4) Environmental stewardship. The scheduled events were as follows:

- Walk to School Day
- Customer Outreach Table across from Capital One Arena
- Trivia Night at The Big Stick
- DC Water attended the 3rd Annual Festival Del Rio Anacostia. In support of this event, we provided our Cooling Station, information, giveaways, and special guest appearance by Wendy.
- DC Water attended the H Street Festival. In support of this event, we provided our Quench Buggy, Cooling Station, information, giveaways, and special guest appearance by Wendy.
- As one of many highlights from our 77-event schedule this year, DC Water hosted its Environmental Education Festival at Payne Elementary School. With a host of environmental games to teach about protecting our waterways, some of our vehicles to show how we do our work, and lots of information and fun giveaways, this event was a smash hit among the school’s families!

Message from the CEO/GM

Social Media



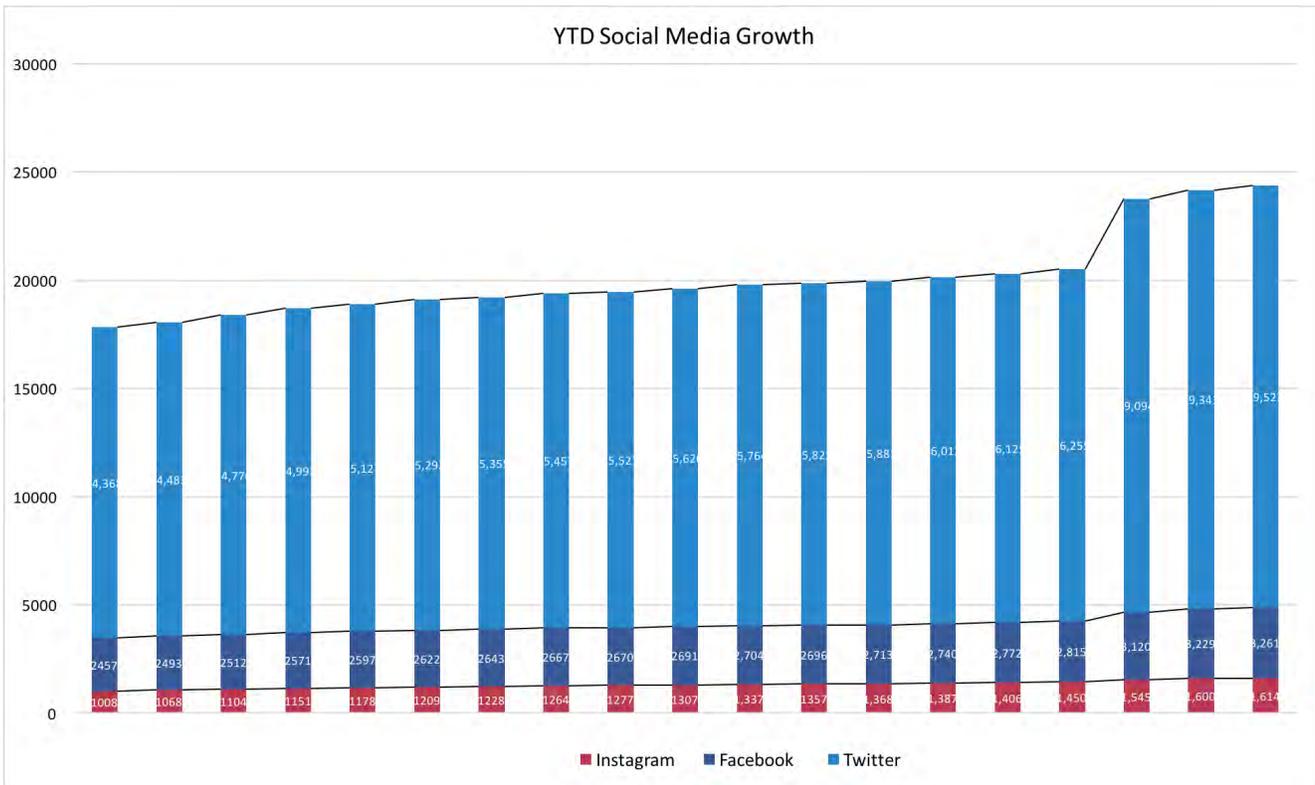
Group Audience Growth

Audience Growth Metrics	Totals	% Change
Total Fans	24.3k	 1%
New Twitter Followers	190	 1%
New Facebook Fans	31	 0.9%
New Instagram Followers	16	 1%
Total Fans Gained	237	 1%

Total followers increased by

▲1%

since previous date range



Message from the CEO/GM

Website

Sessions

66,782

Pages / Session

2.16

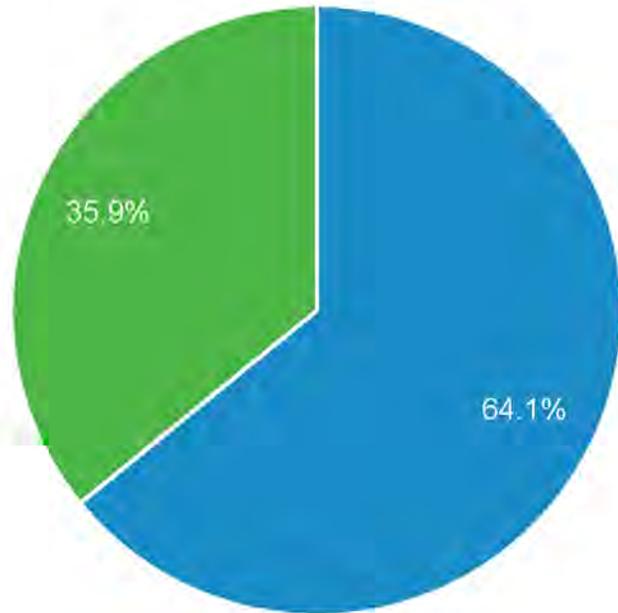
Avg. Session Duration

00:02:14

Bounce Rate

31.91%

■ New Visitor ■ Returning Visitor



Page	Pageviews	% Pageviews
1. /default.cfm	42,758	29.59%
2. /paying-your-bill	16,395	11.35%
3. /my-dc-water-upgrade	14,067	9.73%
4. /careers	7,318	5.06%
5. /contact	5,772	3.99%
6. /payment-and-billing	2,177	1.51%
7. /projects	1,786	1.24%
8. /servicemap	1,559	1.08%
9. /internal-job-board	1,310	0.91%
10./management	1,214	0.84%

ORGANIZATIONAL PERFORMANCE DASHBOARD (September 2018)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	97,148	Actual	631	Actual	553	Actual	490
Target	82,656	Target	621	Target	562	Target	450
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	163	Actual	3	Actual	2.29	Actual	2.03
Target	126	Target	3	Target	2.84	Target	2.19
	(\$ mil)		(%)		(%)		(%)

Customer Care and Operations Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	Sep 90		Sep 87		Sep 71		Sep 100
85	(% of calls rec)	85	(% of calls rec)	75	(% of calls rec)	90	(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	Sep 48	597			Sep 284	89	
(count)	(count)	(count)		250	(YTD count)	(%)	

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	101	Previous	101
Target	80	Current	29
	(\$ tho)		(\$ tho)

Operational Highlights

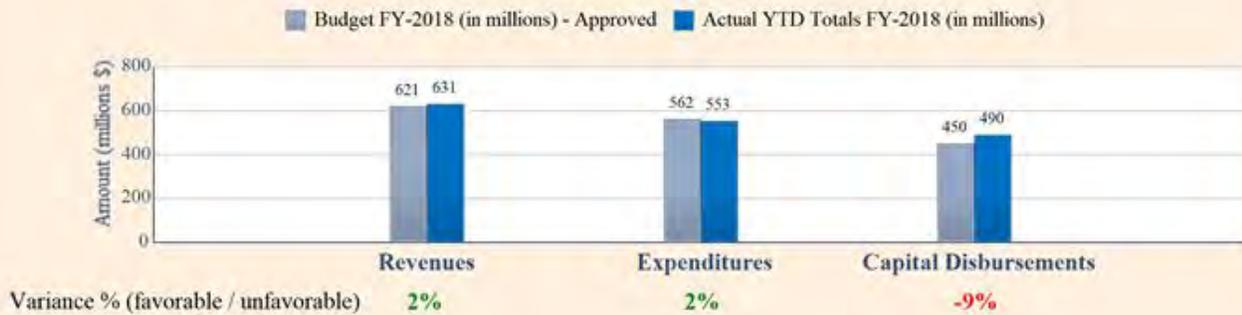
Lead Concentration (ppb)		Total Coliform Rule (%)		Biosolids Production		Total Nitrogen (lbs/yr mil)	
				384			
5		1.2%		(wet tons)		3.12	
Plant Effluent Flow (gal mil)		Excess Flow		Water Main Leaks		Water Valve Leaks	
		338		46		1	
375		(gal mil)		(count)		(count)	
Non-Revenue Water		Sewer Main Backups		Sewer Lateral Backups		Dry Weather CSO	
Sold	9.6	9		93		0	
Purchased	13.0	(count)		(count)		(events)	
	(CCF mil)						
Recruitment Activity		Electricity Usage		Employee Lost Time Accidents		Vendor Payments	
Filled	1	20		10		Actual 97	
Open	28	(MWh)		(count)		Target 97	
	(count)					(%)	

FINANCIAL HIGHLIGHTS

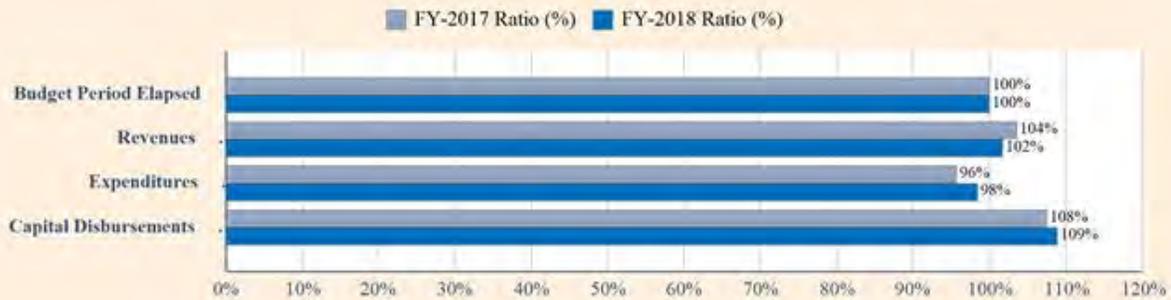
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

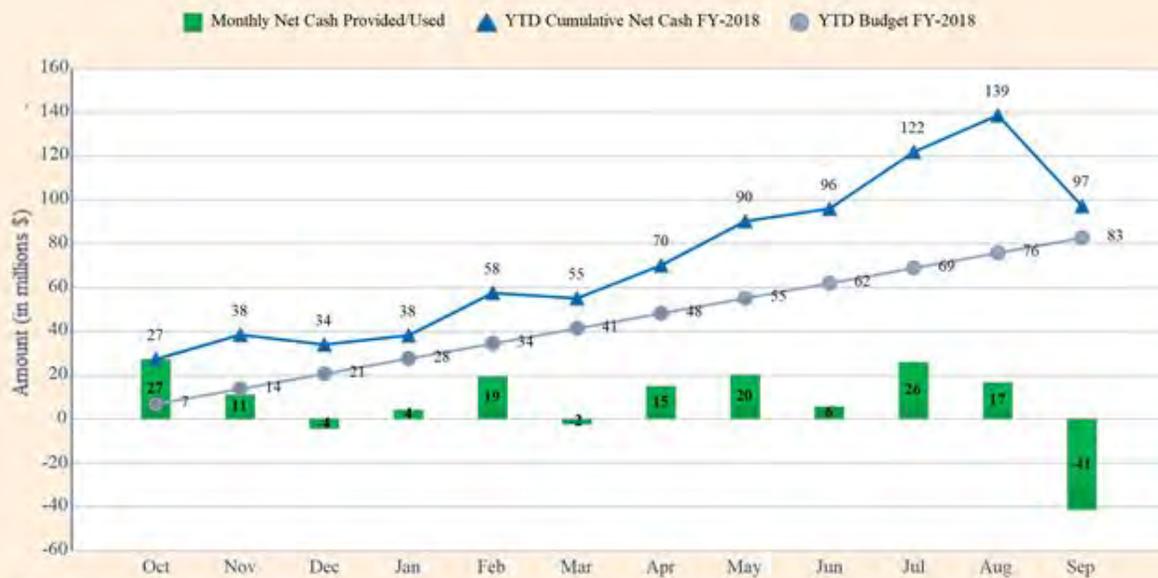


YEAR TO DATE ANALYSIS



NET OPERATING CASH

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



Net cash to date for September was above budget by \$14.5 Million

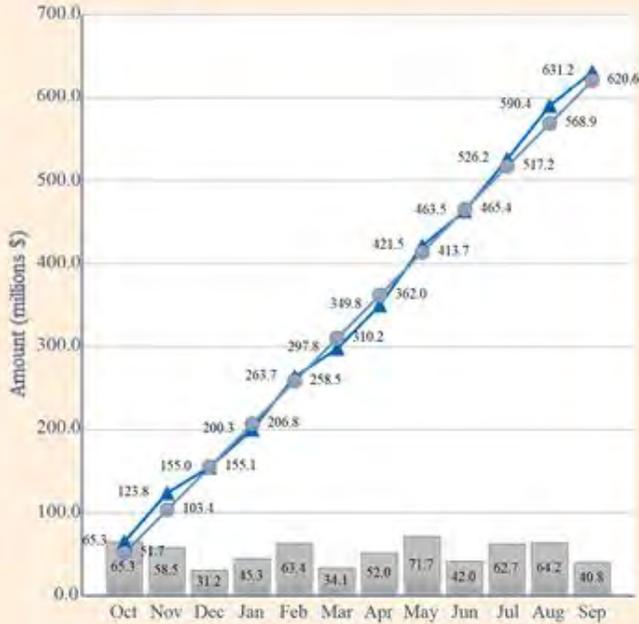
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- ▲ YTD Cumulative Revenue FY-2018
- YTD Cumulative Budget FY-2018

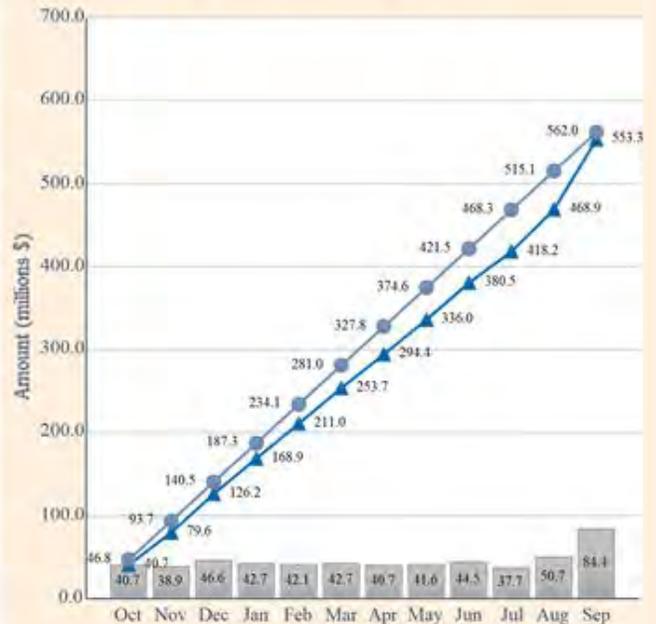


Revenue to date for September was above Budget by \$10.7 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- ▲ YTD Cumulative Expenditure FY-2018
- YTD Cumulative Budget FY-2018



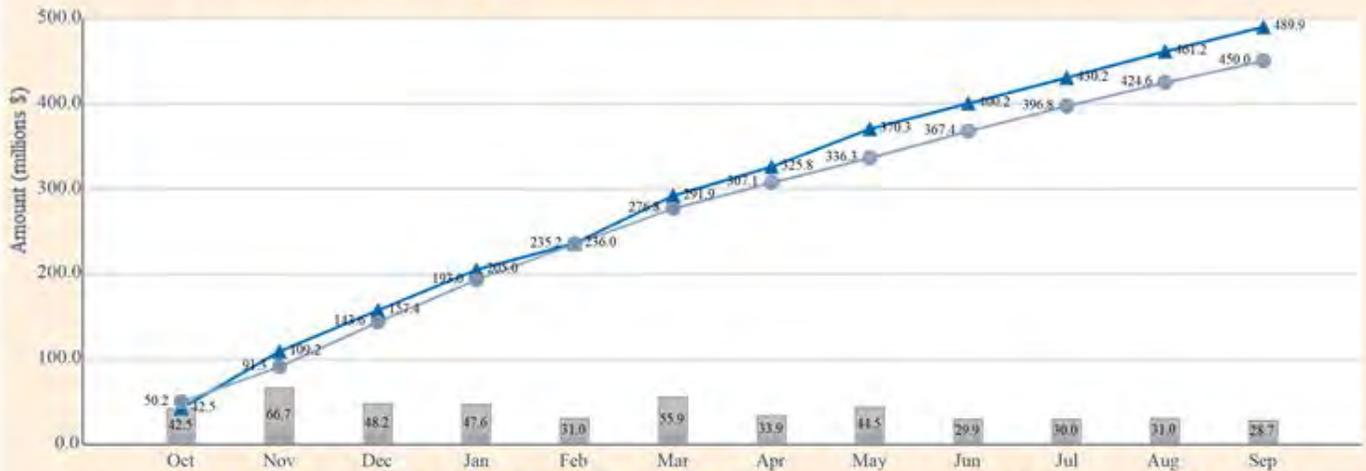
Expenditure to date for September was below budget by \$8.6 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- ▲ YTD Cumulative Disbursements FY-2018
- YTD Cumulative Budget FY-2018



Disbursements to date for September was above budget by \$40 Million. YTD Spending reflects comparison to the straight lined approved budget.

FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- █ Actual Cash Balance FY-2018
- ⋯ Operating Reserve Target - (125.5 Million)



Cash Balance for September was above target by \$37.1 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

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



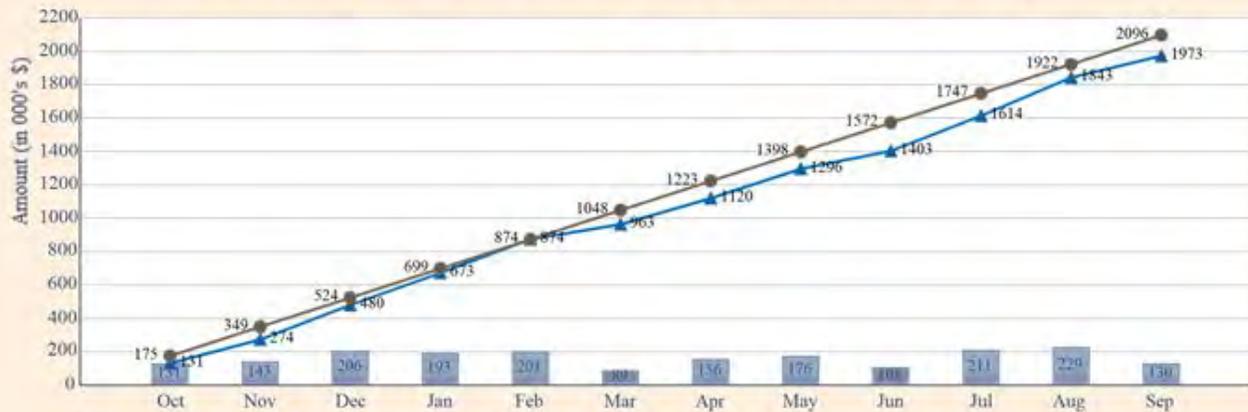
September Receivables to Revenue Ratio info is 2.58, Delinquency info is 13.38 million.

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

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



Earnings to date for September were below Projected Budget by \$123,520

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for September was less than the treasury index by 0.55%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for September was less than the Merrill Lynch yield by 0.16%

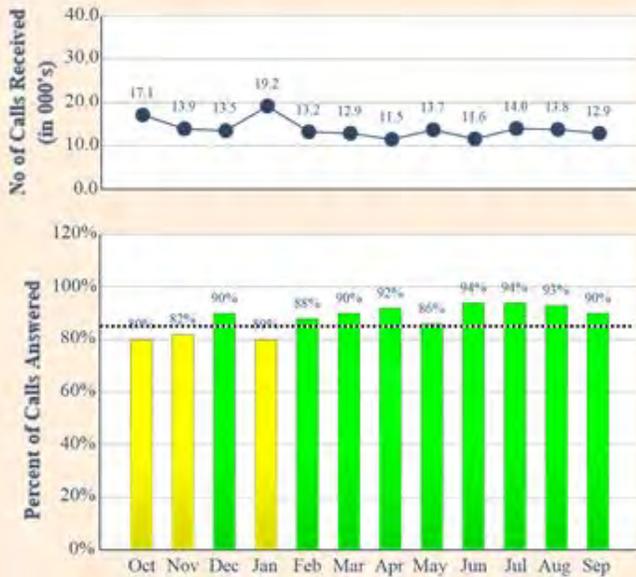
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

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%)

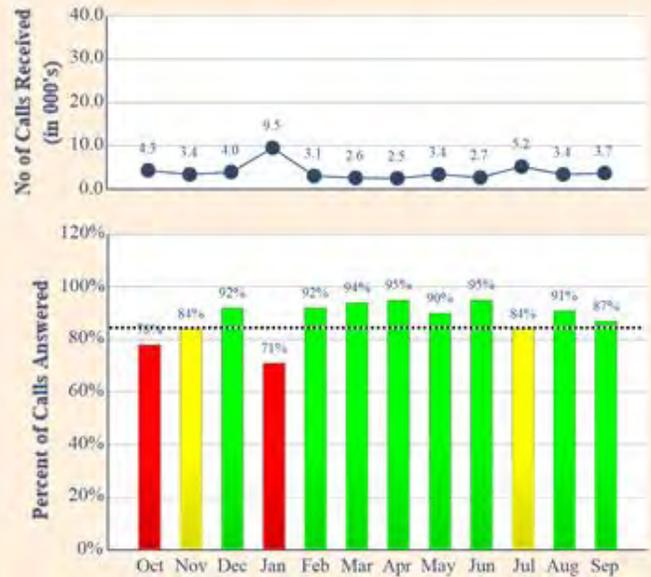


Performance for September was above target by 5%

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%)

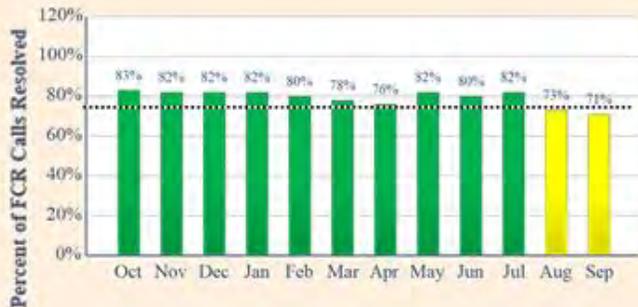


Performance for September was above target by 2%

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

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

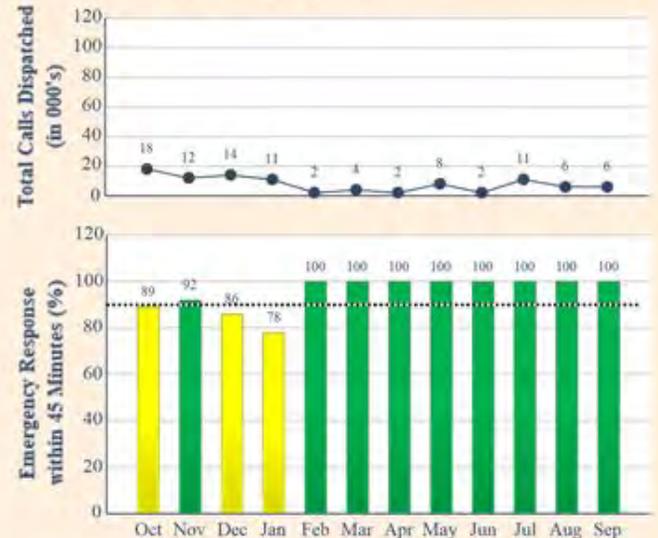


Performance for September was below target by 4%. Dunning started at the end of July and has negatively affected the First Call Resolution for the August and September metrics results.

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

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



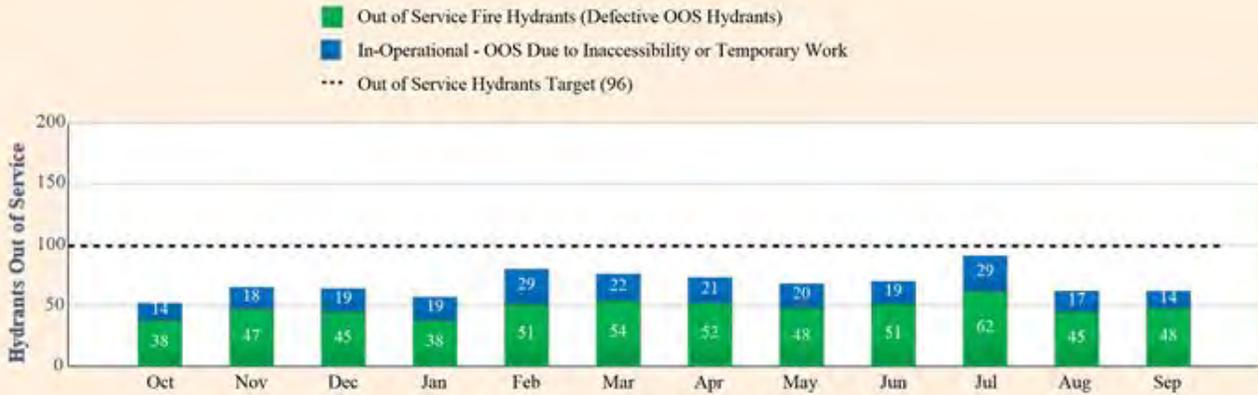
Performance for September was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month



Total Hydrant Replacements Per Month

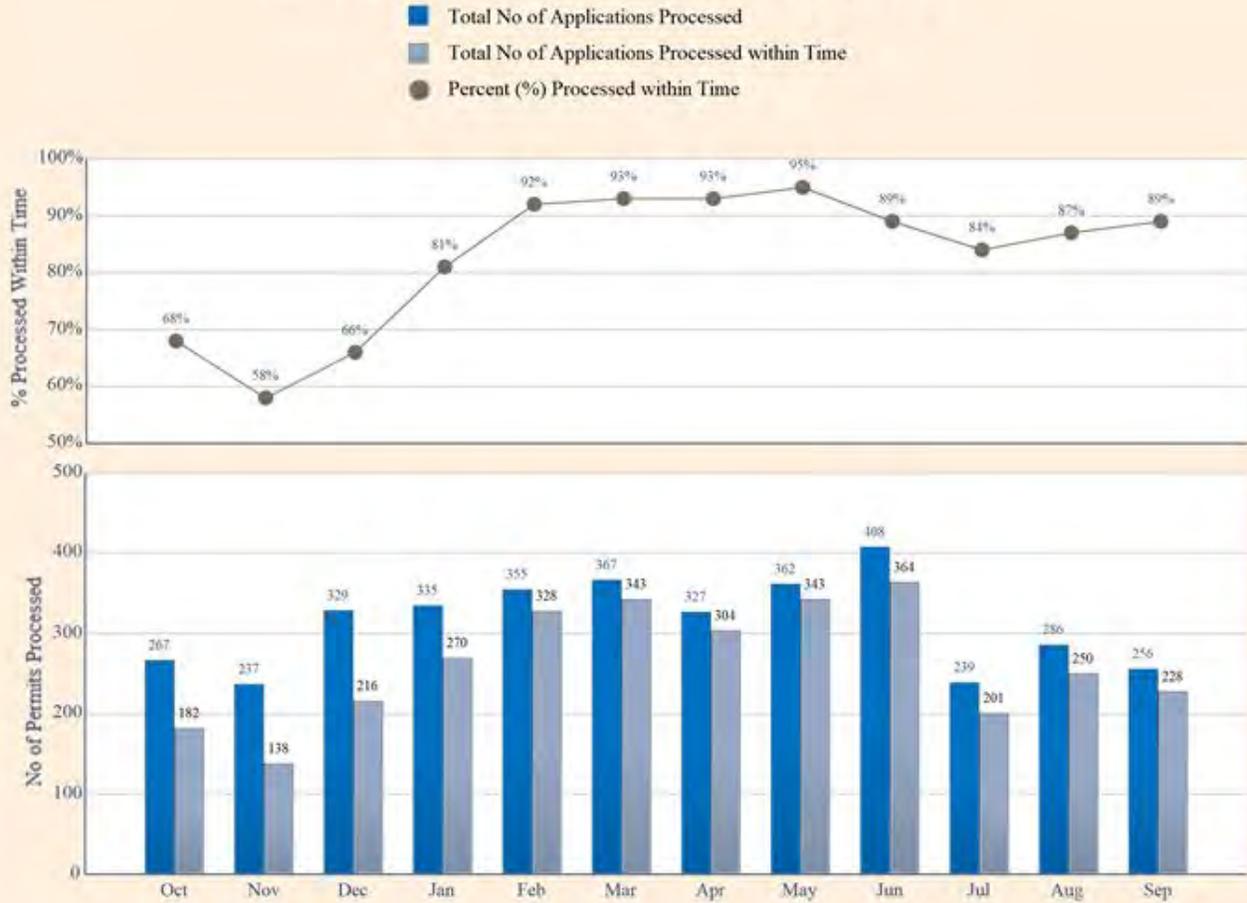
Annual Replacement Target (250)



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



Permits processed in September were 4% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

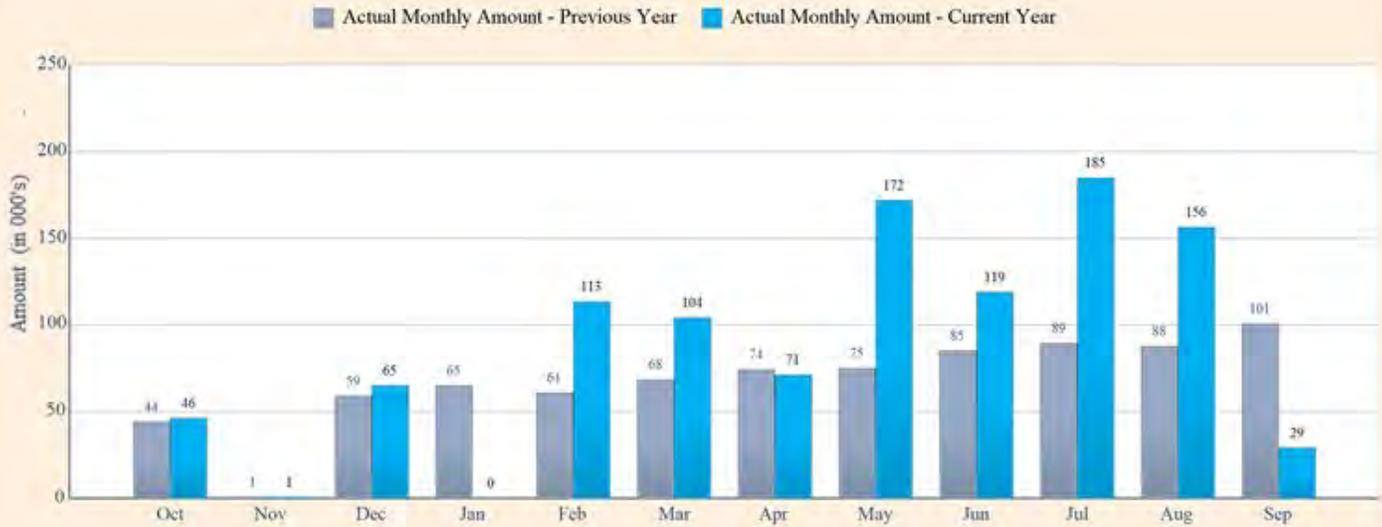


Total SPLASH Contributions to date for September were above target by \$21,070

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods



OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

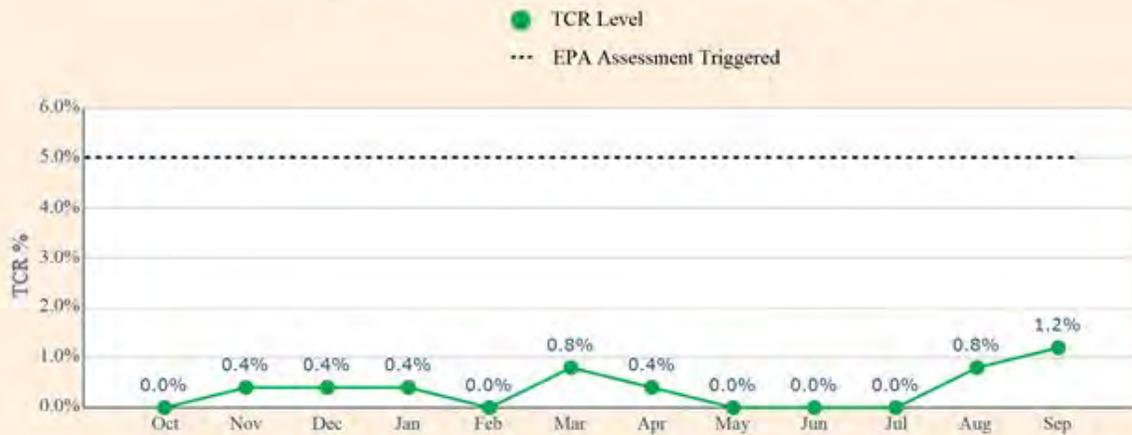
Semi-Annual LCR Monitoring Results



Jul-Dec 2018 results to date

TOTAL COLIFORM RULE (TCR) COMPLIANCE

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



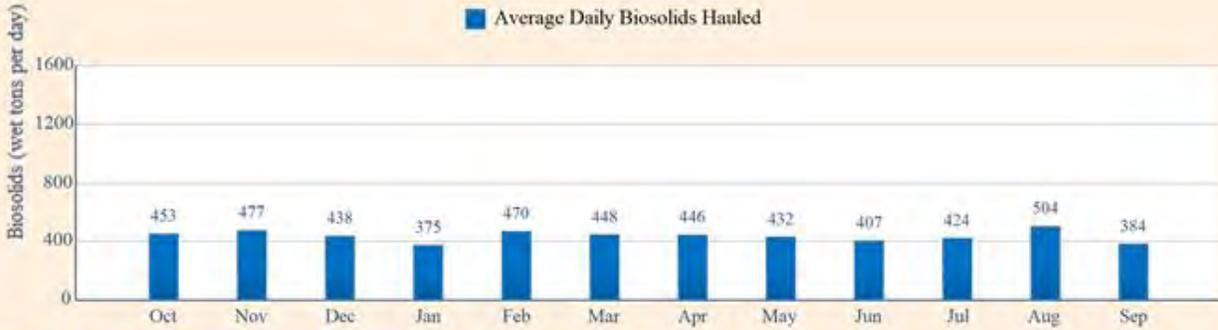
Coliform Positive was recorded at 1.2% in September

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

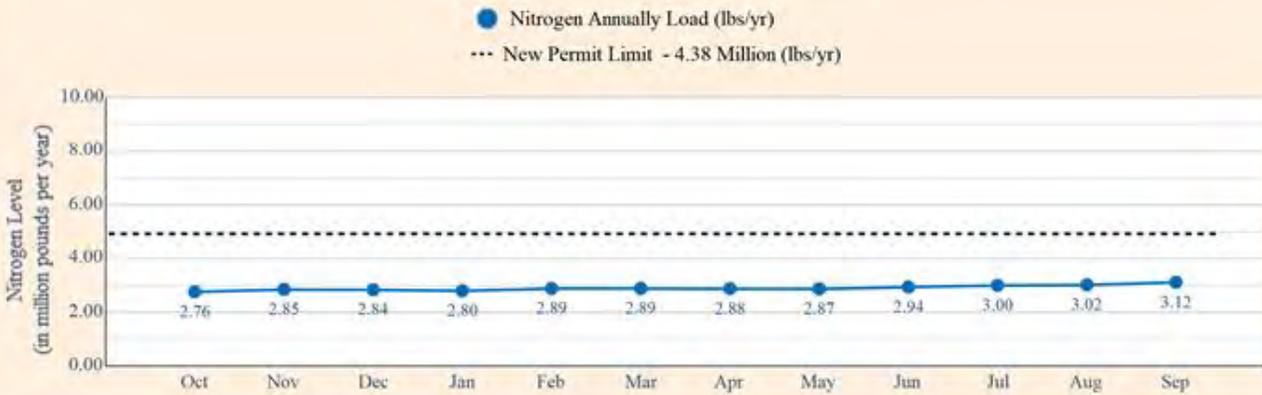
Average Daily Biosolids Production



Biosolids Daily Production for September were 384 wet tons per day

TOTAL NITROGEN

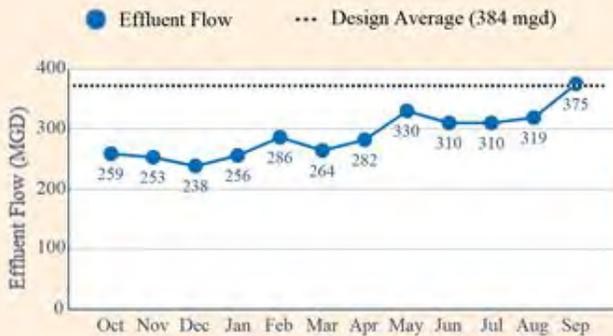
Total Nitrogen Compared to New Permit Levels



Nitrogen level for September were below permit by 1.26 million lbs/yr

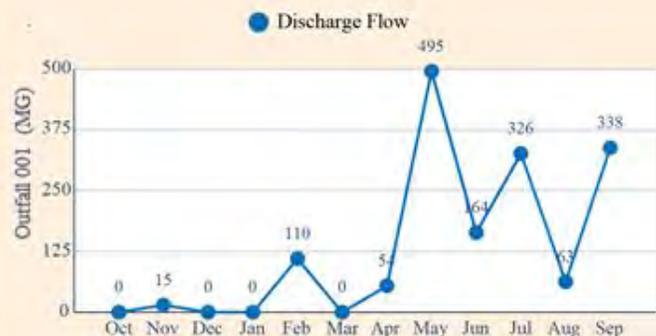
OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In September Influent flow was below design by 9 MGD

OUTFALL 001 - DISCHARGE FLOW

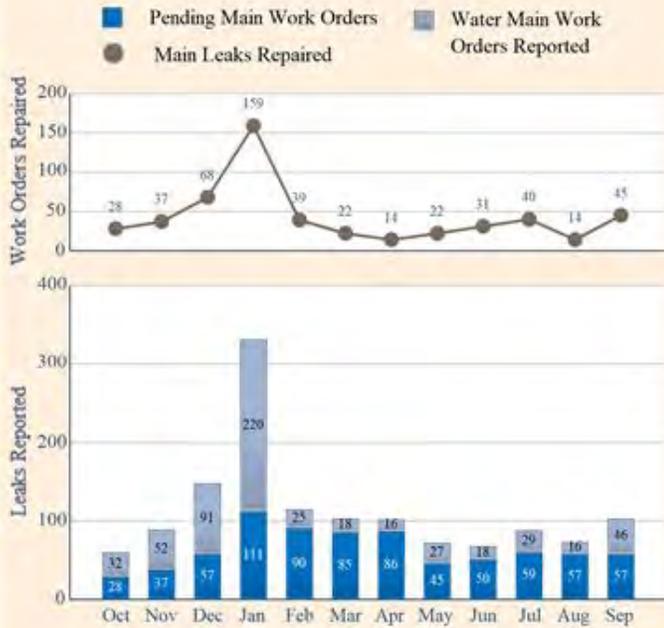


Excess flow events were recorded at 337.75 MG in September

OPERATIONAL HIGHLIGHTS

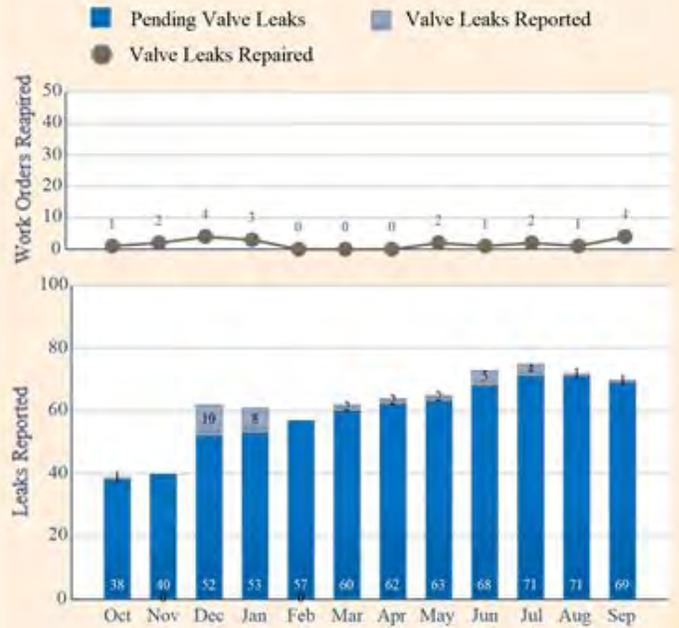
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 46 Water Main Work Orders reported in September

WATER VALVE LEAKS



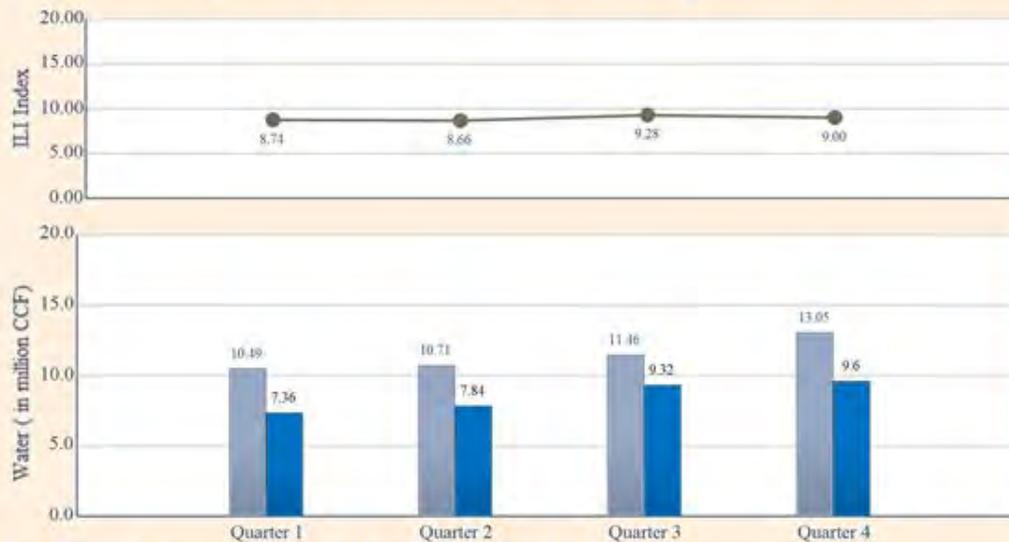
4 leaks were resolved in September

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter

- ▲ FY-2018: Infrastructure Leakage Index
- FY-2018: Water Purchased
- FY-2017: Infrastructure Leakage Index
- FY-2018: Water Sold



In the 4th quarter of FY 2018, 9.60 out of 13.05 million cubic feet of water was sold

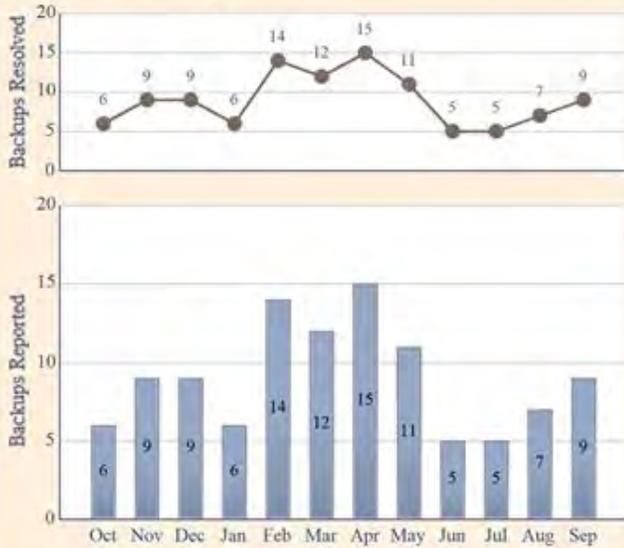
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

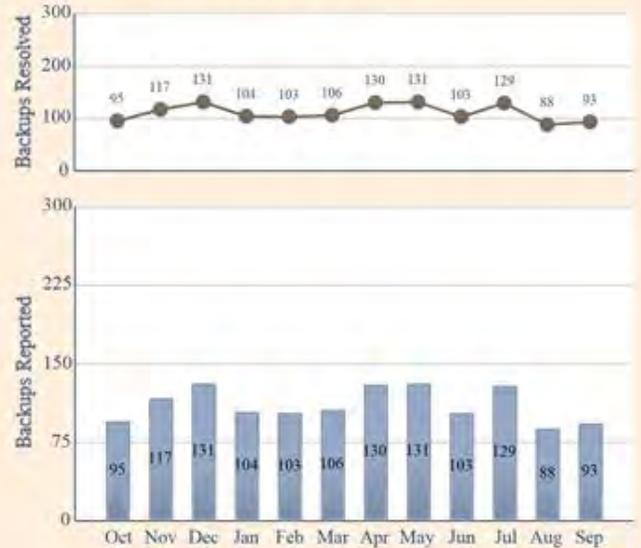


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



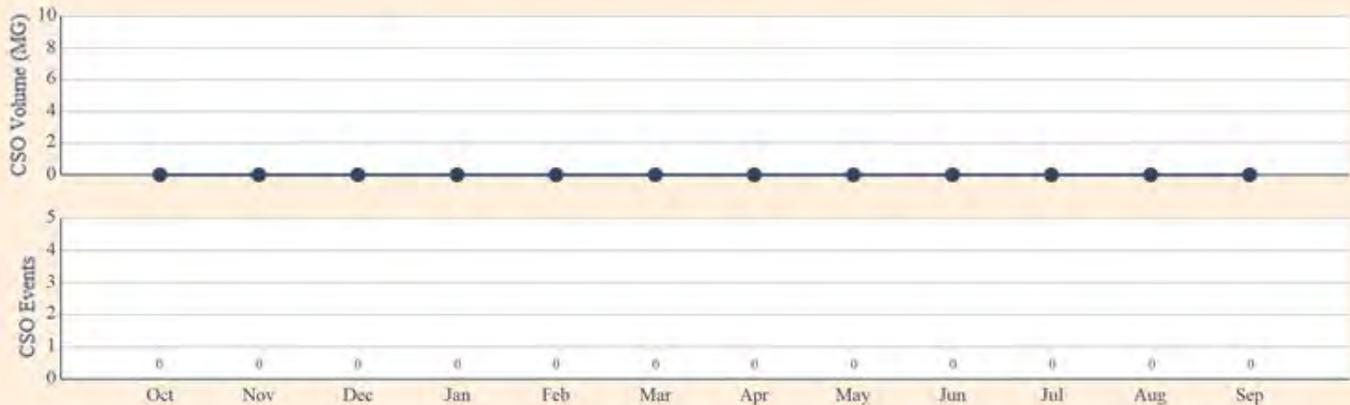
No pending lateral backups reported

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 September 2018

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR



RECRUITMENT ACTIVITY

CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC
PREVIOUS FISCAL YEAR



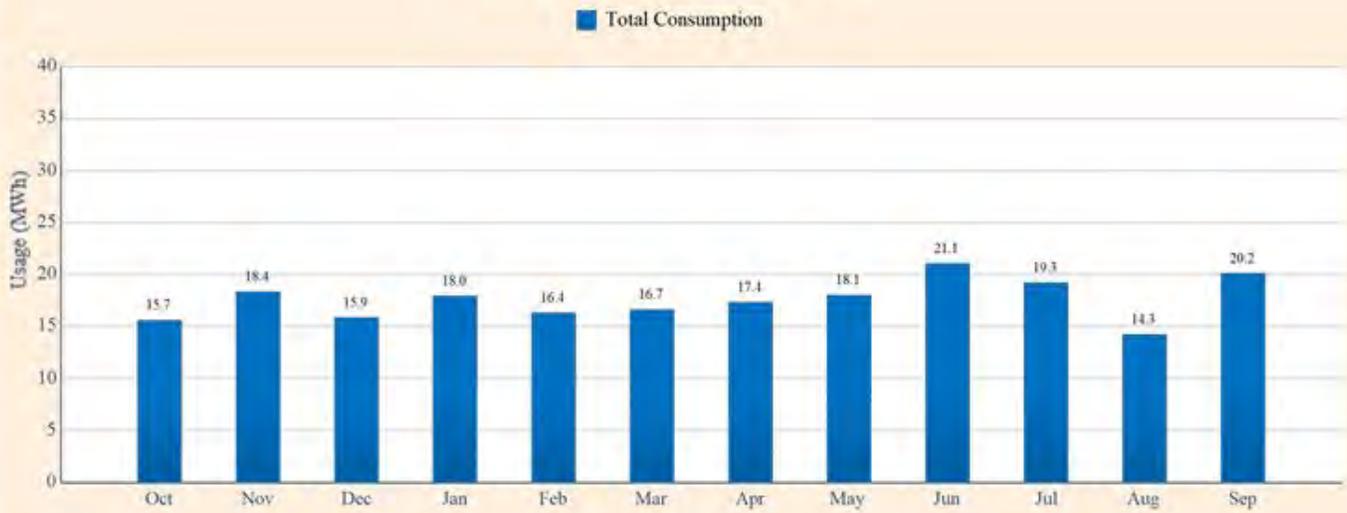
RECRUITMENT PERFORMANCE METRIC
CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

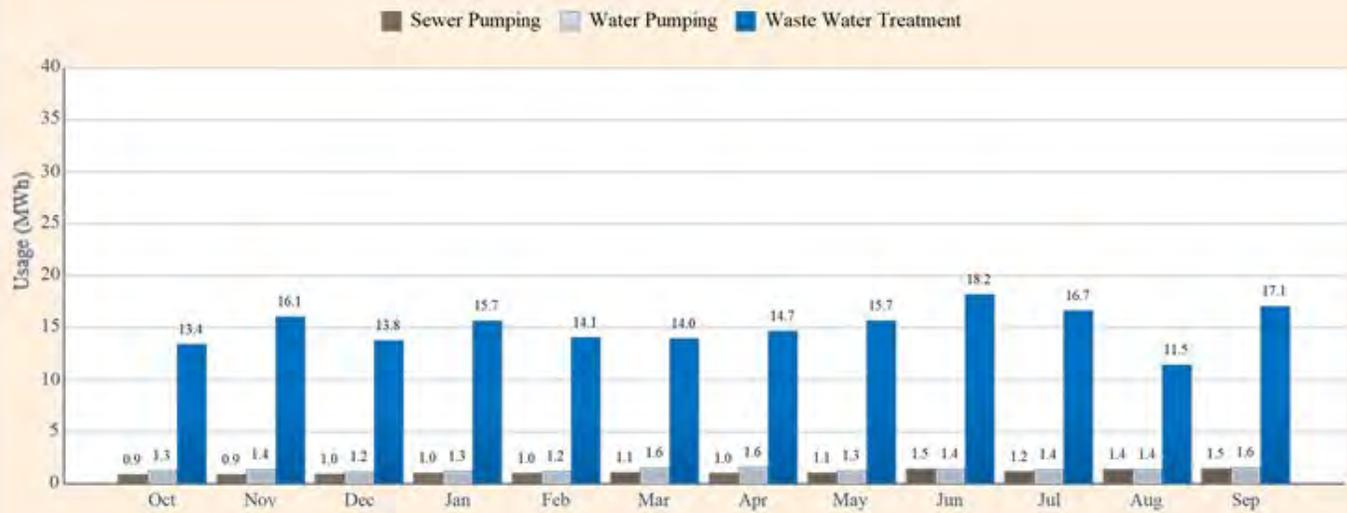
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity Consumption in September was 20,171 KWh

ELECTRICITY USAGE BY SERVICE AREA



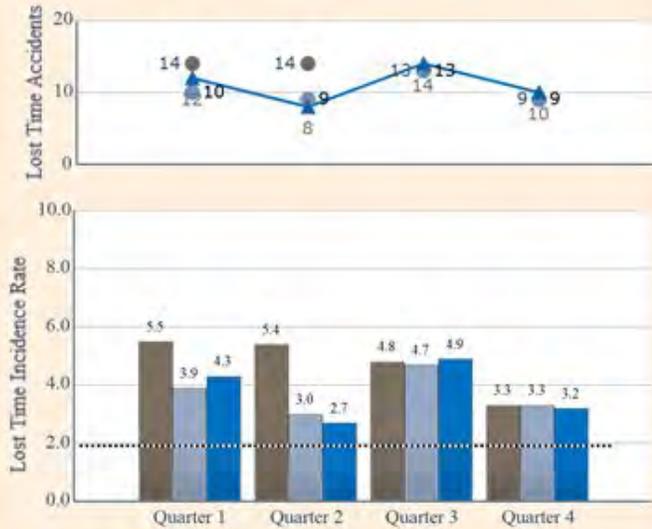
Waste Water Treatment had the highest electricity consumption in September at 17,091 KWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

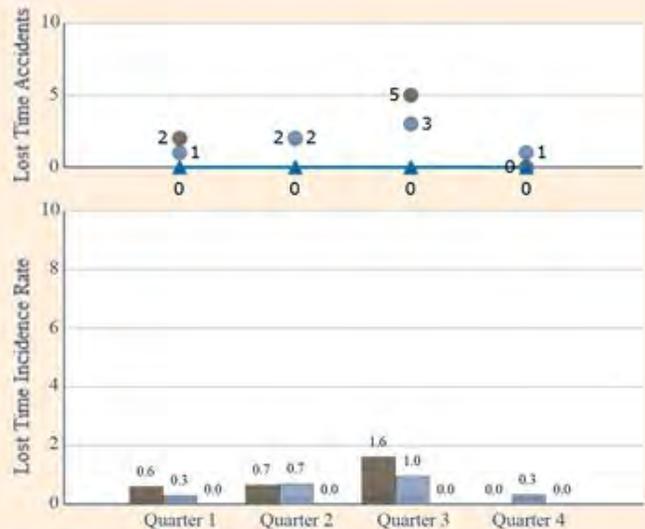
● FY-2016: No of LT Accidents ■ FY-2016: LT Incidence Rate
● FY-2017: No of LT Accidents ■ FY-2017: LT Incidence Rate
▲ FY 2018 No of LT Accidents ■ FY 2018 LT Incidence Rate
 --- Target/National: LT Incidence Rate



In the 4th quarter, 10 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

● FY-2016: No of LT Accidents ■ FY-2016: LT Incidence Rate
● FY-2017: No of LT Accidents ■ FY-2017: LT Incidence Rate
▲ FY 2018 No of LT Accidents ■ FY 2018 LT Incidence Rate



In the 4th quarter, 0 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE

□ Monthly Performance (%) ● YTD Performance (%) — Monthly Target - (97%)



Performance for September was below the monthly target by 0.1%

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, □)



Consent Agenda

Summary of Contracts

247th Meeting of the DC Water Board of Directors

Thursday, November 1, 2018

Joint Use Contracts

1. **Resolution No. 18-69, Execute Option Year Two of Contract No. 16PRHCM44AC, MB Staffing Services LLC.** The purpose of the option is to supply Temporary Staffing Services for DC Water Department of Human Capital Management. The option amount is \$1,267,300 **(Recommended by the Environmental Quality and Operations Committee 10/18/18)**
2. **Resolution No. 18-70, Execute Contract No. 18-PR-DMS-49, M.C. Dean Inc.** The purpose of the contract is to provide annual maintenance of high voltage switchgear throughout DC Water facilities. The contract amount is \$2,117,000. **(Recommended by the Environmental Quality and Operations Committee 10/18/18)**

Presented and Approved: November 1, 2018
SUBJECT: Approval to Execute Option Year Two of Contract No. 16PRHCM44AC, MB Staffing Services LLC

#18-69
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 November 1, 2018 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year Two of Contract No. 16PRHCM44AC, MB Staffing Services LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Two of Contract No. 16PRHCM44AC, MB Staffing Services LLC. The purpose of the option is to supply Temporary Staffing Services for DC Water Department of Human Capital Management. The option amount is \$1,267,300,00.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT EXERCISE OPTION YEAR
For Temporary Staffing Services
(Joint Use)**

Approval to execute option year 2 for Temporary Staffing Services in the amount of \$1,267,300.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: MB Staffing Services LLC 819 7 th St. Suite 311 Washington, DC 20001 LSBE	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$200,000.00
Original Contract Dates:	11/01/2016 – 10/31/2017
No. of Option Years in the contract:	2
Contract Modifications, Base Year's Value:	\$319,912.91
Contract Modifications, Base Year's Dates:	04/01/2017 – 10/31/2017
Option Year No.1 Value:	\$400,000.00
Option Year No.1 Dates:	11/01/2017 – 10/31/2018
Contract Modifications, OY1 Value:	\$899,689.00
Contract Modifications, OY1 Dates:	02/15/2018 – 10/31/2018
This Option Year No. 2 Value:	\$1,267,300.00
This Option Year No. 2 Dates:	11/01/2018 – 10/31/2019

Purpose of the Contract:

To supply Temporary Staffing Services for DC Water Department of Human Capital Management. Various departments submit individual requests for temporary staffing services as their need arises.

Contract Modification:

This action modifies the current Temporary Staffing contract by exercising Option Year 2. This option will incur an additional cost of \$1,117,300.00 for Operations and \$150,000.00 for Capital expense, for a total of \$1,267,300.00.

The Option Year 2 amount currently exceeds the budget available for this contract. If the full amount of the contract is needed, budget reductions will be made in other line items.

PROCUREMENT INFORMATION

Contract Type:	Fixed Hourly Rate	Award Based On:	Highest Ratings
Commodity:	Good and Services	Contract Number:	16PRHCM44AC
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	HCM
Project Area:	DC Water Wide	Department Head:	Roger Brown

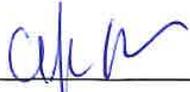
ESTIMATED USER SHARE INFORMATION

User – Operating	Share %	Dollar Amount
District of Columbia	41.90	\$ 468,148.70
Washington Suburban Sanitary Commission	43.10	\$ 481,556.30
Fairfax County	9.59	\$ 107,149.07
Loudoun Water	4.64	\$ 51,842.72
Other (PI)	0.77	\$ 8,603.21
TOTAL ESTIMATED DOLLAR AMOUNT	100.00	\$1,117,300.00

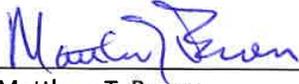
BUDGET INFORMATION

Funding:	Capital	Department:	Waste Water Engineering
Project Area:	Waste Water Engineering	Department Head:	Diala Dandach

User – Capital (FQ44011000)	Share %	Dollar Amount
District of Columbia	41.22	\$61,830.00
Washington Suburban Sanitary Commission	45.84	\$68,760.00
Fairfax County	8.38	\$12,570.00
Loudoun Water	3.73	\$5,595.00
Other (PI)	0.83	\$1,245.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00	\$150,000.00


_____, 10/5/18
Mustaafa Dozier Date
Chief of Staff


_____, 10/5/18
Dan Bae Date
Director of Procurement


_____, 10/5/18
Matthew T. Brown Date
Chief Financial Officer


_____, 10/23/18
David L. Gadis Date
CEO and General Manager

Presented and Approved: November 1, 2018
SUBJECT: Approval to Execute Contract No. 18-PR-DMS-49, M. C. Dean Inc.

#18-70
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 November 1, 2018 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 18-PR-DMS-49, M.C. Dean, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 18-PR-DMS-49, M.C. Dean Inc. The purpose of the contract is to provide annual maintenance of high voltage switchgear throughout DC Water facilities. The contract amount is \$2,117,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

**Annual Maintenance and Repair of Electrical Power Distribution Equipment
(Joint Use)**

Approval to execute a contract with base year value of \$2,117,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
M.C. Dean Inc. 1765 Greensboro Station Place Tysons, VA 22102	N/A	N/A

DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$2,117,000.00
Option Years:	2
Anticipated Contract Start Date:	11-10-2018
Anticipated Base Year End Date:	11-09-2019
Bid Opening Date:	07-17-2018
Bids Received:	2
Bid Range:	\$2,392,800 - \$4,693,200

Purpose of the Contract:

DC Water's Department of Maintenance Services (DMS) and Department of Distribution and Conveyance Systems (DDCS) have a continuing need for annual maintenance of high voltage switchgear (power distribution) equipment throughout DC Water facilities. Switchgear is the combination of electrical disconnect switches, fuses or circuit breakers used to control, protect and isolate electrical equipment. Switchgear is used both to de-energize equipment to allow work to be done and to clear faults downstream.

Contract Scope:

DMS and DDCS require a qualified contractor to provide up to eleven (11) experienced power distribution test technicians and one (1) supervisor, along with replacement parts for repair, calibration and annual maintenance of high voltage switchgear equipment and other associated devices at various DC Water facilities under the direction of DC Water's Contracting Officer's Technical Representative (COTR). Two (2) of the test technicians provided shall be capable of making modifications to the switchgear prints using CAD technology at various DC Water facilities. The current contract requires thirteen (13) technicians and one (1) supervisor.

The requested contract amount, \$2,117,000.00 is for the base year; the contract will be executed one year at a time with 2 option years and available funds will be released on an annual basis.

Supplier Selection:

DC Water received 2 proposals during the solicitation and M.C.Dean, Inc. met the acceptable technical score. M.C.Dean's pricing was the lower of the 2 proposals.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Services	Contract Number:	18-PR-DMS-49
Contractor Market:	Open Market with Preference Points		

BUDGET INFORMATION

Funding:	Operating	Department:	DMS
Service Area:	Blue Plains	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.90	\$677,523.00
Washington Suburban Sanitary Commission	43.10	\$696,927.00
Fairfax County	9.59	\$155,070.30
Loudoun Water	4.64	\$75,028.80
Other (PI)	0.77	\$12,450.90
TOTAL ESTIMATED DOLLAR AMOUNT	100.00	\$1,617,000.00

BUDGET INFORMATION

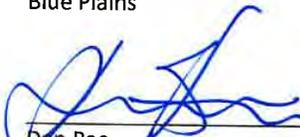
Funding:	Operating	Department:	DCCS
Service Area:	Other	Department Head:	Charles Sweeney

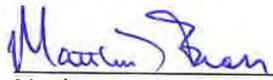
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00	\$500,000.00
Washington Suburban Sanitary Commission	0.00	\$0.00
Fairfax County	0.00	\$0.00
Loudoun Water	0.00	\$0.00
Other (PI)	0.00	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00	\$500,000.00


 Akilile Tesfaye
 Assistant General Manager,
 Blue Plains
 Date: 10/1/18


 Charles Kiely
 Assistant General Manager
 Customer Care & Operations
 Date: 10/1/18


 Dan Bae
 Director of Procurement
 Date: 10/3/18


 Matthew T. Brown
 Chief Financial Officer
 Date: 10/10/18


 David L. Gadis
 CEO and General Manager
 Date: 10/23/18

Presented and Adopted: November 1, 2018
SUBJECT: Adoption of Collective Bargaining Agreement on Working Conditions between DC Water and AFGE Local 2553 and AFSCME Local 2091

#18-71
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, ("Authority") at its meeting on November 1, 2018, decided by a vote of ___() in favor and ___() opposed, to take the following action regarding approving the rollover of the Working Conditions Agreements between DC Water and AFGE Local 2553 and AFSCME Local 2091.

WHEREAS, the District of Columbia Public Employee Relations Board has certified AFGE Local 2553 and AFSCME Local 2091, respectively, as the exclusive collective bargaining agents for their respective bargaining units; and

WHEREAS, representatives of the Authority and AFGE Local 2553 and AFSCME Local 2091 have mutually agreed to rollover their respective agreements for a duration of three years; and

WHEREAS, the Human Resources and Labor Relations Committee met on September 12, 2018, and has recommended the Board approve the rollover of the AFGE Local 2553 and AFSCME Local 2091 Working Condition Agreements ("Agreements"); and

WHEREAS, the Agreements have been ratified by the respective AFGE Local 2553 and AFSCME Local 2091 bargaining units; and

WHEREAS, the Board has determined that provisions contained in the Agreements represent a joint effort by the Unions and the Authority to assure fairness to employees and efficient management by the Authority.

NOW THEREFORE BE IT RESOLVED:

1. The Board approves the rollover of the Agreements between the Authority and AFGE Local 2553 and AFSCME Local 2091.
2. The Agreements be effective, in accordance with its terms, from October 1, 2018 – September 30, 2021.

3. The Chairman of the Board and the General Manager are authorized to execute the Successor Agreements.
4. The General Manager is authorized to take all actions necessary to fully implement provisions contained in the Successor Agreements.

Secretary to the Board of Directors

Presented and Adopted: November 1, 2018

SUBJECT: Approval to Publish Notice of Proposed Rulemaking for Proposed New and Amended Miscellaneous Fees & Charges

**#18-72
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 (“the Authority or DC Water”) at the Board meeting held on November 1, 2018 upon consideration of a non-joint use matter, decided by a vote of ___ (0) in favor and ___(0) opposed, to take the following action with respect to the proposed new and amended Miscellaneous Fees & Charges.

WHEREAS, sections 203(11) of the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996, effective April 18, 1996 (D.C. Law 11-111, § 203(11); D.C. Code § 34-2202.03(11) (the “Enabling Legislation”) authorizes DC Water to establish, adjust and collect charges for services, facilities, or commodities furnished or supplied by DC Water; and

WHEREAS, DC Water establishes rates, fees and charges in accordance with its Rate Setting Policy (Board Resolution #11-10), including the recovery of current costs to provide service; and

WHEREAS, the DC Retail Water and Sewer Rates Committee met on October 23, 2018 to consider the recommendations from the General Manager and to make a recommendation regarding proposed fees and charges adjustments to be effective January 18, 2019; and

WHEREAS, the Retail Rates Committee recommended that the Board approve the publication of proposed fees and charges for public comment; and

WHEREAS, it is the intent of the Board to take final action on the proposed fees and charges adjustments at the conclusion of the public notification and comment period; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board directs the General Manager to publish a notice of Proposed Rulemaking in the District of Columbia Register to adjust the list of fees and charges as follows:

a.) Retail Customer Fees

Fee Name	Existing	Proposed	New
FOG Monthly Fee per Customer	\$0	\$13.70	New
Cross-Connection / Back Flow Prevention Monthly Fee per Assembly	\$0	\$6.70	New

Fee Name	Existing	Proposed	
Customer Bad Check Fee	\$25	\$25	
Declined Credit Card Fee	\$35	\$35	
Customer Penalty Late Fee	10% + 1% per month of Balance due	10% + 1% per month of Balance due	
Initiation Fee (previously named Turn on fee)	\$50	\$50	
Turn Off Charges for Non-Payment	\$50	\$50	
Reconnection Fee (previously named Turn on Fee)	\$50	\$50	
Broken By-Pass Seal	\$700	\$700	
Unauthorized Turn On	\$245	\$245	
Second Water Audit within 24 months	\$125	\$125	
Manual Read (convenience charge for Meter Read)	\$0	\$20/month	New

b.) Turn-Off Charges for Cross Connection Violation and Water Taps and Connections Installation

Fee Name	Existing	Proposed	New
Cross-Connection Turn-off 5/8" to 2"	\$0	\$200	New
Cross-Connection Turn-off 3" to 5"	\$0	\$400	New
Cross-Connection Turn-off 6" and larger	\$0	\$900	New
1 Inch Tap Insertion	\$325	\$425	
1.5 Inch Tap Insertion	\$380	\$500	
Fee Name	Existing	Proposed	
2 Inch Tap Insertion	\$415	\$540	
Water Tap Abandonment (2" or less diameter)	\$310	\$400	
Water Service Connection Abandonment (greater than 2' diameter)	\$610	\$800	
Inspect Pointing up Sewer Taps	\$660	\$860	
Inspect Insertion of Y-Branch	\$235	\$306	
Inspect Installation of Standard Cleanout	\$235	\$306	
Inspect Sewer Tap Removal	\$235	\$306	

c.) Fire Hydrant Flow Test and Use Charges

Fee Name	Existing	Proposed		New
Fire Hydrant Flow Test (Field Test)	\$225	\$300		
Fire Hydrant Flow Test (Computer Model)	\$0	\$200		New
Fire Hydrant Flow Test (Recent Test Record Available)	\$25	\$125		
Letter in Lieu of Hydrant Flow Test	\$125	\$125		
Fire Hydrant Permit	\$0	\$75		New
Private Fire Hydrant Flush	\$0	\$81		New
Water and Sewer Rate – for Hydrant Use	Prevailing	Prevailing	Usage Based	
3" Hydrant Meter Deposit	\$700	\$1,600		
3" Hydrant Meter Rental < 15 days	\$0	\$75	Flat rate	New
3" Hydrant Meter Rental ≥ 15 days	\$0	\$5	Per day	New
3" Hydrant Meter w BP Deposit	\$0	\$2,200	Flat rate	New
3" Hydrant Meter w BP Rental < 15 days	\$0	\$150	Flat rate	New
3" Hydrant Meter w BP Rental ≥ 15 days	\$0	\$10	Per day	New
5/8" Hydrant Meter w BP Deposit	\$0	\$700	Flat rate	New
5/8" Hydrant Meter w BP Rental < 15 days	\$0	\$75	Flat rate	New
5/8" Hydrant Meter w BP Rental ≥15 days	\$0	\$5	Per day	New
Fire Hydrant Use Per Day	Usage Based	Usage Based		

d.) Engineering Large Plans Review and Existing and Proposed Permitting Fees

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
Base Plan Submission Administrative Fee- for all review types	\$0	\$140	Not Applicable	New
Reject Plan Submission Administrative fee for all review types	\$0	\$75	Not Applicable	New
Large Permits Expedited (15 working days review per submission)	\$10,000	\$17,400		
Large Permit Basic	\$7,500	\$10,000		
Approved Plan Revision (Field Conditions)	\$250	\$1,000	\$1,750	
Large Project Sheeting and Shoring (Large Commercial)	\$1,000	\$6,500	\$11,300	
Abandonment Waiver Request	\$500	\$500	\$880	
Water and sewer availability letter (large)	\$500	\$500	\$880	
Temporary Water connections (previously Small Commercial-multi-family, apartments, store etc.)	\$2,500	\$3,300	\$5,800	
Design Manuals-Initial	\$60	\$0		
Design Manuals-Revisions/Updates	\$25	\$0		

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
Construction Standards Details-Initial	\$35	\$0		
Construction Standards Details-Revisions/Updates	\$10	\$0		
Construction General Conditions & Standard Specifications-Initial	\$25	\$0		
Construction General Conditions & Standard Specifications-Revisions/Updates	\$5	\$0		
DC Water Pipeline Design Manual-Initial	\$75	\$0		
DC Water Pipeline Design Manual-Revisions/Updates	\$30	\$0		
Electronic Version of Water/Sewer Counter and As-Built Maps Per Project	\$100	\$0		
Updates of the Electronic Version-Per Project	\$25	\$0		
Large Basic Plan Review Fee- 1 metered connection	\$7,500	\$10,000	\$17,400	
Large Basic Plan Review Fee- 2 metered connections	\$7,500	\$20,000	\$34,800	
Large Basic Plan Review Fee- 3 metered connections	\$7,500	\$30,000	\$52,200	
Large Basic Plan Review Fee- 4 or more metered connections	\$7,500	\$40,000 + Determined on a per project basis	\$69,600+ Determined on a per project basis	
Fire Service only > 2" (no interior renovations)	\$7,500	\$4,500	\$7,800	
Sanitary or Combined Connection Only 8" or larger	\$7,500	\$4,500	\$7,800	
Sanitary or Combined Connection Only 6" or less	\$2,500	\$700	\$1,200	
Storm Connection Only 15" or larger	\$7,500	\$4,500	\$7,800	
Storm Connection Only less than 15"	\$2,500	\$700	\$1,200	
Large Renovation no new water/sewer work- Project Doc signoff only (inside a campus)	\$0	\$400	\$700	New
Large Project Approved Plan Revision (Project Scope/Design Change, or field change) (1)	\$1,000	\$1,000	\$1,750	
Large Project Sheeting and Shoring (2)	\$1,000	\$6,500	\$11,300	
Large water meter size reduction plan (no other work)	\$1,000	\$3,300	\$5,800	
Large Project Raze utility release letter- no abandonments	\$150	\$300	\$500	
Large Project Raze utility release letter- with abandonments	\$150	\$700	\$1,200	

e.) Existing Small Plan Review Fees (Service tap 2 inches or less)

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
Availability Letter (small)	\$125	\$125	\$215	
Small Commercial (multi-family, apartments, store, etc.) (1)	\$2,500	Phased Out		
Small Residential	\$300	Phased Out		
New Home from a Large Project Subdivision (10 or more units)	\$150	Phased Out		
Small Sheet and Shore	\$500	\$1,000	\$1,750	
Small basic non-residential project- 1 metered connection	\$2,500	\$3,300	\$5,800	
Small basic non-residential project- 2 metered connection	\$2,500	\$6,600	\$11,600	
Small basic non-residential project- 4 or more metered connections	\$2,500	\$9,900	\$17,400	
Small basic non-residential project- 4 or more metered connections	\$2,500	\$13,200 + Determined on a per project basis	\$23,200 + Determined on a per project basis	
Small Hybrid Non-Residential- 1 metered connection	\$7,500	\$5,000	\$8,700	
Small Hybrid Non-Residential- 2 metered connections	\$7,500	\$10,000	\$17,400	
Small Hybrid Non-Residential- 3 metered connections	\$7,500	\$15,000	\$26,100	
Small Hybrid Non-Residential project- 4 or more metered connections	\$7,500	\$20,000 + Determined on a per project basis	\$34,800 + Determined on a per project basis	

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
Sanitary or combined Sewer connection only 6" and less	\$300	\$700	\$1,200	
Storm sewer connection only less than 15"	\$300	\$700	\$1,200	
Fire service only greater than 2"	\$7,500	\$4,600	\$8,100	
Single Family Residential/ metered connection up to 50	\$300/\$7,500	\$700 each Up to \$25,000	\$1,200 each	
Town Houses/ metered connection up to 50	\$300/\$7,500	\$700 each Up to \$25,000	\$1,200 each	
More than 50 SFU or Town Houses	\$7,500	700 + each up to 50 and \$350	1,200+ each up to 50 and \$600 for	

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
		for each above 50	each above 50	
Small Non-Residential or Residential Raze utility release letter- no abandonment	\$0	\$330	\$580	New
Small Non-Residential or Residential Raze permit review and utility release letter- with abandonments (2)	\$150	\$700	\$1,200	
As part of a project review	\$0	\$300	\$600	New

f.) Proposed Excessive Submission (additional fee for 4th submission)

Fee Name	Existing	Proposed Standard	Proposed Expedited	New
Large Plan Excessive Submission Review (2)	\$1,000	\$2,400	\$4,200	
Small Non Residential Plan Excessive Submission Review	\$0	\$600	\$1,050	New
Residential Plan Excessive Submission Review (3)	\$0	\$360	\$630	New
Request for Information (RFI)	\$0	\$30	\$60	New
Letter in Lieu	\$0	\$50	\$90	New
Request for As-Built Drawings	\$0	\$90/man hour	\$150/man hour	New
Water Meter Sizing Computation	\$0	\$90	\$150	New
Water and Sewer Availability Letter	\$500	\$500	\$880	
Delayed abandonment or waiver from Standards Letter (3)	\$500	\$500	\$880	
Processing of Standard Easement Covenant	\$0	\$1,000	\$1,750	New
Processing of Non-Standard Easement Covenant	\$0	\$5,000	\$8,750	New
One Day Plan Design and Review and approval (Velocity type program)	New Service, Not Currently Provided	Determined on per project basis; minimum fee- \$20,000		

g.) Existing/ Proposed As-Built

Fee Name	Existing	Proposed Standard		New
SFU Residential service connection -Small Residential	\$215	\$250		
Townhouses or SFU from multi-unit project	\$215	\$250		

Small non-residential, Large service connection (per connection)	\$215	\$500		
Small non-residential Fire Service	\$0	\$750		New
Large non-residential water service 3" or more, sewer service 8" or more, fire service 3" or more	\$215	\$750		
New water or sewer main (20 to 100 feet) (each)	\$215	\$2,500		
Each additional 200 feet of water line	\$0	\$2,000		New
Each additional 400 ft. sewer main/line	\$0	\$2,000		New
If installing more than 200 linear feet or any Water line larger than 24" in diameter	\$215	Determined on a per project basis		
If installing more than 200 LF of sewer or any Sewer larger than 60" in diameter	\$215	Determined on a per project basis		

h.) existing Temporary Potable Water Equipment Fee

Fee Name	Existing	Proposed		New
Temporary Potable Water Equipment Fee	\$262	Phased Out		
Each additional Temporary Potable Water Equipment Fee (Quench Buggy, Misters, Water Fountains, etc.)	\$54	Phased Out		

i.) Event and Equipment Fee

Size of Event (Attendees)	Number of DC Water Personnel Per Event
100 – 2,000	2
2,000 – 5,000	4
5,000 or more	6
Equipment	Per Unit Per Event
Misting Tent*	\$550
Mobile Brita Hydration Station*	\$600
Cooling Station	\$420
Quench Buggy	\$2,500
DC Water Mascot	\$50

j.) Industrial User Permitting & Sampling Fee to recover the cost of service

Fee Name	Existing	Proposed
Industrial Permit Initial Fee	\$2,000	\$2,500
Industrial Permit Renew Fee	\$600	\$700

Significant or Non-Significant Categorical Industrial User Annual Compliance Fee- 1 Outfall	\$2,500	\$3,100
Significant or Non-Significant Categorical Industrial User Annual Compliance Fee- 2 or more Outfalls	\$3,500	\$4,300
Significant Non-Categorical Industrial User Annual Compliance Fee- 1 or more Outfalls	\$2,500	\$3,100
Significant Non-Categorical Industrial User Annual Compliance Fee- 2 or more Outfalls	\$3,500	\$4,300
Non-Significant Non-Categorical Industrial User Annual Compliance Fee- 1 Outfall	\$550	\$700
Non-Significant Non-Categorical Industrial User Annual Compliance Fee- 2 Outfalls	\$700	\$900

k.) Groundwater Sewer Charge

	Existing		Proposed	
	CCF	KGAL	CCF	KGAL
Ground Sewer Charge	\$2.33	\$3.11	\$2.83	\$3.78

l.) Existing Miscellaneous Fees

Legal Charges	Unit	
Witness Fee	Salary + Fringe	
Copying Charges	Existing (Unit)	Proposed
Xerographic	\$2.50	Discontinued
Vellum	\$4.00	Discontinued
Mylar	\$5.50	Discontinued
Standard Letter and Legal Pages Photocopying (per sheet)	\$0.25	0.75

- The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed fee adjustments in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: November 1, 2018

Subject: Approval of Proposed Notice of Rulemaking to Amend the Groundwater Sewer Retail Rates Effective October 1, 2019

**#18-73
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 (“the DC Water”) at the Board meeting held on November 1, 2018 upon consideration of a non-joint use matter decided by a vote of ____() in favor and ____() opposed, to publish the Notice of Proposed Rulemaking to amend the groundwater sewer retail rates, effective October 1, 2019.

WHEREAS, sections 203(11) and 216 of the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996, effective April 18, 1996 (D.C. Law 11-111, §§ 203(11) and 216; D.C. Code §§ 34-2202.03(11) and 34-2202.16) (the “Enabling Legislation”) authorizes DC Water to establish, adjust and collect charges for services, and to adjust retail sewer rates for those services; and

WHEREAS, section 207(a)(3) of the District of Columbia Public Works Act of 1954, effective May 18, 1954 (68 Stat. 101; D.C. Official Code, § 34-2107 et seq.) (“Public Works Act”), as amended, further authorizes DC Water to charge for the discharge of groundwater from unimproved real properties under construction, cooling water, and water from a source or sources other than the District water supply system (non-potable water source) that is discharged into the DC Water’s sewer system; and

WHEREAS, the Public Works Act does not address or prohibit DC Water from charging for the discharge of groundwater from a property under groundwater remediation; and

WHEREAS, groundwater from unimproved real properties under construction or a property under groundwater remediation, cooling water, or non-potable water source that is discharged into the District’s sanitary or combined sewer system is conveyed to and treated at the Blue Plains Wastewater Treatment Plant (WWTP), causing DC Water to incur collection and treatment costs; and

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 to 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 October 23, 2018, the DC Retail Water and Sewer Rates Committee met to consider the proposed groundwater, cooling water, and non-potable water source sewer charge; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment and increase in the retail groundwater sewer rate of \$0.50 per Ccf (\$0.67 per 1,000 gallons) from \$2.33 per Ccf (\$3.11 per 1,000 gallons) to \$2.83 per Ccf (\$3.78 per 1,000 gallons), effective October 1, 2019; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended to maintain the retail rates for cooling water and non-potable water source sewer charge consistent with the retail sanitary sewer service rate; and

WHEREAS, the Board desires to receive public comments on the proposed groundwater, cooling water, and non-potable water source sewer charges at public hearing held at the same time for the proposed Fiscal Year 2020 water and sewer rates and fee proposals; and

WHEREAS, based on the public comments received, the Board may approve the groundwater sewer charge in a manner consistent with the Authority's rate-setting and financial policies; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds that DC Water's projected expenditures require that it propose, for public comment, the rates described below, effective October 1, 2019:

21 DCMR 4101.2 The retail rates for sanitary sewer service for the discharge of groundwater, cooling water, and non-potable water sources shall be:

- (a) The retail groundwater sewer charge for an unimproved real property, property under construction or under groundwater remediation shall be two dollars and eighty-three cents (\$2.83) per Ccf (\$3.78 per 1,000 gallons) for groundwater discharged into the District's wastewater sewer system.
- (b) The retail cooling water sewer charge shall be the retail sanitary sewer service rate as provided in section 4101.1(a) for cooling water discharged into the District's wastewater sewer system.
- (c) The retail non-potable water source sewer charge shall be the retail sanitary sewer service rate as provided in section 4101.1 (a) for non-potable water discharged into the District's wastewater sewer system.

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed rates in the manner provided by 21 DCMR, Chapter 40, Retail Ratemaking and the District of Columbia's Administrative Procedures.

This resolution is effective immediately.

Secretary to the Board of Directors