



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

*WATER QUALITY AND WATER SERVICES
COMMITTEE MEETING AGENDA*

Thursday, September 17, 2015

11:00 a.m.

**5000 Overlook Avenue, SW
Washington, DC 20032**

11:00 a.m. I. Call to Order

Howard Gibbs
Vice Chairperson

11:05 a.m. II. Water Quality Monitoring

Charles Kiely

Coliform Testing
LCR Compliance Testing

11:15 a.m. III. Fire Hydrant Upgrade Program

David Wall

Status Report of Public Fire Hydrants
Out of Service Fire Hydrant Map

11:30 a.m. IV. CIS- New Rate Implementation

Lauren Preston/ Pamela Mooring

11:35 a.m. V. Action Item- Non Joint Use

IFB No. 130210—Fort Myer Construction Corporation

Charles Kiely

11:40 a.m. VI. Executive Session*

Adjournment

*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.

Status Report of Public Fire Hydrants for DC Water Services Committee - September 2, 2015

	June Cmte. Report (Jun 04, 2015)	July Cmte. Report (Jul 01, 2015)	August Cmte. Report (Aug 05, 2015)	September Cmte. Report (Sep 02, 2015)
Public Fire Hydrants:	9,457	9,457	9,454	9,452
In Service:	9,305	9,333	9,365	9,392
Marked Out-of-Service (OOS)	152	124	89	60
OOS - defective requiring repair/replacement	70	48	46	42
% OOS requiring repair or replacement (DC Water goal is 1% or less OOS)	0.74%	0.51%	0.49%	0.44%
OOS - due to inaccessibility or temp construction work	82	76	43	18

Note: The number of public hydrants in the DC Water system fluctuates; this number fluctuates as hydrants are added and removed during development or construction activities as well as at the request of the Fire Dept.

Breakdown of Public Fire Hydrants Out-of-Service (OOS) as of September 2, 2015 60

Breakdown of Defective

	0-7 Days	8-14 Days	15-30 Days	31-60 Days	61-90 Days	91-120 Days	> 120 Days	Total
Hydrant Needs Repair/Investigation	3	3	1	0	0	0	4	11
Needs Valve Investigation for Low Flow/Pressure or Shut Test for Replacement	0	0	1	0	0	0	1	2
Needs Replacement	0	0	2	3	3	2	19	29

Defective

42

Breakdown of Others

	0-7 Days	8-14 Days	15-30 Days	31-60 Days	61-90 Days	91-120 Days	> 120 Days	Total
Temporarily OOS as part of operations such as a main repair	0	0	2	2	1	0	1	6
Construction* - OOS	0	0	0	0	0	1	7	8
Obstructed Hydrant – OOS hydrant due to operation impeded by an obstruction.	0	0	0	0	0	0	4	4

Others

18

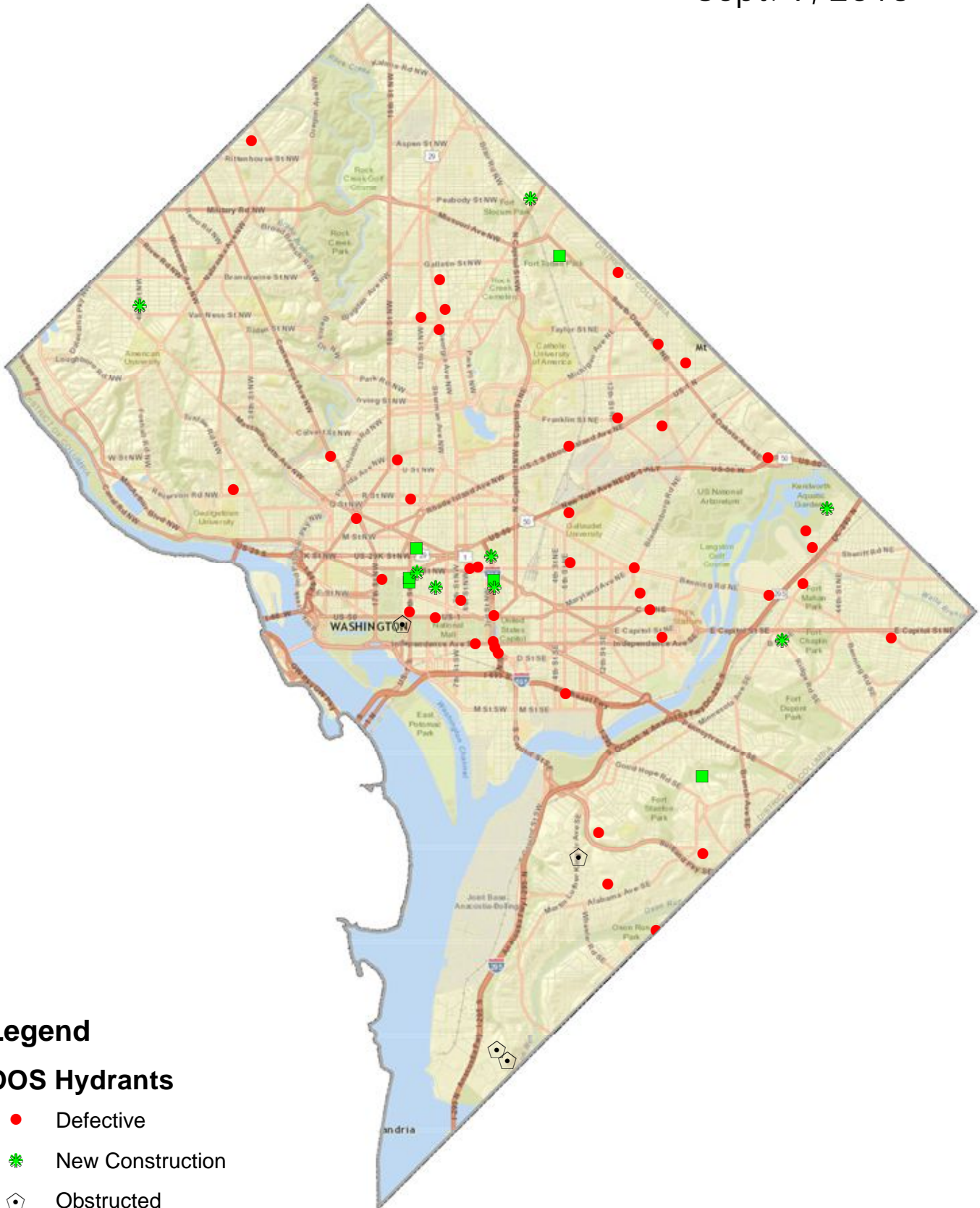
*Fire hydrants not accessible due to construction activities. Also includes new hydrants which have not yet been commissioned or old hydrants which will be abandoned as part of ongoing construction projects.

Status of Private Fire Hydrants-Based on FEMS Inspection Reporting

Private Hydrants:	1,318
• In Service:	1,188
• Out-of-Service (OOS):	130

Map of Public Out-of-Service Hydrants

Sept. 9, 2015



Legend

OOS Hydrants

- Defective
- * New Construction
- ⬠ Obstructed
- Temporary



CIS - FY16 Rates Implementation

Presentation to the Water Quality/Water Services Committee

Lauren Preston, Director Customer Service

Pamela Mooring, External Communications Manager

September 17, 2015

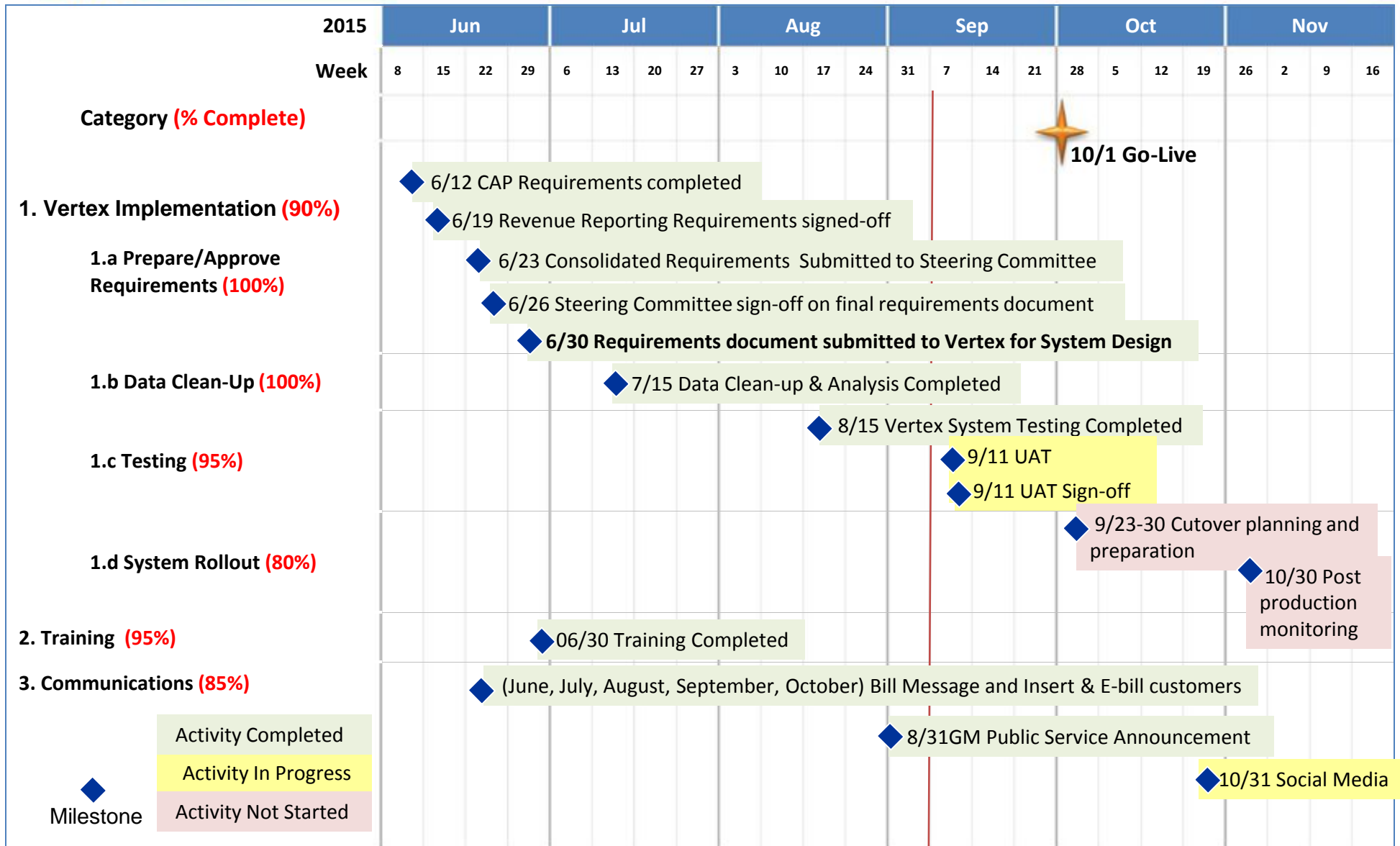


Agenda

I. Overview of Implementation Schedule	1
II. Update from Customer Service.....	2
III. UAT Testing Update.....	3
IV. Update External Affairs.....	4
V. Next Steps.....	5



FY 2016 Rate Design Implementation Status





FY 2016 Rate Design Implementation Status

URGENT ITEMS TO BE COMPLETED PRIOR TO GO-LIVE

Customer Service

- Complete User Acceptance Testing – 9/11/15
- Concentrate on service order completion to reduce complicated bills
- Conduct staff refresher training just prior to go live – 9/16 – 9/23
- Publish changes to data entry business processes; train as needed – 9/23
- Finish last billing for this year, confirm table load for new rates, load data changes for DCHA – 9/23 – 9/28
- Received 27 step set up/roll out plan from Vertex; 19 steps done; remaining steps in normal schedule just prior to go live



FY 2016 Rate Design Implementation Status

ITEMS TO BE COMPLETED POST GO-LIVE

Customer Service

- CAP implementation – Scheduled 10/31
- Custom queries and report writing for lifeline rate and WSRF – 10/15
- Bill hold and validation – First week of new bills until all variations reviewed – 10/1-10/09
- Revenue review and assessment with CFO's office – 10/31 – 11/30



FY 2016 Rate Design Implementation Status

USER ACCEPTANCE TESTING PROGRESS UPDATE AS OF 9/11

- 💧 User Acceptance Testing in two phases: first group to be completed by 9/11, second is post go-live confirmation testing
- 💧 CAP testing and system changes for WSRF may be done just after go-live depending on programming availability. The system allows for retroactive CAP credit for customers who enroll during October so there will be no financial harm to customers
- 💧 Post go-live testing includes holding bills and validating printed bill and calculations



Communication

BACKGROUND:

Water conservation measures have been so successful that revenue is falling and the funding gap must be reconciled through rate increases. A fixed fee added to the bill will ensure the funds are available for water system replacement expenses specifically related to replacing drinking water infrastructure.

DC Water has sought a more equitable way to charge for service, starting with the Impervious Area Charge (IAC) in 2009 that funds the Clean Rivers Project to significantly reduce combined sewer overflows to District waterways. Rather than being based on volumetric use it is more fairly assessed on the amount of impervious surface area on a property. Those contributing more to the problem will contribute more to the funding.

The newest rate change is designed to place less burden on those with lower consumption; therefore, access to the system is factored into the rate structure.



Communication

Target Audiences



- Residential customers
- Low-income customers (and their advocates)
- Large non-residential customers
- Muni & Federal



Communication



Communication Tactics

- Town-Hall Meetings
- Bill message and bill inserts & e-bills
- *Guide to Customer Services*
- Website and Social Media
- Media Outreach
- Public Service Announcement
- Customer letter to each customer who receives a bill

Information included in customer bills:

- ✓ What's on Tap – June: GM Message discussing the need, the rationale and the investment
- ✓ What's on Tap – July: Bill insert: Comparison of DC Water rates to other water utilities nationwide and comparison of DC Water monthly rates to other local utility expenses (phone, gas, electric)
- ✓ What's on Tap – August: Bill insert: Water System replacement Fee
- ✓ What's on Tap – September: Bill insert: Affordability and Customer Assistance Programs
- ✓ What's on Tap – October: Bill insert: How to Read Your New Bill



August Bill Insert



Affordability and your water bill



SIMPLE TIPS TO SAVE MONEY ON YOUR WATER BILL

1. Identify and fix leaky faucets, showerheads and toilets. A leaking toilet can cost up to \$400/month.
2. Use water more efficiently. Shortening daily showers by 5 minutes can save a family of four about \$15 each month.
3. Install water-saving fixtures, like low-flow toilets or rain barrels. A water-efficient showerhead can save the average family \$300 per year, and it pays for itself in a few months.

Up until this year, DC Water has charged all customers the same rates for water and sewer services. This year, we've created a more equitable rate structure.

Recognizing that larger customers place more wear and tear on the water system, DC Water's Board and management decided effective FY2016 to charge different rates by class of customer (Residential, Multi-Family and Non-Residential). This means each customer class will have its own water rate, but there will continue to be a uniform rate for sewer services.

In addition, for the first time, DC Water is offering residential customers a **Lifeline Rate** as an incentive to conserve water and reduce their monthly bills. The **Lifeline Rate** steeply discounts the first 4 Ccf (roughly 3,000 gallons) of water consumption. The idea behind this rate is to make it more affordable for the water that is needed for basic daily needs.

For more information on how to conserve water and save money on your bill, please see side bar.

CUSTOMER ASSISTANCE

For those who have trouble paying their water and sewer bill there is a **Customer Assistance Program (CAP)** to provide eligible residential customers with a discount. This program is administered by the District of Columbia's Department of the Environment (DDOE) Energy Office. Currently, CAP provides eligible customers with a discount of up to 4 Ccf of water, sewer, Payment-in-lieu-of taxes (PILOT) and Right-of-way (ROW) fees. For FY 2016, DC Water further expanded the CAP discount for the monthly Water System Replacement Fee (WSRF) by crediting 100 percent of this fee, a total monthly savings of up to **\$42.94** on an average CAP customer bill. The DDOE determines eligibility based on household size and income guidelines. For more information, please call the DDOE at **(202) 673-6700** or **311**. Please note you must reapply each year starting in October to continue the CAP discount.

CAP customers do not pay the new Water System Replacement Fee.

DC Water also helps eligible individuals pay their water and sewer bills if they are experiencing financial difficulties through:

- Extended payment plans
- Serving People by Lending a Supporting Hand (SPLASH) fund—SPLASH is a DC Water program that helps customers maintain critical water and sewer service in times of financial emergencies. SPLASH is funded solely by contributions from our customers, employees and the community, and every dollar we receive is distributed to eligible customers.

To find out more about the options above, please call **(202) 354-3600** to speak with a Customer Care Associate. You may donate to SPLASH when paying your water bill or by calling the number above.



September Bill Insert

Our aging water system needs to be replaced



EARLY 1900'S



MID 1900'S



TODAY

Parts of our water system date back to the early 1900s and the median age of a water main in DC is 79 years old. In fact, some pipes and infrastructure were put in the ground before the U.S. Civil War in the 1800s. Over the years, as the District has expanded and developed, more water infrastructure was added.

Unfortunately, in the past, this vital system had received little maintenance, causing broken mains and service disruptions today. This problem is not unique to DC but is

occurring across the country, especially in older cities.

Our water system—pipes, valves, pumps—needs investment now. To replace the system in 100 years, we need to construct about 13 miles of pipes annually at a cost of \$40 million per year. To pay for this initiative, DC Water studied what other utilities nationwide were doing. The most equitable solution—and one embraced by many other utilities—is a fixed fee based on the amount of access to the water system a property needs.

DC Water is adding a new fee based on meter size and the amount of access to water at your property. This "Water System Replacement Fee" will go into effect October 1, 2015 and your specific meter size will be printed on your monthly bill. See the chart on the back for details on the new fee.

For more information, please visit dcwater.com/rates, call (202) 354-3600 or email custserv@dcwater.com.

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Large Valve Replacement 12
(Non-Joint Use)**

Approval to execute a construction contract for \$1,944,928.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corporation 2237 33 rd NE Washington, D.C. 20018 (MBE)	Omni Excavators, Inc. Hyattsville, MD Acorn Supplies & Dist., Inc White Marsh, MD	MBE WBE 32.0% 10.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$1,944,928.00
Contract Time:	540 Days (1 Year, 6 Months)
Anticipated Contract Start Date (NTP):	10-16-2015
Anticipated Contract Completion Date:	04-08-2017
Bid Opening Date:	07-12-2015
Bids Received:	5
Other Bids Received:	
Flippo Construction Co., Inc	\$ 2,388,000.00
Anchor Construction Corporation	\$ 2,594,340.00
J. Fletcher Creamer & Son, Inc	\$ 2,873,560.00
*Capitol Paving of DC, Inc.	\$ 1,924,750.00

* Bid was declared non-responsive and rejected.

Purpose of the Contract:

To replace (6) defective large valves and install (2) new large valves to improve system reliability and extend the design life of aged infrastructure.

Contract Scope:

- To replace six (6) inoperable large valves ranging in size from 12-inch to 30-inch
- To install two (2) new 20-inch and 24-inch valves and associated appurtenances

Federal Grant Status:

- Construction Contract is eligible for Federal grant funding assistance; inclusion in grant is pending availability of grant funds.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130210
Contractor Market:	Open Market		

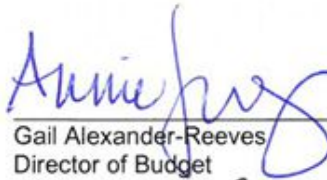
BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Liliana Maldonado
Project:	18		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 1,944,928.00
Federal Funds	0.00%	\$ 0.00
Washington Suburban Sanitary Commission	0.00%	\$ 0.00
Fairfax County	0.00%	\$ 0.00
Loudoun County & Potomac Interceptor	0.00%	\$ 0.00
Total Estimated Dollar Amount	100.00%	\$ 1,944,928.00

* Is eligible for Federal Grant Funding at approximately 80% of the District of Columbia share, and may be used if additional funding becomes available or if other eligible projects are postponed.

For  , 9/8/15
 Gail Alexander-Reeves
 Director of Budget

 , 9/9/15
 Dan Bae
 Director of Procurement

 , 9-8-15
 Leonard R. Benson
 Chief Engineer

_____, _____
 George S. Hawkins
 General Manager