



District of Columbia Water and Sewer Authority Board of Directors

Special Meeting of the Audit and Risk Committee May 28, 2025 / 8:30am

Microsoft Teams meeting

[Click here to join the meeting](#)

Meeting ID: 281 163 865 640 0

Passcode: LJ6Jz7oC

Call in (audio only) [202-753-6714, 355 784 916#](#)

Phone Conference ID: 355 784 916#

1. **Call to Order** _____ Christopher Herrington, Chairperson
2. **Roll Call** _____ Michelle Rhodd, Board Secretary
3. **Action Item** _____ Matthew Brown, Chief Financial Officer, and
John Pappajohn, Director of Procurement
 - [Contract No. 10520, External Audit Services, SB & Company, LLC](#)
4. **Adjournment** _____ Christopher Herrington

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.

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 D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. 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 D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT NEW AWARD

EXTERNAL AUDIT SERVICES

(Joint Use Indirect)

Approval to award a 3-year base and two 1-year option years for External Audit Services for a total contract value of \$1,450,460.00 including \$847,605.00 for the 3-year base period and \$602,855.00 for the two 1-year option periods. The funding request includes an additional 10% contingency funding.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: SB & Company, LLC 10200 Grand Central Ave Suite 250 Owings Mills, MD 21117	SUBS: N/A	PARTICIPATION: DBE 100%
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$847,605.00
Base Year Contract Dates:	07-01-2025—06-30-2028
No. of Option Years in Contract:	2
Total Option Years 1-2 Value:	\$602,855.00
Option Years 1-2 Dates:	07-01-2028—06-30-2030
Total Number of Proposals:	6
Proposal Price Range	\$1,318,600.00 - \$2,084,485.00

Purpose of the Contract:

Provide external auditing services to DC Water.

Contract Scope:

The Auditor will:

- Audit DC Water's financial statements in accordance with generally accepted auditing standards.
- Express an opinion on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- Prepare a management letter identifying deficiencies in internal control considered to be reportable conditions.
- Perform an audit of federal awards for the year in accordance with Audit Requirements for Federal Awards (Uniform Guidance).
- Perform a review of DC Water's Annual Green Bond report and issue a Review Report to meet Green Bond Annual reporting.
- Perform and generate an Agreed Upon Procedures (AUP) report for DC Water's interim (Q2) financial statements.
- Provide consent letters for DC Water to include the auditor's report in financial statements, Annual Report, securities registration for bond issuance or financing activities.

Supplier Selection:

Procurement issued an Open Market Request for Proposal for the services on February 3rd 2025 with responses due by March 31st, 2025. Six firms responded to the solicitation. (BDO, Clifton Larson Allen, SB & Company, KPMG, McConnell Jones, and Cohn Reznick). BDO, Clifton Larson Allen and SB & Company were down selected based on their total scores and interviewed. The award recommendation is based on the firm offering the Best Value combination of high technical score and low price.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	CPA Auditing Services	Contract Number:	10520
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Operating	Department:	Department of Finance
Project Area:	DC Water Wide	Department Head:	Tika Acharya

ESTIMATED USER SHARE INFORMATION

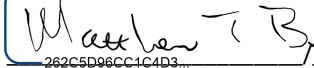
User - Operating	Share %	Dollar Amount
District of Columbia	66.78%	\$968,617.19
WSSC	24.12%	\$349,850.95
Fairfax County	5.87%	\$85,142.00
Loudoun Water	2.82%	\$40,902.97
Other (PI)	0.41%	\$5,946.89
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,450,460.00

DocuSigned by:


 5/19/2025

Korey Gray Date
VP Compliance and Chief Procurement Officer

DocuSigned by:


 5/19/2025

Matthew T. Brown Date
CFO and Executive Vice-President of
Finance, Procurement and Compliance

_____/_____
David L. Gadis Date
CEO and General Manager