

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY 315th MEETING OF THE BOARD OF DIRECTORS

Monday, January 13, 2024 9:30 am

This meeting will be available for viewing through a livestream: https://dcwater.com/watch-board-meetings

i

- I. Call to Order (Dr. Unique Morris-Hughes, Chairperson)
- II. Roll Call (Michelle Rhodd, Board Secretary)
- III. Approval of the December 5, 2024, Meeting Minutes
- IV. Chairperson's Overview
- V. <u>Committee Reports</u>
 - 1. Emergency Meeting of the Executive Committee (Rachna Butani Bhatt)
 - 2. Finance and Budget Committee (Jonathan Butler)
 - 3. Environmental Quality and Operations Committee (Howard Gibbs)
 - 4. Governance Committee (Christopher Herrington)
- VI. CEO and General Manager's Report (David L. Gadis)
- VII. Consent Items (Joint Use)

No Actions

VIII. Consent Items (Non-Joint Use)

- Approval to Execute Supplemental Agreement No. 1 of Contract No. DCFA-519, Lead Free DC Program Management & Construction Management (PMCM), Lead Free Group, Joint Venture - Ramboll Engineering, PC and CDM Smith, Inc. – Resolution No. 25-00 (Recommended by the Environmental Quality and Operations Committee 12/19/24)
- Approval to Execute Change Order No. 004 of Contract No. 220160, Major Sewer Rehabilitation 1-5 Northeast Boundary, Spiniello Companies – Resolution No. 25-01 (Recommended by the Environmental Quality and Operations Committee 12/19/24)
- Approval to Extend and Add Funding to Contract No. 10246, IT Software Contract, <u>Voxai Solutions, Inc. (DBE) – Resolution No. 25-02</u> (Recommended by the Environmental Quality and Operations Committee 12/19/24)
- Approval to Add Funding to Contract No. 10345, Tank Reservoir Cleaning Services, <u>Jet Blast, Inc. – Resolution No. 25-03</u> (Recommended by the Environmental Quality and Operations Committee 12/19/24)

IX. Executive Session¹ (Dr. Unique Morris-Hughes, Chairperson)

To discuss, establish, or instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of a contract pursuant to the Open Meetings Act of 2010 § 2-575(b)(2).

X. Adjournment (Dr. Unique Morris-Hughes, Chairperson)

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.

Upcoming Committee Meetings | via Microsoft Teams

•	January 16 th @ 9:30 am	Environmental Quality and Operations Committee
•	January 22 nd @ 10:00 am	Human Resources and Labor Relations Committee with Union Presidents
•	January 23 rd @ 9:30 am	Audit and Risk Committee
•	January 28 th @ 9:00 am	DC Retail Water and Sewer Rates Committee
•	January 28 th @ 10:00 am	Joint Meeting - DC Retail Water & Sewer Rates and Finance & Budget Committees
•	January 28 th @ 11:00 am	Finance and Budget Committee

Next Board of Directors' Meeting | via Microsoft Teams

February 6, 2024 @ 9:30 am

1The 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 certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under DC Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under DC Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under DC Official Code § 2-575(b)(4)(A); collective bargaining negotiations under DC Official Code § 2-575(b)(5); facility security matters under DC Official Code § 2-575(b)(8); disciplinary matters under DC Official Code § 2-575(b)(10); personnel matters under DC Official Code § 2-575(b)(10); third-party proprietary matters under DC Official Code § 2-575(b)(11); train and develop Board members and staff under DC Official Codes § 2-575(b)(12); adjudication action under DC Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under DC Official Code § 2-575(b)(14); and other matters provided under the Act.



314TH BOARD OF DIRECTORS MEETING MINUTES OF THE MEETING DECEMBER 5, 2024

(Via Microsoft Teams)

DIRECTORS PRESENT

District of Columbia Members

- 1. Rachna Bhatt, Acting Chairperson
- 2. Anthony Giancola, Principal
- 3. Howard Gibbs, Principal
- 4. Richard Jackson, Principal
- 5. Jed Ross, Alternate

Prince George's County Members

- 1. Floyd Holt, Principal
- 2. Jared McCarthy, Principal
- 3. Jonathan Butler, Alternate

Montgomery County Members

- 1. Jon Monger, Principal
- 2. Jeffrey Seltzer, Alternate
- 3. Amy Stevens, Alternate

Fairfax County Member

- 1. Christopher Herrington, Principal
- 2. Sara Motsch, Alternate

DC WATER STAFF

- 1. David Gadis, Chief Executive Officer and General Manager
- 2. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
- 3. Matthew Brown, Chief Financial Officer Finance and EVP, Finance, Procurement and Compliance
- 4. Wayne Griffith, Chief Administration Officer, and EVP
- 5. Michelle Rhodd, Secretary to the Board

The 314th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Rachna Bhatt at 9:30 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

I. APPROVE MINUTES

Chairperson Bhatt asked for a motion to approve the minutes of the November 7, 2024, meeting.

Upon a motion made, the Board of Directors approved the minutes of the November 7, 2024, meeting as presented.

II. CHAIRPERSON'S OVERVIEW

Ms. Bhatt informed board members that Dr. Unique Morris-Hughes' confirmation hearing to serve as DC Water Board Chair before the Committee on Transportation and the Environment would be held on December 11.

Current board member Jed Ross was nominated by Mayor Bowser to serve as a Principal member of the Board, and his confirmation hearing was also scheduled for December 11.

Board member Fariba Kassiri, Principal member for Montgomery County, was reappointed for another term which ends May 31, 2028.

III. COMMITTEE REPORTS

Executive Committee Report Reported by Rachna Butani Bhatt

Ms. Bhatt presented a summary of the report on the meeting held on November 19.

Agenda topics included reviewing the 2025 calendar and meeting dates, and the 2025 officers. The Committee agreed to defer taking action on the officers until 2025, as permitted in the Bylaws. The Committee met in executive session to discuss legal, confidential, or privileged matters under D.C. Official Code § 2-575(b)(4)(A).

There were two follow-up items from the meeting.

Environmental Quality and Operations Committee Report Reported by Sarah Motsch

Ms. Motsch presented a summary of the report on the meeting held on November 20.

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, summarized the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) for October 2024, noting that all parameters were within the national pollution discharge elimination standards permit limits. The average flow through to complete treatment was 240 million gallons per day (MGD) for the month. The peak daily flow was 345 MGD, which occurred on October 1st.

The Anacostia tunnel system and wet weather treatment at BPAWTP captured 30 million gallons with no overflows. On-site energy generation from the combined heat and power facility and solar panels was 27 percent of the average treatment plant consumption. Three thousand seven hun3,700 wet tons of biosolids were sold as Bloom. 3,700 wet tons of biosolids were sold as Bloom in October, towards the FY24 goal of 70,000 tons.

William Elledge, Director, Engineering & Technical Services, presented the quarterly update for the Lead-Free DC program (LFDC), sharing some metrics from the program's dashboards and updates on key activities completed in the last quarter. For the FY24 KPIs, nine metrics were met. The current estimate of lead service lines to be replaced is 41,157 and the program is 21% complete. Of the replacements, 544 were achieved by the Lead Pipe Replacement Assistance program. Mr. Elledge also shared an update on the pilot program to find a less intrusive way to identify service line materials. The field-testing phase is complete, and the team is now conducting field verification to identify those materials.

A memorandum of understanding for LFDC was signed by DDOT and DC Water, representing a significant milestone for the program. In addition, DC Water has collaborated with DDOT's Pave DC program to reduce paving costs associated with restoration following lead service line replacements.

Paul Guttridge, Director CIP Infrastructure Management, presented the quarterly CIP update, noting that spending for FY24 was 98% of the baseline budget. Spending for the Clean Rivers Service Area was \$20 million ahead of the target for the year, which offset spending for the wastewater treatment area. Ryu Suzuki clarified that underspending for the wastewater treatment area was due to the deferral of the renewable natural gas project.

Mr. Guttridge discussed the KPI report. Of the 36 KPIs due in FY24, 18 were completed within the 90-day threshold while 18 were completed outside the threshold. David Parker, Vice President Engineering, shared some accomplishments across the wastewater, sewer, and water services areas in FY24 and discussed the transition to collaborative

delivery. In FY2025, there will be approximately \$2 billion of work advertised for design and construction contractors.

Dr. Moussa Wone Vice President, DC Clean Rivers Project, provided the Clean Rivers project status update. The Anacostia Tunnel System continues to perform well. Through September 2024, over 17.6 billion gallons of overflows and over 11,000 tons of trash, debris, and other solids were captured. The Northeast Boundary (NEB) tunnel is the last leg of the Anacostia Tunnel System and is 99% complete.

The Potomac River tunnel is progressing and planned to be in operation by February 2030. The Piney Branch tunnel environmental assessment with the National Park Service was released for public comment in October 2024; comments are due in December 2024.

The Committee recommended moving five actions items to the Board for approval.

IV. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David Gadis provided an update on the 2024 leadership retreat, which provided an opportunity for leaders from foremen to the EVPs to work collaboratively. He noted that the three-day event was very successful in building a shared understanding of the Authority's current state and challenges as well as the broad demographic of DC Water employees.

On November 21, an investigative story on WRC-4 was aired on the claims process for the LFDC program. It focused on a customer whose basement was flooded after lead line replacement. Mr. Gadis noted that while DC staff take care to avoid such issued, there are cases, especially in older homes with unusual configurations, in which damage does occur. Nationwide, property damage occurs in approximately 5% of water line upgrades. DC Water's rate has been below that number and in FY24 was just 1%. Mr. Gadis thanked Kirsten Williams, Chief Communications & Stakeholders Engagement Officer and EVP, for handling the media inquiry with care and sensitivity while highlighting the strong performance of the LFDC team.

Mr. Gadis also provided an update on the annual Stars of Water Gala, which recognizes the Authority's most tenured employees and merit-based award winners and teams. He highlighted an employee who had been working with the Authority for 55 years.

Board member Anthony Giancola commended the Stars of Water winners and inquired about an apparent discrepancy in the report on the fleet management audit, which was noted to have been completed on September 1, 2024, but also to have received a one-month extension. He further asked if the target date for penetration testing was still

achievable. Wayne Griffith, Chief Administration Officer noted that he would investigate the status of the two open high-risk prior audit findings and update the Board.

Board member Christopher Herrington asked whether an update was available on the boil water advisory. Mr. Gadis noted he was still waiting for the test results.

Mr. Herrington also inquired about the apparent drop-off in investment earnings. Matthew Brown, Chief Financial Officer noted that the apparent reduction was due to year-to-date reporting and the resetting of that value at the start of a new fiscal year.

Mr. Gadis ended with a comment about his visit with the repair crew working on the 30" break and other breaks in the area, in which Management took food and snacks to the team. He commended the team for their hard work to complete repairs despite a very high workload during this season.

V. CONSENT ITEMS (JOINT USE)

- Approval to Execute the Award of Three Base Years and Two Option Years of Contract No. DCFA #555, Sewer Program Management, Brown and Caldwell – Resolution No. 24-81 (Recommended by the Environmental Quality and Operations Committee 11-20-24)
- 2. Approval to Execute the Award of Base Year and Two Option Years of Contract No. 104961 Supply and Delivery of Methanol, Colonial Chemicals, Inc. **Resolution No. 24-82** (Recommended by the Environmental Quality and Operations Committee 11-20-24)
- 3. Approval to Execute the Award of Base Year and Two Option Years of Contract No. 104971 Supply and Delivery of Methanol, Mitsubishi International Corp **Resolution No. 24-83** (Recommended by the Environmental Quality and Operations Committee 11-20-24)
- Approval to Add Additional Funds to Base Years of Contract No. 104031 Small Construction, Eastern Contractors Corporation – Resolution No. 24-84 (Recommended by the Environmental Quality and Operations Committee 11-20-24)
- Approval to Add Additional Funds to Option Year 4 of Contract No. 20-PR-WWT-45A, High Pressure/High Vacuum Cleaning Services, Jet Blast, Inc. – Resolution No. 24-85 (Recommended by the Environmental Quality and Operations Committee 11-20-24)

Upon a motion made, the Board of Directors voted to approve Joint Use Resolutions 24-81 through 24-85 as presented.

		_	_	-	_		_		
\ /		Λ	п	- 14	П		О	NI	
VI	١.	\boldsymbol{H}	u	J	_	u	R	IV	

There being no further business to come before the Board the meeting adjourned the meeting at 10:03 a.m.

Michelle Rhodd Secretary to the Board of Directors

Follow-up actions:

Mr. Griffith will investigate the status of the two open high-risk prior audit findings and update the Board.



MINUTES OF THE MEETING EMERGENCY MEETING OF THE EXECUTIVE COMMITTEE

DECEMBER 6, 2024

(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

- 1. Rachna Bhatt, Acting Chairperson, District of Columbia
- 2. Jared McCarthy, Prince George's County
- 3. Christopher Herrington, Fairfax County

DC WATER STAFF

- 1. David L. Gadis, CEO and General Manager
- 2. Marc Battle, Chief Legal Officer, and EVP Legal & Government Affairs
- 3. Michelle Rhodd, Secretary to the Board

I. CALL TO ORDER

Acting Chairperson Rachna Bhatt called the Executive Committee meeting to order at 3:03 p.m. via Microsoft Teams. Board Secretary Michelle Rhodd called the roll for attendance.

II. EXECUTIVE SESSION

After a motion and majority vote, the Committee moved into executive session to discuss a legal, confidential, or privileged matter personnel under D.C. Official Code § 2-575(b)(4)(A).

III. ADJOURNMENT

The Committee reconvened in open session and hearing no further business, the meeting adjourned the meeting at 4:35 p.m.



MINUTES OF THE MEETING FINANCE AND BUDGET COMMITTEE DECEMBER 17, 2024

(Via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

- 1. Anthony Giancola, Chair, District of Columbia
- 2. Jonathan Butler, Vice Chair, Prince George's County
- 3. Richard Jackson, Principal, District of Columbia
- 4. Sarah Motsch, Alternate, Fairfax County

DC WATER STAFF

- 1. David Gadis, CEO & General Manager
- 2. Matthew T. Brown, Chief Financial Officer & EVP
- 3. Wayne Griffith, Chief Administration Officer & EVP
- 4. Marc K. Battle, Chief Legal Officer & EVP
- 5. Michelle Rhodd, Secretary to the Board
- 6. Lola Oyeyemi, Vice President, Budget
- 7. Tanya DeLeon, Manager, Risk Management

The DC Finance and Budget Committee meeting was called to order by Anthony Giancola, Chairperson, at 9:31 a.m. Secretary to the Board Michelle Rhodd called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Vice President of Budget, presented the November 2024 Financial Report, noting that as of the end of the reporting period, 16.7 percent of the fiscal year was completed. The total operating revenue was approximately \$176.8 million or 19.1 percent of budget, total operating expenditure was approximately \$104.6 million or 13.3 percent of budget, and total capital disbursements were approximately \$81 million or 11.1 percent of budget.

Ms. Oyeyemi also reported that the Finance team is finalizing the FY 2026 budget proposal which will be delivered to the Board during the budget workshop on January 9, 2025. There are also various FY 2024 year-end activities currently underway which include the financial statement audit, A133 audit and preparation of the annual financial and green bond reports with expected completion during the first quarter of 2025.

The year-to-date operating revenues were ahead of the budget by approximately 2.2 percent mainly from the Residential, Commercial, and Multi-Family customer category due to continued higher consumption. The unfavorable variances were due to partial payments received from the District Government and nonpayment by the DC Housing Authority. The federal government and wholesale customers made their quarterly payments in October and November 2024 respectively.

The year-to-date operating expenses were approximately \$104.6 million or 13.3 percent of the budget. The unfavorable variances were due to the impact of inflation on critical supplies and higher purchases of small equipment items. As of the end of November 2024, of the 1,325 authorized staff positions, 1,145 positions were filled. The vacancy rate was 8.7 percent based on the authorized headcount less vacant positions that are over 180 days without recruitment.

Capital disbursements were approximately \$81.0 million or 11.1 percent of budget, which is 55 percent higher than spending for the same period last year. Increased spending is anticipated as planned projects progress throughout the year. Detailed project performance will be provided as part of the quarterly CIP update by the Engineering & Technical Services department in February 2025.

Cash investments were valued at \$601.76 million, including the Rate Stabilization Fund balance of \$35.6 million, operating reserves and additional reserve accounts. Year-to-date interest income was \$2.4 million of the \$9.5 million budget for the year.

Delinquent accounts increased in number and value to \$35.4 million for 11,854 accounts. The multi-family customers accounted for 55 percent of this total.

Committee Chair Anthony Giancola noted that at the end of 2023, the delinquent account balance was \$28 million, and approximately \$34 million in 2024. For the first two months of the current fiscal year, the growth in delinquent accounts has accelerated. He asked if there was a plan to address this growth. Wayne Griffith, Chief Administration Officer & EVP, stated that the Authority is very concerned about the increase in delinquent accounts and noted that the most challenging area remains multi-family dwellings where residents pay landlords for their water bills, but some landlords are not making payments to the Authority. He described a collaborative effort between the Legal Affairs, Finance and Budget, and Customer Service groups to develop aggressive strategies to resolve these accounts.

Mr. Giancola asked if enough pressure is being applied to delinquent property owners and whether there is a prognosis for the issue. Marc Battle, Chief Legal Officer and EVP,

Minutes of the December 17, 2024, Finance and Budget Committee Meeting
Page 2 of 4

described several available measures, including foreclosure, and collaborative efforts with the Office of the Attorney General to affect permitting and occupancy permits, but noted that all of these solutions are time-consuming and will not produce immediate results. He confirmed that the Authority has kept the DC City Council apprised of the issue. David Gadis, CEO/General Manager, affirmed that staff are working very hard to ensure payments are made.

Mr. Giancola inquired about the rate for personnel vacancies that will be included in the FY 2026 budget. Ms. Oyeyemi stated that the budget is in development and the information will be available when the budget is presented in January. Matthew Brown, Chief Financial Officer & EVP, stated that all vacant positions were reviewed during the budget process to determine the number of vacancies and how they will be funded in the budget.

Mr. Giancola noted the high interest income in the last year and asked how this would be budgeted in the future. Mr. Brown stated a significant portion of the increase in interest earnings were due to high short-term interest rates and that the Finance team will be incorporating forecasts for future interest income into the budget.

Committee member Jonathan Butler asked if improved revenue is anticipated from the federal government as employees are brought back to the office in the coming year. Mr. Brown stated that potential return to work would result in higher consumption. He further explained that the revenue from the federal government is based on forecasted billing with current payments based on projections made previously. There is a true up process to account for any changes and that projections made now will determine what the federal government pays. An additional consideration is the potential relocation, from Washington DC to other areas, of federal employees.

Mr. Butler inquired about the increase in the operating expenditure year-to-date budget for FY 2025 when compared to the actual expenses in the prior fiscal year. Ms. Oyeyemi stated that the increases were mainly in the personnel costs for merit increases, and debt service costs to support the capital program.

II. THE ROLLING OWNER CONTROLLED INSURANCE PROGRAM (ROCIP) AND OWNER CONTROLLED INSURANCE PROGRAM (OCIP)

Tanya DeLeon, Risk Manager, provided the ROCIP and OCIP updates, beginning with a review of the purpose of the program and its role in protecting the Authority from financial and reputational damage.

A comparison of DC Water's insurance coverage from before 2004 to the present reveals improvements in claim limits allowing all approved contractors the ability to work with DC Water, enrollment and compliance management, and overall coverage. Ms. DeLeon noted that DC Water now has more control over the claims process.

Ms. DeLeon reviewed the complete ROCIP cross-functional team, which combines input from multiple Authority departments. She expressed thanks to all the departments for their collaborative efforts including support from the Legal team. Over the life of the program, approximately \$32.3 million has been saved through avoided costs. The program also helps smaller businesses participate in DC Water's work because they do not have to seek their own insurance. About 261 projects have been covered, which amounts to 3,001 contractors enrolled on projects valued at approximately \$6 billion.

The Authority currently has a \$500,000 deductible with general liability limits of \$2 million per occurrence and \$4 million aggregate, and excess general liability limits of \$200 million. Ms. DeLeon highlighted the benefits of the program for minority and small business owners who may have difficulty meeting acceptable levels of insurance on their own and who benefit from DC Water's wholesale rates. She noted that under the Authority's plan, vicarious liability is removed from the claim's litigation equation.

Mr. Giancola suggested that the Environmental Quality and Operations Committee should receive the report and Ms. DeLeon's summary.

III. AGENDA FOR JANUARY 2025 COMMITTEE MEETING

The agenda for the January 2025 Committee meeting was reviewed. It will include the monthly financial report and the annual audit review.

IV. ADJOURNMENT

The meeting adjourned at 10:04 a.m.



MINUTES OF THE MEETING ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE DECEMBER 19, 2024

(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

- 1. Sarah Motsch, Chairperson, Alternate, Fairfax County
- 2. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
- 3. Jared McCarthy, Principal, Prince George's County

DC WATER STAFF PRESENT

- 1. David L. Gadis, Chief Executive Officer/ General Manager
- 2. Wayne Griffith, Chief Administration Officer and EVP, Administration
- 3. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
- 4. Michelle Rhodd, Secretary to the Board
- 5. Matthew Brown, Chief Finance Officer and EVP, Finance, Procurement, Compliance

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 9:30 AM. The meeting was held via Microsoft Teams. Michelle Rhodd, Secretary to the Board called the roll.

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, Vice President, Wastewater Operations, presented a summary of the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) for November 2024. Specific details of the presentation can be found on pages 3 to 8 of the Environmental Quality and Operations Committee meeting package from 12.19.2024. The average flow through to complete treatment was 239 million gallons per day (MGD) for the month, and the peak daily flow was 319 MGD, which occurred on November 21st, 2024. It was reported that all weekly and monthly NPDES permit requirements were met.

Mr. Passarelli discussed the performance of the Anacostia tunnel system and wet weather treatment at BPAWTP. It was noted that precipitation for the month was 1.8-inches and the combined wet weather flows captured by the tunnel system was 56 million gallons (100% rainwater capture). There were no flows through Outfall 001 and no overflows from the Tunnel System during the month.

Mr. Passarelli discussed electrical energy use and onsite generation at BPAWTP. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 24% of the average consumption at BPAWTP. The CHP Facility generated an average of 7.4 megawatts (MW), of which 6.2 MW was transferred to the Blue Plains grid. The solar system generated an average of 0.41 MW for the month. The average electrical consumption for the month was 27.1 MW and the total purchased power from PEPCO averaged 20.5 MW. DC Water saved approximately \$5.2 million cumulatively in FY24 due to power generated onsite at BPAWTP (instead of purchasing from PEPCO).

Mr. Passarelli discussed biosolids production and Bloom marketing at BPAWTP. During November, over 11,000 wet tons of biosolids were produced; approximately 3,000 wet tons were sold as Bloom, and the remaining 7,900 wet tons were land applied through existing land application contracts. Progress continues to be made to achieve Bloom marketing goals for FY24.

II. Fire Hydrants Update

Chris Collier, Vice President Water Operations, provided an update on behalf of Sylvia Okogi, Acting Sr. Manager, Water Operations. It was noted that the out-of-service hydrants are at 0.17%, which is well within the DC Water goal of 1% or less.

III. Water Quality Monitoring

Maureen Schmelling, Director of Water Quality presented a comprehensive update on water quality monitoring efforts. Ms. Schmelling confirmed that DC Water continues to comply with all relevant water quality regulations, including the Total Coliform Rule and the Lead and Copper Rule.

Recent water quality testing data indicated that there have been no violations of the Total Coliform Rule. There were a few detections noted in December; however they were well within safe regulatory limits underscoring DC Water's consistent compliance.

For the Lead and Copper Rule, the team is concluding its semester sampling. All results have confirmed compliance with existing standards. Ms. Schmelling also briefed the

committee on significant upcoming regulatory changes from the EPA, set to be implemented in 2028. These changes include a reduction in the action level for lead from 15 parts per billion (ppb) to 10 ppb. Additionally, the method for sampling will shift from the first draw with a voluntary second draw, to collecting five separate one-liter samples, with compliance based on the first and fifth samples. This new sample will be crucial in calculating the 90th percentile used to assess compliance. Despite the impending stricter regulations, current data from DC Water shows a maximum lead level of 5.8 ppb, which remains well below the forthcoming action level. This reflects DC Water's proactive measures and commitment to maintaining superior water quality standards. It was explained that these changes might necessitate new training for staff and potentially new equipment to meet the stricter standards set by the EPA.

In anticipation of these regulatory updates, DC Water plans to start adapting its procedures ahead of the 2028 implementation date. Ms. Schmelling mentioned that DC Water is awaiting further guidance from the EPA on the detailed procedures for the new sampling methods and will adjust compliance strategies accordingly.

IV. Low Service Area Boil Water Advisory

Mr. Collier updated the Committee on the water main break incident that occurred in early December. During the timeframe of December 3rd, 1:40 AM and December 6th, 6:21 AM, a 30-inch Prestressed Concrete Cylinder Pipe (PCCP) water main located in Anacostia Park failed. The failure of the sidewall of the PCCP led to a low-pressure issue in the low service area that affected about 2800 customers. Additionally, the 16-inch feed along Benning Rd. NE was blocked due to a broken valve.

To resolve these issues, crews isolated the 16-inch and the 30-inch water mains in response to the no pressure/low pressure complaints. A boundary valve for the Anacostia 1st High (A1H) pressure zone was opened to repressurize the impacted area. In the early afternoon of December 3^{rd,} a Boil Water Advisory was issued was lifted by 6:00 AM on December 6th. DC Water's Water Operations crews and contractors completed 32 water line and valve repairs, 12 of which were inside the impacted zone. The impacted areas were flushed after repairs, and two regulatory samples were taken. These samples passed bacteriological tests as oft at 5:00 AM on December 6th. The system was returned to normal operation without the 30-inch water main. The 30-inch water main was briefly recharged to locate the leak and was turned off once the leak area was identified.

There was concern that the water main break was located near a sewer manhole, adjacent to the CSX railroad tracks. Mr. Collier explained that the system can be serviced with a 16-inch water main. However, there is lower pressure for firefighting needs and the

authorities have been alerted. It is anticipated that the water main repair will be completed during the week of December 23rd, 2024. Proper protocols will be followed before returning the water main to service; disinfection, flushing and dichlorination and the integrity of the water main will be ensured.

Ryu Suzuki, Director of Wastewater Engineering, added that the exact location of the water main break was found. Mr. Suzuki also explained that Engineering had previously performed a risk assessment of our large diameter water mains, and the 30-inch water main that failed had been categorized as high risk due in part to its criticality as a primary main serving this customer area. Moreover, the likelihood of failure was deemed high due to proximity to the river and the railroad. The predicted high moisture conditions near the river and mechanical stress due to railroad vibrations made it a high-risk asset and more likely to fail.

Mr. Suzuki emphasized that one major initiative of the Engineering Department in the upcoming years will be critical valve replacement so that the real-time conditions of large diameter water mains can be inspected. The Department of Water Operations has started the procurement process to start a valve exercising and repair program. Twenty critical valves have already been replaced. The Engineering Department has also started the process of bringing on-call condition assessment contractors under the Water Program Management contract. The goal is to assess the condition of about 4 miles of large diameter water mains in FY2025. The Engineering and Operations team are also working to develop criteria to prioritize large valves for assessment and repair or replacement.

V. Anacostia Area Sewer Rehabilitation

Mr. Suzuki presented an update on an upcoming project for the Anacostia Area Sewer Rehabilitation. Mr. Suzuki highlighted the need for urgent repairs and upgrades to this critical sewer infrastructure. This includes major sewer assets in the Anacostia Area, The Anacostia Main Interceptor (AMI) and the Anacostia Force Main (AFM), along with the Outfall Sewers that convey flow to the Blue Plains Advanced Treatment Plant.

The AMI was originally installed in 1910 and consists primarily of unreinforced concrete which lacks the structural integrity of modern materials. This section has been plagued by two sinkholes in recent years, with the most recent occurring in 2023, indicating a pressing need for a holistic repair approach. Mr. Suzuki emphasized that the entire 5-mile length of the interceptor has never been cleaned, leading to debris accumulation that impacts hydraulic performance. The proposed plan includes a progressive design-build contract aimed at fully cleaning and structurally rehabilitating 3.7 miles of non-reinforced concrete pipe, with an estimated cost of approximately \$94 million.

The AFM runs parallel to the AMI, and conveys up 244 mgd at 28 psi, although it was designed to handle larger flows and higher pressures. The pipe material is Prestressed Concrete Cylinder Pipe (PCCP), installed in the 1970's. This pipe material is known for defects in the prestressed steel reinforcing wire, and this force main experienced a sinkhole incident in 2018. The failure was attributed to a combination of biogenic corrosion and adverse soil conditions. Recent inspections have identified discrete areas of gas pockets, which can result in corrosion and premature failure. To address these issues, Mr. Suzuki outlined a focused repair plan that includes installing automatic release valves in areas with known gas pockets that contribute to corrosion, with point repairs. The estimated cost of these repairs is around \$15 million, significantly lower than the initial estimate of \$200 million for a complete overhaul.

The Outfall Sewers includes those designated as the East and West Outfall Sewers (EWOS), the East and West Outfall Relief Sewers (EWORS), and the North and South Interconnecting Branch Sewers (NIBS and SIBS). Recent inspections have identified severe corrosion in these Outfall Sewers. Rehabilitation of these segments includes heavy cleaning of EWOS, NIBS, and SIBS, and rehabilitation of 14 miles of these very large sewers. The estimated cost of the work for these Outfall Sewers is \$454 million.

Mr. Suzuki concluded by stressing the importance of these rehabilitation efforts, as they are crucial for maintaining the reliability of the sewer system and ensuring the safety of surrounding communities. The total projected cost for the entire Anacostia Area Sewer Rehabilitation project is estimated at \$566 million, with plans to seek budget increases in the upcoming years to facilitate these essential repairs.

VI. Action Items

Non-Joint Use

- Agreement No. A51900 Agreement No. A51900 of Contract No. DCFA-519, Program Management & Construction Management – Lead Free Group, Joint Venture (Ramboll Engineering, PC, and CDM Smith Inc)
- 2. Contract No. 220160 Major Sewer Rehabilitation 1-5 Northeast Boundary— Spinello
- 3. Contract No. 10246 IT Software Contract Additional Funding Voxai Solutions, Inc.
- 4. Contract No. 10345 Tank Reservoir Cleaning Services Jet Blast, Inc.

William Elledge, Director of Engineering and Technical Services presented Non-Joint Use Action Item 1, David Parker, Vice President of Engineering presented Non-Joint Use

Action Item 2, and John Pappajohn, Director of Procurement, Goods & Services presented the remaining Non-Joint Use Items.

For Non-Joint Use Item 1, Mr. Elledge noted that it was a contract amendment for \$35 million for the Lead Free Group (LFG), the program management joint venture for the Lead Free DC (LFDC) program. Mr. Elledge explained that this increase is because of several reasons: The estimated count of lead service lines to be replaced increased from 28,000 to 42,000. This results in additional services for program management, design, permitting, outreach, construction management, and inspection. The work under the Small Diameter Water Main program, which is integral to removal of lead service lines, was taken over on an interim basis by the LFDC program and LFG until recently transitioned to the Water Program Management contract. 15 miles of small diameter water mains were designed and in addition to that, 30 miles of water mains had survey and sub surface utility engineering performed. As a result of these changes, a supplemental agreement is required for the LFG program management contract to fund the work through the base term of the contract.

For Non-Joint Use Item 2, Mr. Parker presented the change order contract for the Major Sewer Rehabilitation 1-5 Northeast Boundary. The value for this change order is \$2.7 million and this is due to a revised scope that includes cracks and missing bricks detected in the wall of an existing 22-foot circular combined sewer main southbound of the current project limits. These additional repairs were identified from a recent sewer inspection and deemed critical. The area of the additional repairs is located approximately 900 feet from the access manhole at the end of the current construction activity, and it made sense to ask the contractor working on the adjacent area to perform these repairs based on unit costs already established in the contract. The work requires extended bypass piping and scaffolding modifications, and geopolymer lining for rehabilitation of these cracks and missing bricks along 399 linear feet of the sewer main.

For Non-Joint Use Item 3, Mr. Pappajohn noted that the goods and services contract modification was for the IT department. The document contained a request for the extension of the existing contract with Voxai Solutions, Inc. for 14 months in the amount of \$477,000. The contract includes the provision of the Genesys platform that provides call center orchestration, including automatic call distribution, interactive voice response and intelligent call routing. The original three-year agreement (August 2022 through August 2025) had a cumulative contract value of \$991,000. The contract modification is for extending the licensing services for an additional 14 months through October 2026.

For Non-Joint Use Item 4, Mr. Pappajohn noted that the goods and services contract modification was for the Department of Pumping and Sewer Operations (DPSO). This contract modification requested an additional \$741,000 to Jet Blast, Inc for the continued

Minutes of the December 19, 2024, Environmental Quality & Operations Committee Meeting

Page **6** of **7**

High Pressure/ High Vacuum Cleaning Services being provided. The request is to add funding to the final 2 option years of the contract due to the unplanned costs incurred due to: 1) Additional emergency flushing and cleaning type of debris found within the Brentwood Reservoir; 2) Additional flushing of the transmission mains occurred along with additional recleaning after the flushing to ensure no further debris was found; and 3) Emergency sand filter restoration was required by an inspection performed by DOEE.

The Committee recommended moving all Non-Joint Use Action Items to the full Board for approval.

VII. Executive Session

The Committee met in executive session to discuss, establish, or instruct the public body staff on negotiating the price and other material terms of a contract, in accordance with the Open Meetings Act of 2010 § 2-575(b)(2).

VIII. Adjournment

The meeting was adjourned at 10:37am.

315th Meeting of the Board of Directors - VI. CEO and General Manager's Report (David L. Gadis)

dCd CEO's Report

JANUARY 2025





ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

dC CEO's Report

JANUARY 2025

Inside

Highlights

Divisions

Finance, Procurement, and Compliance

Administration

Customer Care

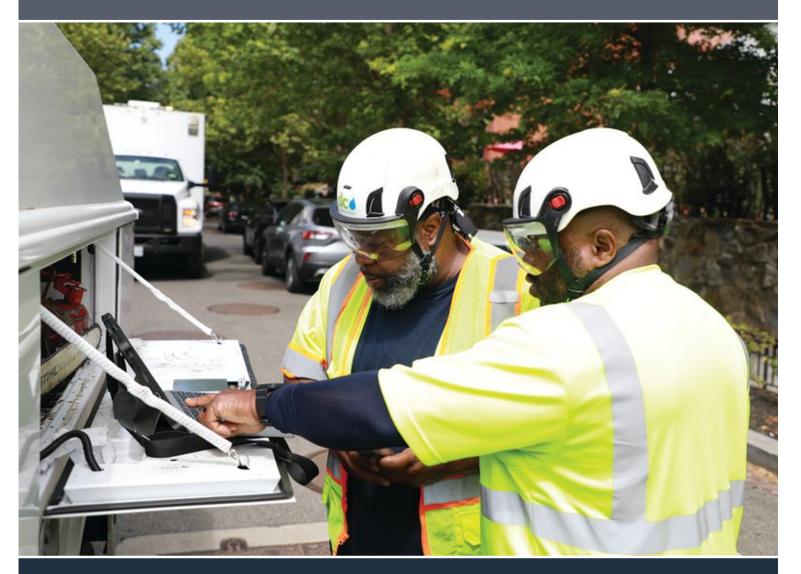
12 Information Technology

13 Operations & Engineering

17 People and Talent

19 Government and Legal Affairs

20 Internal Audit



ACCOUNTABILITY

TRUST

TEAMWORK

CUSTOMER FOCUS

SAFETY

WELL-BEING

dC Highlights

Interim Chair Bhatt, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for January 2025. This report captures the highlights of the team's efforts over the past month, across the five cascading imperatives of the Blueprint 2.0 strategic plan: **Equitable, Sustainable, Resilient, Reliable, and Healthy, Safe and Well**. There are also individual reports from Finance and Procurement; Administrative; Customer Experience; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



Finance, IT, People & Talent, and OMAC Partner to Deliver Creative Solution for Union Staff

Just as our front-line teams were racing to address the boil water advisory (BWA), another team was heroically addressing another crisis, and it's a story worth sharing with the Board. The Authority's collective bargaining agreements stipulate that our represented employees be paid their performance bonus awards by Saturday, December 7. However, over the last week, our Payroll teams began to encounter difficulties processing the annual bonus checks for our Union-represented employees.

A task force was assembled, including **Tina Byrd** (Manager, Payroll / Finance, Procurement, and Compliance), **Dharanija Batchu** (Manager, ERP Systems & Controls / Finance, Procurement, and Compliance), **Eric Euell** (Director, IT Enterprise Solutions / Information Technology), **Yunusa Allotey** (SharePoint Administrator / Information Technology), **Suyog Paudel** (Systems Analyst, ERP Systems & Controls / Finance, Procurement, and Compliance), **Eugene Jenkins** (Senior Systems Analyst, ERP Systems & Controls / Finance, Procurement, and Compliance), **Michelle Blanchard** (Lead Specialist, Payroll / Finance, Procurement, and Compliance), **Ramana Kanchetty** (Director, ERP Systems & Controls / Finance, Procurement, and Compliance), **Sarangan Tamarapu** (Senior Specialist, Compensation / People & Talent), **Genes Malasy** (Vice President and Controller / Finance, Procurement, and Compliance), **Ivan Boykin** (Vice President / Finance, Procurement, and Compliance), **Henok Getahun** (Manager, Treasury and Debt / Finance, Procurement, and Compliance), **Prativa Gurung** (Analyst, Senior Financial / Finance, Procurement, and Compliance), Nicholas Capolarello (Manager, HCM Systems / People & Talent), and **Shubha Kajale** (Senior Analyst, Data Analytics / Finance, Procurement, and Compliance).

This group was quickly joined by **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer and EVP / Marketing and Communications), **Shawn A. Brown** (Acting Vice President, Labor Relations / People and Talent), **Lisa Craft-Woodard** (Senior Manager, Compensation / People and Talent), and **Toymeika Dingle** (Senior Program Manager, Business Analysis / Office of the CEO).

The challenges proved to be even greater than anticipated, with several issues emerging during data transmission. With support from the contributors cited above, and staff from IT, Finance, and People & Talent working into the pre-dawn hours, the team tried other approaches, including direct deposit and issuing paper checks, but each failed for unrelated reasons.



I am very pleased to report that the team successfully began making those well-earned bonus check deposits by wire transfer and ACH to employee bank accounts on Friday and worked over the weekend to complete the payments by Monday, December 9. The creative approach offered nearly a instantaneous delivery of the bonus checks. Some banks may impose a nominal surcharge – typically \$15 - \$25 – for receiving funds via wire transfer. Employees have already been informed that the Authority will reimburse this fee with the necessary documentation.

Thank you to **Matt Brown** (Chief Financial Officer and EVP / Finance, Procurement, and Compliance), and the many teams and individuals who worked tirelessly to find a way to deliver for the employees who truly deliver for all of us.

dc Highlights



2024 Engineering Industry Leadership Award



I am very pleased to share that the American Council of Engineering Companies of Metropolitan Washington (ACEC-MW) honored me with the 2024 Engineering Industry Leadership Award, during their Engineering Excellence Awards Gala, held at the Mayflower Hotel on December 17, 2024.

The prestigious award recognizes excellence in public service employees who collaborate with the engineering industry, champion best practices, innovation, resilience, and community building.

In sharing news of the award, ACEC-MW Chair Arthur Jones-Dove noted that "ACEC-MW, and our member firms are very proud to have a great working relationship with DC Water, which is directly attributable to Mr. Gadis' leadership."

In receiving the honor, I shared with the audience how I am humbled by the recognition and explained why my award is shared with Team Blue, the best in the water sector, bar none.



Authority Hosts WaterISAC's H2O EX Event at HQO





The Water Information Sharing & Analysis Center (WaterISAC) hosted the H2O EX event on Thursday, December 5, 2024, at HQO. More than 70 people attended, including water utility providers and federal agency partners such as the Federal Bureau of Investigation (FBI) and the Environmental Protection Agency (EPA) from across the region.

Key topics included expert briefings from the EPA and FBI on cyber and physical threats facing water utilities. Participants also engaged in discussion-based exercises focused on these threats, supply chain challenges, and strategies to address them. The event concluded with a dynamic roundtable discussion exploring the growing risks to the water and wastewater sector.

Ivelisse Cassas (Director, Security / Administration) and Nelson Sims (Director, Cybersecurity Services / Information Technology) played pivotal roles in the planning and execution of this day of learning and networking to improve water sector resilience. Additionally, the contributions and participation of Karen Green (Senior Manager, SCADA and PCS Operations / Pumping Services), Edward Walters (Program Manager, Critical Infrastructure Protection / Administration), Greg Vernon (Manager, Emergency Management / Administration), and Dusti Lowndes (Director, Emergency Management / Administration), who is also a WaterISAC Board member, helped ensure the success of this important educational and information sharing event.

dcd Highlights



Boil Water Advisory Issued, Lifted in Parts of Northeast Washington



Early in the morning on Tuesday, December 3, 2024, the Authority's Emergency Command Center began receiving reports of low water pressure across parts of northeast Washington.

Our Water Operations team, led by **Chris Collier** (Vice President, Water Operations / Engineering and Operations), worked to isolate a 30" main and soon identified a 16" main leak resulting from a broken, closed valve. This particular asset dated to the Kennedy administration, and was installed in 1961.

At 11:55 am, DC Water issued a Boil Water Advisory (BWA) for customers in the affected zone. Authority staff consulted with EPA Region 3, DC Homeland Security and Emergency Management (HSEMA) and notified elected officials, DC Health, and District agencies.

A press release on the Advisory was distributed to media outlets and those signed up for DC Water Alerts. The media team fielded more than 20 inquiries on the advisory from all the major regional news outlets, including NBC-4, FOX-5, ABC-7, CBS-9, the Washington Post, WTOP radio, and DC News Now. Additionally, the information was shared across the Authority's social media channels, the DC Water website, and NextDoor to reach impacted customers. HSEMA also issued a Wireless Emergency Alert (WEA) to the impacted customers.

On the afternoon of December 3, the Water Operations team began to shift water from the Anacostia 1st High Pressure Zone, to provide water back to many customers, as there were multiple additional breaks in the boil water advisory area.

Maureen Schmelling (Director, Water Quality and Technology) and her Water Quality team acted quickly to conduct the initial round of water sample testing, and subsequent results came back clear on Thursday and Friday mornings. The boil water advisory was formally lifted following Friday morning's test results.

Throughout the event, **Barbara Mitchell** (Director and Associate General Counsel / Government and Legal Affairs) kept DC Council members and staff informed of our progress and efforts to distribute bottled water to affected homes. **Emanuel Briggs** (Director, Community Affairs / Marketing and Communications) did the same for our ANCs and community stakeholders, ensuring they were kept informed with periodic updates.

The Authority has experienced several boil water advisories in 2024, and I believe we will continue to see them issued more frequently in the years ahead without significant additional federal funding. It's hard to find positives when your customers are inconvenienced and out of water, but I am very proud of the response of our teams from across the Authority in addressing the situation.

The challenges we have experienced in 2024 have helped our teams improve with each BWA, and the Office of Emergency Management, led by Ms. Lowndes, has helped us us translate those lessons into improved efficiency and performance during a BWA.

I will keep the Board apprised of any significant findings that come from our investigation, and I thank all employees who contributed to our swift and thorough response.



dc. Divisions

The CEO report includes service level based key performance indicators. These are indicators for which the teams have established or confirmed response and resolution times in which to perform the related work. This is assisting us in identifying productivity and resource needs as well as benchmarking ourselves against other utilities. It is important to note that where teams may not meet the Service Level Targets set for a specific metric, it does not mean the work is not getting accomplished. The teams are doing a tremendous job and continue to strive to meet high performance expectations.

The data in the CEOs Monthly Report reflects the most recent information available at the time of production and printing.



Financial Metrics

Metric	Target	Aug-24	Sept-24	Oct-24	Nov-24
Operating Cash Balance (millions \$)	\$309.6	\$324.3	\$320.5	\$335.7	\$328.6
Delinquent Account Receivables (%)†	3.30%	4.34%	4.48%	4.48%	4.66%
On-time Vendor Payments (%) ^{††}	97%	96%	96%	97%	97%
Investment Earnings Data (Thousands \$)	\$9.5	\$10.8	\$12.1	\$1.2	\$2.4
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.0%	3.7%	4.2%	4.2%
Core Investment Yield Data (%) - Actual Monthly Yield †††	3.82%	4.2%	4.0%	4.0%	4.0%
Short Term Investment Yield Data (%)- Merrill Lynch 3-Month Treasury Index *		4.9%	4.6%	4.5%	4.4%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	4.06%	4.0%	4.0%	3.9%	3.9%
Days of Cash on Hand** and ***	267**	347	342	335	339***

Notes:

Metrics Explanations:

Finance Highlights

FY 2025 Financial Performance

At this early stage in the fiscal year, DC Water is on track with its budget. As of the end of November 2024, with 17 percent of the fiscal year completed, total operating revenues are \$176.8 million or 19.1 percent of the budget. The year-to-date operating revenues were 2.2 percent or \$3.9 million above the year-to-date budget with higher receipts mainly from the Residential, Commercial and Multi-Family customers due to higher consumption and CRIAC than anticipated in the budget.

Total operating expenditure was \$104.6 million or 13.3 percent and capital disbursements were \$81.0 million or 11.1 percent of the respective budgets.

^{*} Represent annual Treasury Index targets developed and provided by the Authority's investment advisor.

^{** 267} days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization Fund.

^{***339} days of cash is made up of 33 days in the Rate Stabilization Fund and 306 days in the operating cash balance.

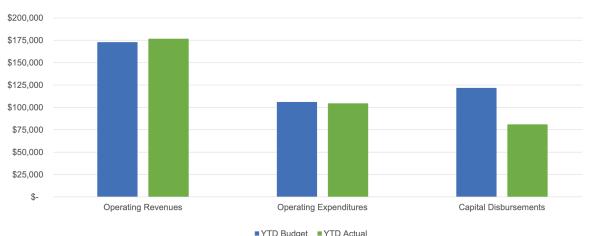
[†] Delinquent account receivables as a percentage of 12-month rolling average revenue. The delinquent account receivables increased due to the impact of COVID-19.

^{††} The vendor payments goal may fluctuate slightly as we continue to research and resolve payments.

^{†††} Investment earnings lag the benchmarks. We are in a rising interest rate environment. As lower yielding investments are sold and reinvested, performance is expected to improve.



FY 2025 Year to Date Performance Budget vs. Actuals (\$000's)

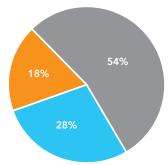


FY 2026 Budget Process

The Proposed FY 2026 Operating Expenditure and the FY 2024 – 2033 Capital Improvement Program and Financial Plan are being formulated. This budget proposal will be reviewed with the Board of Directors during the Budget Workshop on January 9, 2025, immediately after the Board meeting. The details of the proposed budgets will be reviewed with the various Board Committees over a two-month process with budget adoption anticipated by the full board on March 6, 2025.

Procurement and Compliance

In November, three different procurement actions were approved. The value of the eligible procurement actions for this period totaled \$23.78 million. Of this total, the planned certified firm participation is \$10.84 million (in prime and subcontracting opportunities).



Certified Firm Participation November 2024 Awards

Participation:

DBE: \$6.53M WBE: \$4.31M

Non-certified: \$12.93M

Highlights

- Thirty Certified Disadvantaged/Women Business Enterprises were awarded subcontracts on DC Water projects.
- Two new mentor protégé relationships were established (Project 200090: Headworks).

Outreach and Engagement

- Continued our contractor engagement efforts to identify potential prime contractors for DC Water's capital projects.
- Spoke at the Water Equity Network Workforce Taskforce Workshop. Topic Discussed: Cross-Sector Collaboration for Training and Certification
- Participated in the HBCU Public Service Program Roundtable at the Department of Labor.
- Participated in the Potomac Job Corps Apprenticeship Open House and tour.

Upcoming Business Opportunities:

All current and planned solicitations are available at **dcwater.com/procurement**. Those upcoming in the next three months are shown below.

continued

6



Procurement – continued

Capital Projects:

Planned Solicitation	Project Title / Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Inclusion Program
Dec-24	"Small Diameter Water Main (SDWM) Replacement - 18B: ~ 3.49 miles of small diameter water mains ranging from four inch to twelve inches and associated valves and appurtenances."	Competitive Task Order	Construction MSA for Qualified Contractors	\$14M - \$16M	DBE/WBE
Dec-24	"Lead Free DC (LFDC) Lead Service Line Replacement (Work Package 20): Project includes but is not limited to; installation of new copper service tubing and disposal of existing domestic lead service lines. "	Competitive Task Order	Construction MSA for Qualified Contractors	\$32M - \$35M	DBE/WBE
Dec-24	"Small Diameter Water Main (SDWM) Contract 1 and 2 ~27 miles of small diameter water mains 12-inches in diameter and smaller. Project includes public and private side lead service lines, valves, hydrants, various appurtenances, and restoration of public and private space. Design-Builder will need to provide various public outreach efforts associated with the project."	RFQ/RFP	Progressive Design Build (PDB)	\$200M - \$212M	DBE/WBE
Jan-25	"Lead Free DC (LFDC) Lead Service Line Replacement (Work Package 21): Project includes but is not limited to; installation of new copper service tubing and disposal of existing domestic lead service lines."	Competitive Task Order	Construction MSA for Qualified Contractors	\$35M - \$38M	DBE/WBE
Jan-25	"Creekbed Infrastructure Rehabilitation Project: Preconstruction collaboration and construction services to rehabilitate ~3.5 miles of storm sewers ranging from 6-inch to 108-inch diameter, rehabilitate ~4.5 miles of sanitary sewers ranging from 8-inch to 27-inch diameter; and stream bank restoration areas that are in or adjacent to Federal lands administered by National Park Services (NPS)"	RFQ/RFP	Construction Management at Risk (CMAR)	\$43M - \$47M	DBE/WBE
Jan-25	"Linear Water and Sewer Rehabilitation Master Service Agreement (MSA) - Qualifications: Portfolio of water and sewer infrastructure repair and replacement projects to be executed as individual task orders via the CMAR project delivery method. Third party engineering consultants are engaged in design and projects are at various stages of completion. Work packages include local water, sewer, and stormwater pipelines, creekbed sewers, large diameter transmission mains, and very large / named sewers. Projects contain sanitary and combined rehabilitation, with diameters from 8–24" and task order packages estimated range in size from \$5 million to \$20 million."	RFQ	Construction Management at Risk (CMAR) (MSA)	\$182M - \$196M	DBE/WBE
Feb-25	"Large Diameter Water Main (LDWM) Dead End Elimination: Project includes < 1 mile of LDWM abandonment."	Competitive Task Order	Construction MSA for Qualified Contractors	\$2M - \$3M	DBE/WBE
Feb-25	"Potomac Interceptor CMAR: Rehabilitation of approximately 10,300 feet of 72" - 96" reinforced concrete pipe (RCP) that spans from Manholes M-20 to M-11 along the Clara Barton Parkway. Temporary bypass pumping with a capacity of up to 70 million gallons per day."	RFQ/RFP	Construction Management at Risk (CMAR)	\$105M - \$112M	DBE/WBE



Procurement – continued

Goods and Services:

Planned Solicitation Month and Year	Project Title	Description	Solicitation Type	Contract Type	Estimated Total Contract Value	Inclusion Program
December, 2024	ROCIP VI and OCIP Insurance Premiums	Insurance Broker that provides coverage for capital construction contractors and subcontractors	Request For Proposal	Master Service Agreement	>\$1M	DBE/WBE
December, 2024	Gas Monitoring Services	The monitoring & service of gas / air for employee safety.	Request For Information	Master Service Agreement	>1M	LSBE
January, 2025	Repair of Electrical Control Equipment	Instrumentation and Repair of Electrical Control Equipment	Request For Proposal	Master Service Agreement	>\$1M	DBE/WBE
January, 2025	Benefits Consulting Services	Consulting Services in the areas of health, welfare and retirement	Request For Proposal	Master Service Agreement	<\$1M	LSBE
January, 2025	Low Voltage Maintenance	Annual maintenance on low voltage equipment	Request For Proposal	Master Service Agreement	>\$1M	TBD
January, 2025	High Voltage Maintenance	Annual Maintenance of Electrical Power Distribution Equipment	Request For Proposal	Master Service Agreement	>\$1M	DBE/WBE
January, 2025	Uniforms	Uniforms for lease / purchase throughout the Authority.	Request For Proposal	Master Service Agreement	>\$1M	DBE/WBE
January, 2025	Emergency Preparedness Planning & Related Services	Emergency Preparedness Planning & Related Services	Request For Proposal	Master Service Agreement	<\$1M	LSBE
February, 2025	External Audit Services	Request for Proposal for External Audit Service providers Licensed in DC	Request For Proposal	Master Service Agreement	>1M	TBD
February, 2025	HQ Audio-Visual equipment upgrade	Turnkey solution to upgrade AV systems in the DC Water's HQ and ongoing technical support	Request For Proposal	Master Service Agreement	\$1-\$5M	DBE/WBE



Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	Oct-24	Nov-24
SECURITY Security Camera operational uptime	90%	96%	96%
SECURITY Smart card readers operational uptime	90%	97%	97%
SECURITY Percent of security investigations completed within 21 days	95%	100%	100%
FACILITIES Preventive Maintenance Completion Rate	90%	97%	98%
FACILITIES Service Request Completion Rate	90%	94%	91%
¹ FLEET Priority One Vehicle Service	50-90%	78%	61%
² FLEET Productivity	81%	87%	87%
SAFETY DC Water Employee Recordable Incident Rate (RIR) (FY)	<5.4	2	4
SAFETY DC Water Employee Lost Time Incident (LTI) (FY)	<2.1	0	2
SAFETY Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	<2.4	0	0
SAFETY Contractor/ROCIP Lost Time Incident (LTI) (FY)	<1.0	0	0

¹ Fleet Priority One Assignment ensures the resources are being allotted appropriately to the immediate service and repair of our priority one units. In this period 61percent of the technician hours were allocated to Priority 1 vehicles, (October 65 percent). The target range is 50-90 percent to support our goal of minimizing Priority One unit downtime.

While focusing on winter season preparation, 74 units were brought in for unscheduled service resulting in oil and filter changes, battery and safety checks, fluid top offs and repair of landscaping and seasonal equipment. Fleet responded to 45 roadside assistance calls and 44 fuel requests.

² Fleet Productivity tracks technicians on productive versus nonproductive activities, which may be defined as breaks and on-site but unassigned duties while clocked in. In this period 87 percent of the technician hours were classed as productive. The target is 81 percent ensuring the balance of productive work vs necessary breaks etc. In industry, this metric is often referred to as "wrench on bolt."



Customer Assistance Programs (CAP)

Our team is dedicated to ensuring that every customer receives the assistance they need. DC Water Cares offers a robust suite of programs, including SPLASH (Serving the Public Lending a Supporting Hand), which is administered by the Greater Washington Urban League. The program is paid by donations from DC Water employees, customers and our Board of Directors. Donated funds are used to provide additional support to eligible residential customers in need of emergency funding.

To expand our donor pool and increase the available funding for assistance, DC Water has launched an online donation site. This new platform allows us to receive donations from friends, family, supporters, sponsors, and others nationwide, significantly broadening our donor base.

Every donation makes a difference. Generous contributions help us provide critical emergency funding to those in need, ensuring that no one is left without essential water services. By donating, you are directly impacting the lives of our community members, offering them relief and support during challenging times. Board members who would like to donate should visit <u>DC Water SPLASH</u> (https://ipn4.paymentus.com/cp/dcsp).

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP) to begin in December 2024.

- Eligibility CAP+, CAP and CAP2 customers
- Program Customers with leaks identified through DC Water's High Usage or Consecutive Usage Alerts will be referred to a contracted plumber for leak assessment. If leaks are found and funding is available, eligible repairs will be fixed at no cost to the customer.
- Funding Combined effort by DC Water and DC Government

Program	FY2024 Enrolled	FY2024 Dollars	Nov Enrolled	Nov Dollars	# FY25 Enrolled	FY2025 Dollars	FY2025 Budget
CAP +	0	\$0	343	\$28,514	455	\$31,423	\$1,700,000
CAPI	4,411	\$2,586,698	283	\$22,492	398	\$142,323	\$3,000,000
CAP II	360	\$160,586	37	\$2,835	49	\$9,461	\$300,000
CAP III	29	\$4,714	6	\$153	29	\$488	\$10,000
Non Profit CRIAC Relief**	185	\$997,487	17	\$36,637	59	\$59,463	\$861,679
(NEW) Residential Leak Assessment Assistance Program			-	-	-	-	\$500,000
(NEW) Residential Leak Repair Assistance Program			-	-	-	-	\$125,000

^{**}October 2024 Non-Profit CRIAC Relief was overstated. The October enrollment number was 42 and the participant dollars totaled \$22,827. November data corrections reflect the change.



Customer Care

In November, the department missed some metrics due to system issues, holiday leave and constraints on the Billing Calendar.

- Percent of Accounts Unbilled at the end of the month (% Unbilled) was missed due to the holidays and its constraint on the number of billable days in the month. A similar opportunity has been identified in November 2025 and the team is strategizing on how to minimize the impact.
- Percent of Calls Answered in 40 Seconds was missed due to a Genesys system outage, and recent contractor and full-time staff promotions and separations. The team is actively recruiting to fill the vacancies.
- Emergency Dispatch missed due to a late dispatch.

The Payment Plan Incentive Program participant and payment distribution:

Payment Plan Incentive Program							
Adjustment Year	tment Year Participants Adjustme						
FY 2024	470	\$122,307					
FY 2025	433	\$122,432					

FY 2025 Payment Plan Incentive Program						
Adjustment Month	Participants	Adjustments				
October 2024	147	\$36,068				
November 2024	129	\$34,498				
December 2024	157	\$51,866				
FY25 Distribution	433	\$122,432				

Key Performance Indicators

Metric	Target/ Service Level	Sept 24	Oct 24	Nov 24
% of bills issued on time (w/in 5 days)	97%	98%	98.4%	97.7%
% unbilled	< 2%	1.0%	0.8%	5.1%
Estimated bills as a percent of meters read	< 4.5%	4.3%	4.3%	3.8%
# of bill investigations (Disputes)	trend only	203	166	208
% Bill Investigations/Dispute Resolution <= 30 Days	80%	100%	87%	99%
% of calls answered in 40 Seconds (Call Center)	85%	90%	92%	83%
Monthly call volume served (Call Center)	trend only	11,050	11,100	9,880
Average Wait Time (minutes)	<0:30	:23	:20	:29
Abandon rate	3%	3%	1%	2%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	88%	86%



Information Technology

IT Monthly Report

SR/WO Type	SL Target / SLA	Sept 24	Oct 24	Nov 24
Number of tickets submitted	Trend only	1057	1077	846
Number of open tickets	Trend only	39	68	27
Helpdesk SLA	96%	98.80%	97.70%	99.30%
Number of active projects	Trend only	8	9	9
Number of completed projects	Trend only	12	0	0
On schedule performance	90%	90.91	94.74	94.44
On budget performance	90%	90.91	100	100
% AMI transmission	95%	91.18%	91.27%	91.14%

Making I.T. Happen!













Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators

Metric Metric	Target/Service Level	Aug-24	Sept-24	Oct-24	Nov-24				
Wastewater (Wastewater Operations								
NPDES Permit Compliance , percent number of days	100%	100%	100%	100%	100%				
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%				
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%				
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%				
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	22%	24%	27%	24%				
Reactive Maintenance , percent of total maintenance hours	<20%	29%	31%	28%	28%				
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	98%	96%	96%	96%				
Sewer Ope	erations								
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%				
* Municipal Separate Stormwater System (MS4) requirement to clean all catch basins in the MS4 Permit Area at least once annually (Jul 01- Jun 30)	14,700	15009	15019	132	435				
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	5521	6698	8567	10,302				
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	4300	5843	7560	9,329				
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	18.7	11	6.7	4.1				
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	98%	96%	97%	98%				
Number of SSO's	Report	2	1	2	4				
SSO's to Body of Water	Report	1	0	1	2				
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	2.4	2.4	0.15	0.46				
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	1.14	1.14	0.076	0.23				
Combined Sewer System Overflows	0	0	0	0	0				

Key Performance Indicators continued -



Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators continued

Metric	Target/Service Level	Aug-24	Sept-24	Oct-24	Nov-24
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	16%	16%	21%	23%
Critical Asset Availability	>95%	98%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	22	21	22	6
Approved Hydrant Flow Tests (Non-Winter Months)	>180	123	108	117	94
Fire Hydrant Operational Rate	99%	99.7%	99.5%	99.8%	99.83%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	86%	84%	100%	95%
Water Main Breaks	<28/Month	23	25	24	33
Water Main Break Rate /100 Miles (National Average is 25)	25	39.49	40.56	40.41	37.72
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	85%	96%	95%	96%	91%

^{*} Month-to-Month Cumulative Total for Catch Basin Inspection and Cleaning

Explanation of Missed Targets

Wastewater Operations Reactive Maintenance (<20 percent)

DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as a percentage of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. Over the last four fiscal years, we have observed a descending trend in the percentage of total reactive maintenance hours, measured at an annual average, at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is appropriate for Blue Plains.

Hydrant Flow Tests (Non-Winter Months) (>180)

In November, the hydrant flow test crew conducted 204 hydrant flow tests. Out of these, 94 tests received approval, while 110 tests were categorized as retests due to the need for further investigation and other related activities. To consistently achieve the target of over 180 approved hydrant flow tests each month, additional resources are necessary. This will require a combination of filling existing internal positions and securing external support for the valve and hydrant assessment program.

Total Fire Hydrants Replaced

In November, the hydrant replacement and construction team prioritized supporting water main and valve emergencies as well as managing resource shortages caused by the holidays. As a result of this, the non-standard hydrant replacement goal was not met for this month.



DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers



DocuSign now available for public use on LFDC webpage

- As of November 30, 2024, there have been 451 lead service line replacements for FY25.
- LFDC replaced 205 LSLs in November which includes 52 replacements completed by the LPRAP Program.
- 30,000+ mailings required for EPA Lead and Copper Rule compliance were distributed resulting in over 800 phone calls in one week to LFDC Customer Service.
- LFG successfully completed field testing of pilot technologies for trenchless pipe material identification. Test pit confirmation of results is underway to complete the evaluation phase of the pilot program.
- Construction packages 20 and 21 are out for bid, with a combined estimated 3,000 replacements.
- Key outreach materials have been translated into Braille for the SDWM Replacement Program. Additional documents are being translated for Block-by-Block Program as needed.
- DocuSign capability for Right of Entry Agreements was added to LFDC website for use by the general public.



DC Council Member Charles Allen observes construction personnel digging a test pit to expose utilities as a part of a full Lead Service Line Replacement.

Outreach Activity Summary

Canvassing Progress - SDWM						
Construction Package	Right of Entry Forms Signed					
16 A	47%					
16 B	62%					
16 C	51%					
18 A	51%					
18 B	53%					

Canvassing Progress - Block-by-Block					
Construction Package	Right of Entry Forms Signed				
15	40%				
16	55%				
18	33%				
19	23%				

AN Pre	C sentations
1A	(11/13)
8B	(11/19)
5C	(11/20)
6A	(11/21)
7F	(11/26)



Current Project Status

Northeast Boundary Tunnel (NEBT): Punchlist ongoing.

Potomac River Tunnel Contract B – Tunnel System Construction (Div. PRT-B): Coordinating with Design-Builder to advance the design. Working at West Potomac Park site. West Potomac Park Drive is open to public. Completed Overflow & Mining Shaft (OMS) and Near Surface Structure (NSS) secant piles. Temporary Mining Shaft (TMS) secant piles are being installed.

Rock Creek Green Infrastructure Project C (RC-C): Guaranteed Maximum Price (GMP) negotiations with the CMAR, Fort Myer Construction, are ongoing and will conclude on December 12, 2024.

Piney Branch Tunnel: National Park Service extended the Environmental Assessment (EA) comment period to January 3, 2025, with end of January 2025 as target completion for the Finding of No Significant Impact (FONSI). Preconstruction services with the CMAR, Clark Construction, are ongoing.

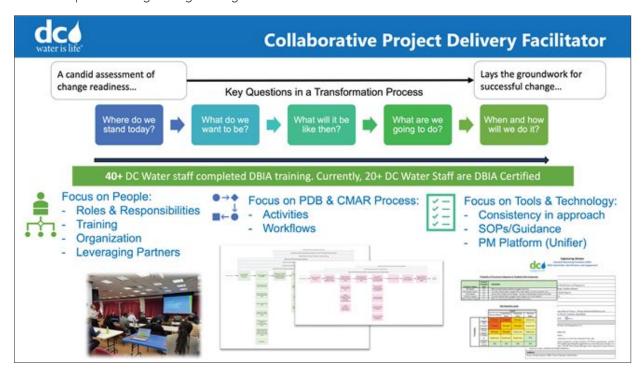


DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers

Collaborative Project Delivery Facilitator

- CIP Project Delivery transformation from predominantly Design-Bid-Build (DBB) to Collaborative Project Delivery (CPD) started in September 2023 with the vision from **Jeffrey Thompson**, COO and EVP of Operations and Engineering. The CPD default is Progressive Design Build (PDB), and Construction Manager at Risk (CMAR) as a transitional delivery for projects with design already underway.
- Burns and McDonnell was awarded in July 2024 a contract as a Collaborative Delivery Facilitator to assess DC
 Water's preparedness for CPD and recommend improvements to DC Water's internal processes and procedures
 related to CIP delivery. The assessment extends to evaluating the organizational structure, functional resources,
 and skillsets required for successful CPD management, including aspects such as independent cost estimating,
 scheduling, quality assurance, auditing, risk management, and third-party construction management. The Goals
 of the Facilitator are to:
 - Enable Greater Throughput
 - Drive Consistency
 - Enhance Visibility/Transparency
 - Promote Simplicity
- On October 15, 2024, DC Water hosted a Collaborative Delivery Procurement workshop and training event led
 by DBIA to introduce the contracting community to our new procurement focus on collaborative project delivery
 consisting of Progressive Design Build (PDB) and Construction Manager at Risk (CMAR) methods. The event was
 attended by 50+ DBE firms.
- On December 3, 2024, DC Water hosted a Collaborative Delivery Industry Outreach & Networking Event with over 200 attendees, all from local Design-Build firms. This event provided an opportunity for DC Water employees and contractors from local Design-Build firms to engage in one-on-one discussions, fostering new relationships and strengthening existing ones.





People and Talent

People and Talent Metrics

The People and Talent team will begin to develop Cluster specific HCM score cards measuring managements effectiveness with talent management, employee/labor relations and employee engagement measures. We will expand on our metrics to align with BluePrint 2.0, our strategic initiatives and the HCM Strategy.

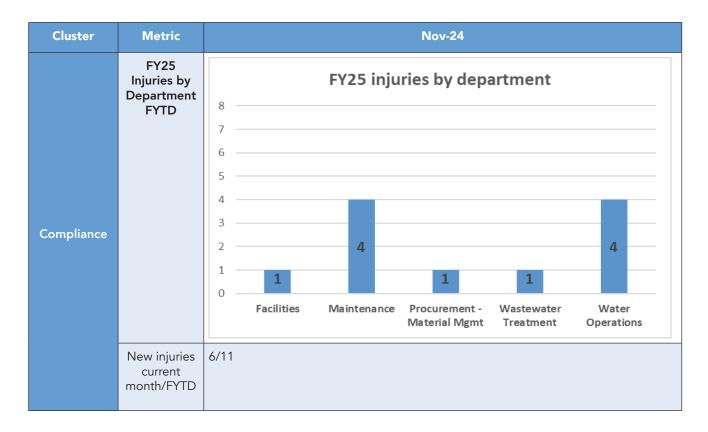
Metric	Target	Aug-24	Sept-24	Oct-24	Nov-24
Vacancy Rate ¹	6%	11.3%	9.6%	9.8%	8.7%
Temporary Alternative Duty Program (TAD) 2	50% of WC claims eligible for TAD program	79.5% (35 of 44)	79.5% (35 of 44)	60% (new FY25)	60%
Self-Identified Veterans (Active) ³		28	28	28	28
Female Workforce (Active) ⁴		23.0%	22.9%	22.7%	22.7%

Key Performance Indicators (KPI) Benchmark

KPI Definition	Business Relevance
1 "Vacancy Rate = 1 – (Filled Positions / Total Headcount); then converted into a percentage Total Headcount = Budgeted Headcount – Vacancies Greater than 180 Days Old	This KPI measures the organization's vacancy rate related to vacancies that are in the process of being filled (i.e., under management review before recruitment -OR- under recruitment)
² Percentage of Workers' Compensation claims eligible for placement into TAD program	The more claims eligible for TAD program will reduce overall Workers' Compensation costs and claim exposure for the Authority, leading to realized financial savings.
³ US Armed Services	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of veterans in the workforce, with a focus on increasing the representation of veterans within the workforce.
⁴ Number of Female employees in the current workforce. Calculation - Number of female employees in the active workforce divided by the total number of employees in the active workforce at a specific point and time.	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of women in the workforce, with a focus on increasing the representation of women in non-traditional roles.



People and Talent



Learning &	# of Critical Positions Identified with Succession Plan	82
Development	Total cost of Tuition assistance/reimbursement	\$8,921
Talent	Hires	7 hires – 6 external, 1 internal
Acquisition	Vacancies	76 positions under Recruitment
	Separations	9
Separations	Seperation Types	6 voluntary (resignation/retirement) 3 involuntary (dismissal/medical disqualification)
	Retirement	
Benefits	457(b) Pre-Tax	860 Employee Participated
	457(b) Roth	113 Employees Participated



Government and Legal Affairs

Government Affairs Highlights

In November, the Government Affairs team conducted a live service line replacement with Councilmember Fruman and staff from Councilmembers Lewis-George and Henderson's offices. These live demonstrations have been instrumental in developing stronger partnerships to promote public health and our position on lead service line policy.

Additionally, DGLA, in partnership with OMAC, developed testimony for Mr. Gadis to submit to the United States Senate for the historic 50th anniversary of the Safe Drinking Water Act.

Legal Affairs Highlights

General Litigation

Includes cases filed by and against DC Water. DGLA tracks all ongoing litigation and provides quarterly updates.*

	4th Quarter FY 2024	FY 2024 YTD
Cases Managed	38	52
New Cases	7	26
Cases Closed	6	21
Amount Demanded of DC Water in Closed Cases	\$10,528,342.63	\$19,975,347.74
Amount Paid by DC Water in Closed Cases	\$15,000.00	\$69,150.00

^{*}This data is current as of 9/30/24.

Revenue Recovery Cases Currently, DGLA is managing 93 open bankruptcy cases and 176 open foreclosure cases, in addition to the receiverships discussed below.

FY 24 Receivership Review*

Active Receiverships Appointed by Court	12 (ongoing)
Payment Plans Established	12 (post filing) 18 (pre filing) 30 total
Stayed Due to Bankruptcy Filing	5
Pending Hearing to Appoint Receivership	4
Paid in Full Before Filing	18 (\$781,837.39)
Paid in Full After Filing	10 (\$528,797.08)

^{*}Receivership data is current as of 9/30/24.

Freedom of Information Act

DGLA manages requests from the public for information as required by the DC Freedom of Information Act (FOIA). FOIA requests received in November 2024 related to permits, sewer lines, and residential customers records.

FOIA Data

Open Requests	30
Requests Opened this Month	7
Requests Closed this Month	7

Other Legal Matters

Type of Legal Matter	# Reviewed/ Processed
Contracts	5
Agreements	0
Easements	3
Subpoenas	1



Internal Audit

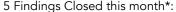
Internal Audit CEO Report January 2024

This timeline represents the FY 2025 audit plan and the status of each project. The previous Internal Audit team, RSM, performed the FY 2025 risk assessment and developed the internal audit plan. Starting in FY 2025, the new Internal Audit team, Cherry Bekaert, will be executing the FY 2025 internal audit plan, following up on prior audit findings and monitoring the hotline.

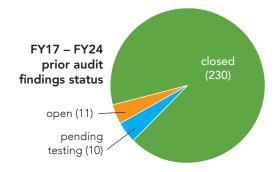
	Oct - 24	Nov - 24	Dec - 24	Jan - 25	Feb - 25	Mar - 25	Apr -25	May-25	Jun -25	Jul -25	Aug -25	Sept - 25	Oct -25	Status
-Work Order Management Audit - Facilities			2											In - Progress
-Al Policy Governance Assessment														In - Progress
-Safety Audit							1							In - Progress
-Strategic Plan Monitoring				<u> </u>	N.									Not Started
-SCADA Penetration Testing (in-person)						2 - 10	=						- 9	Not Started
«Data Governance and Reporting Assessment	1	- 8		1							- 8			Not Started
-Budget Monitoring Audit		- 8			3	6	\subseteq	E .						Not Started
-Contract Compliance Audit					1	. 5	$\overline{}$						-	Not Started
-Third-party Vendor Management Audit					12									Not Started
-Cloud Security Audit														Not Started
«FY 2026 Risk Assessment					Ç							-		Not Started
-Ongoing Follow-up Procedures														Ongoing
-Ongoing Hotline Monitoring	Y													Ongoing

Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Work Order Management Audit - DWO	7/27/2023	1
Fleet Management Audit	10/27/2023	2
P-Card Audit	1/1/2024	1
Training and Recruiting Audit	9/1/2024	2
Genesys ITGC Review	7/18/2024	1
Internal/External Network Penetration Testing	4	
At least one original remediation target date h	total 13	



- 1 FY23 DWO Work Order Management Audit Finding.
- 2 FY24 P-Card Audit Finding.
- 1 FY24 Genesys ITGC Review Finding.
- 1 FY24 Physical Security Penetration Testing Finding.



In total, 92 percent of all prior audit findings from FY17-FY24 are closed. Management's target closure rate is 95 percent.

"Pending Testing" indicates that Management represents that the Action Plan is completed, but Internal Audit has not yet performed testing to validate the status.

FY23-FY24 Open High Risk Prior Audit Findings*

	Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date		# Extensions
				Lack of current policies and procedures	9/1/2024	9/30/2025	1
1	2023	10/26/2023	Fleet Management Audit	Fleet has drafted a RACI and 15 Authority wide Fleet policies. Legal provided commentary on the Fleet policies submitted and as a rest extention to allow time to implement edits identified during Legal's review. The extention will allow time for these changes to be made in Legal to conduct a final review of the updated policies and standard operating procedures.			
2	2024 7/18/2024 Internal and External		Internal and External	Finding Issued in Executive Session	1/31/2025	N/A	0
2	2024	1110/2024	Penetration Testing	Two findings remain open.			

*Note: The audit findings reported above represent open findings through the FY24 Audit Plan year.



^{*2 &}quot;open" findings and 3 "closed-pending testing" findings closed.



Presented and Approved: January 13, 2025
SUBJECT: Approval to Execute Supplemental Agreement No. 01 of
Contract No. DCFA-519, Lead-Free DC Program
Management & Construction Management (PMCM) Lead
Free Group, Joint Venture (Ramboll Engineering, PC and
CDM Smith, Inc.)

#25-00 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 January 13, 2025 upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Supplemental Agreement No. 01 of Contract No. DCFA-519, Lead Free Group, Joint Venture (Ramboll Engineering, PC and CDM Smith, Inc.)

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 01 of Contract No. DCFA-519, Lead Free Group, Joint Venture (Ramboll Engineering, PC and CDM Smith, Inc.) The purpose of this contract is to provide program and construction management, and all necessary technical services to achieve the Lead-Free DC program goal of replacing all lead service lines in the District of Columbia. The total amount of this modification is \$35,250.000.00.

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

ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT:

Lead Free DC - Program Management & Construction Management (PMCM) (Non-Joint Use)

Approval to execute Supplemental Agreement No. 1 for \$35,250,000. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
Lead Free Group, Joint Venture (Ramboll Engineering, PC and CDM	BVF Engineering, Inc. Wayne, NJ	DBE	5.0%
Smith Inc.)	DM Enterprises, LLC Baltimore, MD	DBE	5.0%
10306 Eaton PI, Suite 220 Fairfax, VA 22030	ADC Management Solutions Washington, DC	DBE	4.0%
	Bryant Associates, Inc. Hyattsville, MD	DBE	4.0%
	Interagency, Inc Washington, DC	DBE	2.0%
	CorGroup, LLC Dayton, NJ	DBE	1.0%
	PL Associates, Inc. Edgewood, MD	DBE	1.0%
	DP Consultants, Inc. Washington, DC	WBE	5.0%
	SZ PM Consultants, Inc. Oakton, VA	WBE	5.0%
	PRR, Inc. Baltimore, MD	WBE	3.0%

DBE Participation = 22% WBE Participation= 13%

DESCRIPTION AND PURPOSE

 Original Contract Value:
 \$ 66,354,880.00

 Total of Previous SA's
 \$ 0.00

 Current Contract Value:
 \$ 66,354,880.00

 Value of this SA:
 \$ 35,250,000.00

 Total Contract Value, Including this SA:
 \$101,604,880.00

Original Contract Time: 1,460 Days (4 Years, 0 Months)

No. of Option Years in Contract 4
Time extension, this SA: 0 Days
Total SA contract time extension: 0 Days
Contract Start Date: 10-01-2022

Contract Completion Date: 09-30-2030 (Including 4 Option years)

Purpose of the Contract:

Provide program management, construction management, and all necessary technical services to achieve the Lead Free DC program goal of replacing all lead service lines in Washington, DC.

Original Contract Scope:

The overall scope is to replace all lead service lines within the District of Columbia by 2030. This contract provides core services needed to obtain that goal. Work includes:

- Providing program and construction management services
- Providing public outreach and communication, program controls and reporting to maximize customer participation.
- Providing data management, field management services, technical support, workshops and other related services as needed.
- Expanding and refining DC Water's existing service line data inventory
- Enhancing local subconsultants/subcontractors' participation.

Previous Supplemental Agreement Scope:

N/A

Current Supplemental Agreement Scope:

- Perform additional level of effort required for the program due to:
 - o Accommodate a 47% increase in the number of estimated lead service line replacements
- Inclusion of Small Diameter Water Main (SDWM) Replacement projects in the program
 - Volume of assigned tasks under the original contract scope exceeding initial estimated quantities
- Provide original and supplemental scope through year 4 of the contract, through the end of the 2026 Fiscal Year.

Future Supplemental Agreement Scope:

 A future supplemental agreement may be authorized to continue services into 1 or more of the 4 option years of the contract.

PROCUREMENT INFORMATION				
Contract Type: Cost Plus Fixed Fee Award Based On: Best Value				
Commodity:	Professional Services	Contract Number:	DCFA-519	
Contractor Market:	Open Market			

BUDGET INFORMATION				
Funding: Capital Department: Engineering and Technical Services				
Service Area:	Water	Department H	ead:	William Elledge
Project:	ST			

ESTIMATED USER SHARE INFORMATION				
User	Share %	Dollar Amount		
District of Columbia	100.00%	\$35,250,000.00		
Federal Funds	0.00%	\$		
Washington Suburban Sanitary Commission	0.00%	\$		
Fairfax County	0.00%	\$		
Loudoun County & Potomac Interceptor	0.00%	\$		
Total Estimated Dollar Amount 100.00% \$35,250,000.00				

— Signed by: Yersten B. Williams — 52A2EEDBEE29A92	12/13/2024			
Kirsten B. Williams	Date			
Chief Communications and Stakeholder				

Chief Communications and Stakeholder Engagement Officer and EVP

Docusigned by:

LONCY Gray

12/13/2024

40BDAE0B31F6429...

Korev Grav

Date

Vice President of Compliance and Interim Chief Procurement Officer

DocuSigned by:

12/13/2024

262C5D96CC1C4D3...

Matthew T. Brown

Date

Chief Financial Officer and EVP Finance, Procurement and Compliance

/12/27/2024

David L. Gadis Date
Chief Executive Officer and General Manager

Presented and Approved: January XX, 2025
SUBJECT: Approval to Execute Change Order No. 004 of Contract
No. 220160, Major Sewer Rehabilitation 1-5 Northeast
Boundary, Spiniello Companies

#25-01 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

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 January 9, 2025 upon consideration of a non-joint use matter, decided by a vote of () in favor and () opposed to approve the execution of Change Order No. 004 of Contract No. 220160, Spiniello Companies.
Be it resolved that:
The Board of Directors hereby authorizes the General Manager to execute Change Order No 004 of Contract No. 220160, Spiniello Companies. The purpose of this contract is to rehabilitate a section of the Northeast Boundary Trunk Sewer, thereby extending the lifespan of the sewer and its associated structures. The total amount of this modification is \$2,723,934.00.
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

CONSTRUCTION CONTRACT CHANGE ORDER:

Major Sewer Rehabilitation 1-5 Northeast Boundary (Non-Joint Use)

Approval to execute Change Order No. 004 for \$2,723,934. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION				
PRIME:	SUBS:		PARTICIPATION:	
Spiniello Companies 3500 East Biddle Street Livingston, New Jersey 07039	Shekinah Group, LLC New Brunswick, NJ	DBE	9.0%	
	RAM Construction, Inc Olney, MD	WBE	5.0%	

DBE Participation = 9% WBE Participation= 5%

DESCRIPTION AND PURPOSE

Original Contract Value: \$ 7,823,300.00

Total of Previous Change Orders: \$ 1,213,748.16

Current Contract Value: \$ 9,037,048.16

Value of this Change Order: \$ 2,723,934.00

Total Contract Value, including this CO: \$11,760,982.16

Original Contract Time: 560 Days (1 Year, 6 Months)

Time extension, this CO: 90 Days

Total CO contract time extension: 90 Days

Contract Start Date (NTP): 10-18-2023

Anticipated Contract Completion Date: 07-29-2025

Cumulative CO % of Original Contract: 50.3%

Contract completion %: 68.0%

Purpose of the Contract:

This project aims to rehabilitate a section of the Northeast Boundary Trunk Sewer, thereby extending the lifespan of the sewer and its associated structures. The majority of the work will be carried out using trenchless rehabilitation technologies, primarily Geopolymer Lining Systems (GLS).

Original Contract Scope:

- Structural rehabilitation using Geopolymer Lining System (GLS) for approximately nine hundred (900) linear feet of 22-foot circular and three hundred and seventy (370) linear feet of 6-foot by 9foot combined sewer pipes with associated internal point rehab and lateral/pipe reinstatements.
- Structural rehabilitation using Geopolymer Lining System (GLS) on five (5) sewer manholes/structures.
- Internal sewer flow control, pipe cleaning, inspection, and erosion and sediment control of project site.

Previous Change Order Scope:

- Revised the General Wage Decision (GWD) dated March 31, 2023, from the Contract Labor Provisions and replaced it with the GWD dated September 1, 2023.
- Revise schedule of prices for a 22-foot circular sewer pipelining quantity from eight hundred (800) linear feet to nine hundred (900) linear feet to align with the drawings and specifications, unit price cost remains unchanged.
- Scope of work addition to furnish all labor, material, and equipment to repair the identified sinkhole.

Current Change Order Scope:

Cracks and missing bricks have been detected in the wall of an existing 22-foot circular combined sewer main southbound of the current project limits. This is a cunette section located 900LF from access manhole at the end of current construction requiring extended bypass piping and scaffolding modifications. However, the contractor can continue the Geopolymer line item without having to remobilize or delay this critical repair. Perform rehabilitation of additional cracks and missing bricks along 399 linear feet of the sewer main wall, starting at the cunette.

PROCUREMENT INFORMATION				
Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder	
Commodity:	Construction	Contract Number:	220160	
Contractor Market:	Open Market			

BUDGET INFORMATION					
Funding: Capital Department: Wastewater Engineering					
Service Area:	Sanitary	Department H	ead:	Ryu Suzuki	
Project:	RC				

ESTIMATED USER SHARE INFORMATION

User Share % **Dollar Amount** 100.00% District of Columbia \$ 2,723,934.00 Washington Suburban Sanitary Commission 0% \$ Fairfax County 0% \$ Loudoun County & Potomac Interceptor 0% \$ **Total Estimated Dollar Amount** 100.00% \$ 2,723,934.00

Signed by:

Jeffrey 3. Johnson J2/11/2024

E27CB3133FC640D...

Jeffrey F. Thompson

Chief Operating Officer and EVP

DocuSigned by:

Korey R. Gray

Vice President of Compliance

Vice President of Compliance

and Interim Chief Procurement Officer

DocuSigned by:

Matthew T. Brown Date

Chief Financial Officer and EVP

Finance, Procurement and Compliance

David L. Gadis Date

Chief Executive Officer and General Manager

Presented and Approved: January 13, 2025
SUBJECT: Approval to Extend and Add Funding to Contract No.
10246, IT Software Contract, Voxai Solutions, Inc. (DBE)

#25-02 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 January 13, 2025 upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve an extension and add funding to Contract No. 10246, Voxai Solutions, Inc. (DBE).

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute an extension and add funding to Contract No. 10246, Voxai Solutions, Inc. (DBE). The purpose of this contract is to provide DC Water's Customer Care Department with the ongoing use of a cloud-based call center orchestration platform. This platform will support omnichannel engagements, Automatic Call Distribution (ACD), Interactive Voice Response (IVR), intelligent call routing, workforce engagement, management reporting, metrics dashboards, and comprehensive customer journey management. The total amount of this modification is \$477,000.00.

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 MODIFICATION

IT SOFTWARE CONTRACT ADDITIONAL FUNDING (Non-Joint Use)

Approval to extend the contract for Genesys Cloud CX for fourteen (14) months in the amount of \$477,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION		
PRIME: Voxai Solutions, Inc. (DBE) 635 Fritz Dr. Suite 220 Coppell, TX 75019	SUBS: N/A	PARTICIPATION: 100%

DESCRIPTION AND PURPOSE

Original Period Contract Value: \$991,524.00

Original Contract Dates: 08-05-2022 – 8-04-2025

Contract Modification No. 1 Value: \$477,000.00

Contract Modification No. 1 Dates 01-15-2025 – 10-13-2026

Purpose of the Contract:

DC Water's Customer Care department requires the ongoing use of a cloud-based call center orchestration platform capable of omnichannel engagements, Automatic Call Distribution (ACD), Interactive Voice Response (IVR), intelligent call routing, built-in workforce engagement, management reporting, metrics dashboards, and end to end customer journey management.

Contract Scope:

The scope of the contract includes software licenses for the Genesys Cloud CX application platform, IVR maintenance service and maintenance on the dependencies within DC Water's internal network. Genesys Cloud CX provides improved capabilities for the Customer Service Dept. to work remotely and removes limitations and risks of on-premises system (local outages, license limitations and hardware failures).

Additional funding is required to cover the extended term, telephony usage, an additional year of Managed Services and Tier 3 help desk support for the final year of the contract.

Spending Previous Years:

Cumulative Contract Value: 08-05-2022 - 08-04-2025: \$991,524.00 Cumulative Contract Spending: 08-05-2022 - 11-19-2024: \$970,343.26

Contractor's Past Performance

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

PROCUREMENT INFORMATION

Contract Type:	Goods & Services	Award Based On:	Best Value
Commodity:	IT Software	Contract Number:	10246
Contractor Market:	Limited Competition – Qualif	ied Genesys Cloud Integra	tors

BUDGET INFORMATION

Funding:	Operating	Department:	Information Technology
Project Area:	DC Water Wide	Department Head:	Joe Edwards

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	100%	\$477,000.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$477,000.00

Date

Joe Edwards CIO and EVP of Information Technology

DocuSigned by: 12/6/2024

408DAE0831F6420 Korey Gray Date Vice-President of Compliance and

Interim Chief Procurement Officer

Digitally signed by Matthew T. Matthew T. Brown Date: 2024.12.09 12:06:19 Brown

Matthew T. Brown Date

CFO and EVP of Finance and Procurement

David L. Gadis

Date

12/27/2024

CEO and General Manager

Presented and Approved: January 13, 2025 SUBJECT: Approval to Add Funding to Contract No. 10345, Tank Reservoir Cleaning Services, Jet Blast, Inc.

#25-03 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 January 13, 2025 upon consideration of a non-joint use matter
decided by a vote of () in favor and () opposed to approve additional funding for
Contract No. 10345, Jet Blast, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funding for Contract No. 10345, Jet Blast, Inc. The purpose of this contract is to support the Department of Pumping Sewer Operations in procuring a qualified contractor for tank cleaning, waste disposal, disinfection, and related tasks for nine water tanks and underground reservoirs in Washington DC. Regular cleaning and disinfection of these facilities are necessary to meet federal drinking water standards and maintain structural integrity. The total amount of this modification is \$741,000.00.

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 MODIFICATION TANK RESERVOIR CLEANING SERVICES

(Non-Joint Use)

Approval to add funding for continued High Pressure/High Vacuum Cleaning Services in the amount of \$741,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION		
PRIME:	SUBS:	PARTICIPATION:
Jet Blast, Inc. 6800 Fort Smallwood Rd	N/A	0.00%
Baltimore, MD 21226		

DESCRIPTION AND PURPOSE

Base Years Contract Value: \$400,000.00

Base Years Contract Dates: 03-01-2023- 02-28-2025

No. of Option Years in Current Contract: 2

Option Years 1-2 Value: \$400,000.00

Option Years 1-2 Dates: 03-01-2025 – 02-28-2027

Add funding (This request): \$741,000.00

Funding Dates: 12-01-2024 - 2-28-2027

Purpose of the Contract:

Department Pumping Sewer Operations (DPSO) requires the services of a qualified contractor to provide services to complete tank cleaning, waste disposal, disinfection work, including site mobilization, staging and demobilization of nine water storage tanks/ underground reservoirs and appurtenances at various locations throughout the Washington, DC area. Water tanks and underground storage reservoirs must be regularly cleaned to remove sediment and disinfected to maintain the quality of the drinking water to meet federal regulations and to maintain the structural integrity of the facilities and pipe that store and carry drinking water.

Scope of the Contract:

Vendor to provide all labor, materials, tools, and equipment required to complete the thorough cleaning (via water blasting), waste disposal, and disinfection work. Additional requirements include site mobilization, staging, and demobilization of various DC Water underground water storage reservoirs and tanks at various locations throughout the Washington, DC area.

Purpose of Request:

This request is to add funding to the final 2 option years of the contract due to the following unplanned costs incurred:

- Additional emergency flushing and cleaning due to the type of debris found within the Brentwood Reservoir and for the protection of our customers from water quality concerns.
- Additional flushing of the transmission mains occurred along with additional recleaning after the flushing to ensure no further debris was found.
- Emergency sand filter restoration required by an inspection from DOEE, requiring work.

Spending Previous Year:

Cumulative Contract Value: 03-01-2023 – 10-30-2027: \$800,000.00 Cumulative Contract Spending: 03-01-2023 – 10-16-2024: \$708,437.24

Contractor's Past Performance:

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

No LBE/LSBE Participation

PROCUREMENT INFORMATION			
1	<u>, </u>		
Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	Tank Reservoir Cleaning Service	Contract Number:	10345
Contractor Market:	DC Water Wide		

BUDGET INFORMATION			
Funding:	Operating	Department:	Department Pumping & Sewer
			Operations
Service Area:	DC Water Wide	Department Head:	Kenrick St. Louis

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$741,000.00
Washington Suburban Sanitary Commission		
Fairfax County		
Loudoun Water		
Other (PI)		
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$741,000.00

Signed by:	
Cluris M. Collier	12/6/2024
Chris M. Collier	Date
Vice President, Water Operations	

Docusigned by:

LOVY GYM

Korey R. Gray

Vice-President of Compliance and
Interim Chief Procurement Officer

Matthew Brown
Matthew C. Brown
CFO and EVP, Finance, Procurement and Compliance

David L. Gadis
CEO and General Manager

David L. Gadis
Date