



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
251st MEETING OF THE BOARD OF DIRECTORS**

Thursday, March 7, 2019

9:30 a.m.

Headquarters

125 O Street, SE

2nd Floor-Board Room

I. Call to Order (Acting Chair, Jed Ross)

II. Roll Call (Linda Manley, Board Secretary)

III. Approval of February 7, 2019 Meeting Minutes

IV. Chairman's Overview

V. Committee Reports

1. [Environmental Quality and Operations Committee \(Howard Gibbs\)](#)
2. [DC Retail Water and Sewer Rates Committee \(Kendrick Curry\)](#)
3. [Joint Meeting of DC Retail Water and Sewer Rates and Finance and Budget Committees \(Sarah Motsch\)](#)
4. [Finance and Budget Committee \(Sarah Motsch\)](#)

VI. Issues of General Interest

VII. [CEO/General Manager's Report \(David Gadis\)](#)

VIII. [Summary of Contracts \(FYI\)](#)

IX. Consent Items (Joint Use)

1. Approval to add Additional Funding to Option Year One and Approval of Option Year Two of Contract No. 17-PR-IT-06, IT Professional Services – Resolution No. 19-08 (Recommended by the Environmental Quality and Operations Committee 02/21/19)
2. [Approval to Exercise Option Year Three of Contract No. 15-PR-WWT-52, W.K. Merriman, Inc. – Resolution No. 19-09](#) (Recommended by the Environmental Quality and Operations Committee 02/21/19)
3. [Approval to Execute Contract No. 170180, Ulliman Schutte Construction, LLC. – Resolution No. 19-10](#) (Recommended by the Environmental Quality and Operations Committee 02/21/19)

X. Consent Item Non-Joint Use

1. [Approval to Execute Change Order No. 2 of Contract No. 16010, Fort Myer Construction Corporation – Resolution No. 19-11](#) (Recommended by the Environmental Quality and Operations Committee 02/21/19)

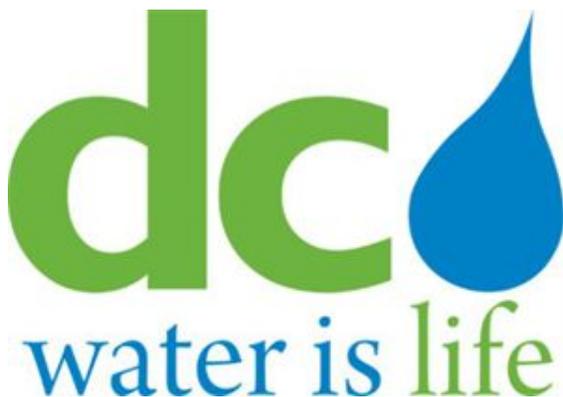
XI. Executive Session

XII. Adjournment (Acting Chair, Jedd Ross)

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

Upcoming Committee Meetings

- Environmental Quality and Operations Committee – Thursday, March 21, 2019 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, March 26, 2019 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, March 28, 2019 @ 11:00 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, February 21, 2019

9:30 a.m.

MEETING SUMMARY

Committee Members

Howard Gibbs, Vice Chairperson
Ivan Frishberg
Jedd Ross
Anthony Giancola (teleconference)
David Franco
Randy Bartlett

DC Water Staff Present

David Gadis, CEO & General Manager
Leonard Benson, Senior EVP Chief Engineer
Linda Manley, Secretary to the Board
Gregory Hope, Acting EVP for legal
Affairs

I. CALL TO ORDER

Mr. Gibbs called the meeting to order at 9:30 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Vice President, Wastewater Operations, DC Water, noted that plant performance for December 2018 was excellent with all effluent parameters well below the seven day and monthly NPDES permit requirements.

Mr. Tesfaye highlighted the Plant Influent Flow Trend graph and mentioned that the intent of this graph is to show long-term influent trend in relation to rainfall and below surface, ground water level. While for any given month the influent flow is weather dependent, the 12-month rolling average influent flow of the Plant has remained above 300 MGD since November 2018.

During the month, a total of 443 MG of CSO captured in the tunnel system, was pumped and treated using the Enhanced Clarification Facility (ECF). A portion of the treated flow or 123 MG was directed to the main plant to maximize complete treatment and the remaining portion of the treated captured combined flow, or 320 MG, was disinfected, dechlorinated and discharged through Outfall 001, as stated above. Since the commissioning of the first section of the Anacostia River Tunnel Systems and the Wet Weather Treatment Facility (WWTF) on March 20, 2018, and including the wet weather events that occurred in December 2018, the total volume pumped and treated through the WWTF is 4,578 MG. Since commissioning of the

systems, over 1,000 wet tons of screenings and grit were removed that would have otherwise been discharged into the Anacostia River.

Mr. Tesfaye continued the update by stating that the enhanced nitrogen removal facility is performing well; producing a total nitrogen (TN) concentration of 3.85 mg/l. The total pounds of nitrogen discharged in the complete treatment effluent during the calendar year (through December 2018) is 3,408,820 lbs and below the NPDES permit discharge limit of 4,370,078 lbs/year.

II. CIP QUARTERLY UPDATE

Mr. Paul Guttridge, Manager, Program Services, DC Water gave an update on the first quarter report for fiscal year (FY) 2019 regarding DC Water's Capital Improvement Program (CIP), by exception. There were no questions from the Committee Members.

III. 10 – YEAR CIP

Mr. Len Benson, Senior Vice President and Chief Engineer, DC Water, provided a briefing to the Committee regarding DC Water's proposed 10-year, "Modified Baseline", Capital Improvement Program (CIP) lifetime budget and cash disbursement option. The proposed 10-year disbursements (FY 2019 to FY 2028) of the 'modified baseline' option constitute an investment increase of \$656.8 million over the current approved 10-year CIP. The investments in our aging infrastructure are detailed as follows:

- Capital Construction Projects - \$4.43 billion
 - \$1.34 billion 10-year total fully funds the DC Clean Rivers project to meet Consent Decree requirements
 - Increase of \$44.2 million fully funds Stormwater pump stations (10-year total of \$68.6 million over 10 years)
 - \$424.6 million increase in the Sewer Service Area to fully fund pump station requirements and ramp up to the annual 1% rehabilitation goal by FY 2023 for small diameter sewer lines (10-year total of \$957 million)
 - Adds \$214.3 million in the Water Service Area for small diameter water mains (SDWM) to achieve a 1% per year full replacement goal (10-year total of \$945 million)
 - Adds \$122.8 million in the Wastewater Service Area to fully fund major rehabilitation for the liquids and biosolids processing projects and meet the NPDES permit (10-year total of \$978.7 million)
 - \$138 million 10-year total to fund Non-Process Facilities, like HVAC, roofs, and Fleet/Sewer Services relocation
- Additional Capital Programs - \$527 million
 - \$340 million 10-year total for capital equipment items to meet purchases/replacement of mechanical equipment, operational facilities, vehicle equipment, office renovations, and IT software/hardware
 - \$187 million 10-year total for DC Water's share of Washington Aqueduct's infrastructure improvements to achieve established service levels

Mr. Benson also mentioned that under the 'modified baseline' CIP option, the FY 2019 and FY 2020 total spending for each year has been kept at FY 2018 – FY 2027 board approved

baseline levels to remain congruent with previously approved 5% rate increases and that the proposed ramp-up would begin in FY 2021.

Mr. Benson stated that an examination over the last year of the current board approved “baseline” CIP (\$4 billion over 10 years), indicated the following potential risks and shortfalls:

- Non-Process Facilities require additional funding for HVAC and roofing replacement programs, Main & O Pumping Stations seawall restoration and historic restoration work
- Critical Wastewater facilities are approaching end of their service life
- The average age of SDWMs is currently over 80 years vs. expected service life of 100 to 120 years
- SDWM water quality complaints likely to increase
- Additional resources needed to meet the 1% replacement goal for small diameter water mains (SDWM)
- Average age of sewer mains is currently 90 years vs. expected service life of 110 to 120 years
- Stormwater and Sewer pump stations are underfunded
- Major sewers and large diameter water mains may not be sufficiently funded depending on condition assessment results
- Risks to customers include sewer failures and water service disruptions

The proposed “modified baseline” CIP balances financial and affordability concerns with critical infrastructure needs starting from FY 2021 and beyond. The overall increase to capital projects over the FY 2019 to FY 2028 period is \$656.8M. Mr. Benson also provided the Committee with Program level (Blue Plains, Water, Sewer, Storm, Non-Process) details on proposed increases under the “modified baseline” CIP option.

The Committee inquired if the remaining useful life of sewer lines had a linear relationship with their age. Mr. Benson replied that although it appears from the graphical depiction that it is linear there are other important factors in addition to age that affect remaining useful life of our sewers such as soil type, bedding conditions, load factors, construction/manufacture quality, etc. The Committee commented that the graph showing consequence and likelihood of failure scores is outdated and needs to be updated with current data. Mr. Benson stated that the charts would be updated. The Committee next inquired as to the veracity of the water quality complaints DC Water receives. Mr. Benson replied that all the water quality complaints do get verified by the Water Quality Department and are often due to discoloration, odor, or taste of the water.

III. ACTION ITEMS

JOINT USE

1. Contract No. 17-PR-DIT-06 – IT Professional Services, Advance Digital, Ampcus, Inc., Network for the Future, Peak Technology, Sankar, Inc., Susan Fitzgerald & Associates, Inc., Vigilant Technologies, and VTech Solution, Inc.
2. Contract No. 18-PR-DFS-38 – Dewatering Sludge Loading Facility Building Roof Replacement, ADP Consultants.
3. Contract No. 15-PR-WWT-52 – Supply and Delivery of Calcium Hydroxide, W.K. Merriman.
4. Contract No. 170180 – Miscellaneous Facilities Upgrade – Phase 6 Ulliman Schutte Construction, LLC.

Mr. Dan Bae, Vice President, Procurement, DC Water, presented joint use Action Items 1 to 3. Mr. Len Benson presented joint use Action Item 4.

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

NON-JOINT USE

1. Contract No. 160010 – Water Main Infrastructure Repair and Replacement (IR&R) Contract, Fort Myer Construction Corp.

Mr. Jason Hughes, Senior Director, Water Operations presented non-joint Action Item 1.

The Committee recommended the non-joint use Action Item to the full Board.

IV. CSO 025, 026 SEWER SEPARATION IN GEORGETOWN

Mr. Moussa Wone, Manager, Design CSO LTCP, DC Water presented on the CSO 025/026 sewer separation project in Georgetown. Mr. Wone outlined some of the investigation needed as follows:

- Topographic and utility survey
- CCTV condition assessment of existing sewers
- Dye testing to confirm locations of lateral connections
- Geotechnical investigations
- Utility investigation through test pits or potholes

Mr. Wone further mentioned that DC Water will continue to engage with relevant stakeholders to better facilitate the project. He concluded his presentation by mentioning a look-ahead list of activities:

- Outreach to ANC Commissioner and Councilmember Jack Evan's staff
- Outreach to the general community
- Commence field investigations
- Develop preliminary design layout

IV. OTHER BUSINESS/EMERGING ISSUES

None.

V. ADJOURNMENT

Meeting adjourned at 11:47 a.m.

Follow-up Items

1. CEO, General Manager and Senior Vice President, Chief Engineer:
 - a) Outline DC Water's recent and ongoing efforts at Enterprise-wide cost reductions and operational efficiency
 - b) Outline future cost reduction measures as suggested and discussed in the DC Water led Stakeholder's Alliance Group

- c) Provide how much the 'modified baseline' CIP budget would amount to for Small Diameter Water Main replacement and small diameter sewer rehabilitation/renewal goals of more than 1% per year than 1%/year (i.e., for 1.5%, 2%, 2.5%)
 - d) Define the impact to rate increases for the scenarios defined in "c" above
 - e) For the scenarios stated in "c" above, compare the time in years to attain the "sweet spot", i.e., the point in time remaining service life of the pipe system as a whole is about 50% of the expected service life.
2. Senior Vice President, Chief Engineer: Update the graph showing consequence and likelihood of failure scores with current data.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Thursday, February 28, 2019

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Reverend Kendrick Curry, Vice Chairperson
Tommy Wells, Board Chairman
Ellen Boardman
Anthony Giancola
David Franco

(via telephone)

Jed Ross
Krystal Brumfield

Other Committee Members

Sarah Motsch

DC Water Staff

Matthew Brown, CFO/EVP Finance & Procurement
David Gadis, CEO/General Manager
Gregory Hope, Interim EVP, Office of Legal Affairs
Linda Manley, Secretary to the Board

Call to Order

Vice Chairperson Curry convened the meeting at 9:40 a.m.

Proposed FY 2020 Rates, Charges & Fees (Attachment A)

Mr. Brown, CFO/EVP updated the Committee on the FY 2020 Rates, Charges and Fees. He noted that staff have responded to questions we have received in writing and from the Budget Workshop. He stated that there were two main issues in considering the proposed FY 2020 budget: 1) Request from the Environmental Quality & Operations Committee (EQ&OPS) on additional capital spending for water and sewer replacement from the 1% annually to 1 ½%, 2% and 2 ½% each year and the impact on rates; and 2) Phase-in of the Clean Rivers IAC (CRIAC) shift to sewer volumetric of (18%, 28% & 37%). He stated that management will ask the committee members to recommend the proposed FY 2020 Budget to the full Board in the March 26th Committee meeting, so that the full Board can adopted the budget in the April 4th meeting. Mr. Brown, CFO/EVP mentioned that many of the presentation materials the Committee has seen before and will overlap in the Finance & Budget Committee meeting.

Mr. Brown, CFO/EVP noted that previously the Board had adopted FY 2020 rates that would increase household charges of about 5.7%. He mentioned that there is a proposed change to how we collect for

the Clean Rivers Program and even with that change the average household increase would remain the same at 5.7% over the current year. He stated that in the proposed budget there is a shift of 18% from the Clean Rivers Impervious Area Charge (CRIAC) to the volumetric sewer rate based on the methodology. He noted that with this change the CRIAC would decrease from \$25.58 in FY 2020 to \$20.94 per Equivalent Residential Unit (ERU). He mentioned that the corresponding increase would be to the water and sewer volumetric rate of about 11.5% in FY 2020. He mentioned that the average household charge would change from \$114.48 to 114.49, or one cent. He stated that customers have little ability to control their CRIAC and the shift is based on current usage. He mentioned that the shift gives customers a more ability to reduce their water bill. He noted that there will be an increase in the CRIAC Discount Program from 4% to 20% based on public sentiment that the 4% discount was not meaningful.

Mr. Brown, CFO/EVP provided an overview of the rates and revenues from FY 2019 to FY 2028 based on the different capital plans. He stated that there were conversations with EQ&OPS on capital spending plans. He stated that the two main capital plans discussed are: 1) Modified Baseline Plan; and 2) Full Asset Management Plan. He noted that the Asset Management approach is much more expensive and would more than double rates over the next ten years. He stated that the Modified Baseline Plan includes nearly \$1.0 billion dollars of additional investment into the system and has rate increases less than the full Asset Management plan. He pointed out the work on the saving initiatives by the budget staff. Without this work, the average household would have paid more in FY2020 than the current proposal.

Mr. Brown, CFO/EVP updated the Committee on the FY 2019 and FY 2020 operating revenues. He stated that the mix of revenues remains about the same and are well diversified.

Mr. Brown, CFO/EVP gave an overview of the historic and projected combined household increases for residential customers. He stated that in the past the increases have been as high as 13.7%. He noted that we have remained at the budgeted levels previously approved by the Board in FY 2019 and FY 2020 5.9% and 5.7%, respectively. He noted that the increase in FY 2021 and beyond reflects the increased level of spending in the capital program.

Mr. Brown, CFO/EVP updated the Committee on the projected CRIAC from FY 2019 – FY 2028. He noted that the projected CRIAC reflects the 18% shift to the sewer volumetric charge. He noted that about 70% of the CRIAC revenue collected pays for the existing and proposed debt on the Clean Rivers Program. The remaining CRIAC revenue collected goes toward PAY-GO.

Mr. Brown, CFO/EVP provided an overview of the shifting a portion of Clean Rivers cost from the CRIAC to the sewer volumetric rate. He mentioned that there were various suggestions from the Stakeholder Alliance (SA), Councilmember Cheh and others that challenged DC Water to do what was within DC Water's control to make the CRIAC more equitable. He noted that DC Water had the opportunity to talk with the City Council this week to discuss the work done regarding the shift, and that the proposal had been well received. He noted that this work has been on-going. In conversations with the SA DC Water had discussed a shift of some costs to the volumetric rate, and that DC Water wanted to ensure that there were firm underpinnings for rates to avoid any rates challenges. He stated that DC Water wants to make sure that our rates are fair and equitable and that our rate recovery is neutral and that we can continue to pay the debt service on the bonds. He mentioned that there were two methodologies that were calculated: 1) 18% Shift – calculated based on an average of pollutants concentrations in sanitary wastewater, stormwater runoff and Combined Sewer Overflow (CSO); and 2) 37% Shift – calculated based on volume of sanitary wastewater, stormwater runoff and CSO. Mr. Brown, CFO/EVP stated that his recommendation is to move forward on the 37% Shift. He informed the Committee that the 18% shift calculation and methodology has a lot more variation in the pollutant concentrations depending on the data used and the time of year. He stated that the 37% Shift volumetric approach has a greater justification and it would be phased-in. Ms. Motsch inquired how a customer would be charged under the shift. Mr. Brown replied that we would shift 18% of the Clean Rivers Program annual cost to the sewer volumetric rate, which would increase about 11.5% and the CRIAC would decrease about \$4.64 per ERU.

Mr. Brown, CFO/EVP stated that there is a third methodology called “Tracer” that the Department of Engineering & Technical Services (DETS) is interested in pursuing that may provide more refined figures. He mentioned that the impact of a shift to the volumetric sewer rate: 1) gives a customer more control over the amount that they pay towards the project; 2) as a class, Multi-family and Commercial would pay more while Federal Government would pay less; 3) small volume users in every class would pay generally pay less; 4) average residential customers would pay about the same; and 5) shift would be phased-in. He noted that we are continuing to have discussions about the transportation Right-of-Way (ROW). He mentioned that we believe that the Federal Government owns about 5% of the ROW. If we get to a point where there is some charge applied to the ROW that could help offset the loss in the decrease in the Federal Government dollars. Mr. Giancola inquired if we could require the Federal Government to pay more. Mr. Brown CFO/EVP replied that we charge the CRIAC based on an ERU and right now that charge does not apply to transportation ROW and we charge the Federal Government the same ERU we charge to all customers. Mr. Franco inquired if we could charge the Federal Government based on a different ERU schedule. Mr. Brown, CFO/EVP replied that what we have tried to do is make an impact within our control by making the CRIAC more equitable. He stated that we will look at any options, but that our rates must sustain be justifiable, and defensible against possible rate challenges. He noted that the charges that we apply today are based on something that is quantifiable, such as water and sewer usage, size of water meters and the CRIAC based on ERU. He noted that the more our charges look like a tax the greater likelihood they will be challenged.

Mr. Gadis, CEO/President expressed that the SA members came up with about twenty ideas on how the CRIAC could be collected. He noted that during the SA workshops each idea was placed in a scenario and what is being recommended today is the best approach. He noted that the theme that came out of the SA workshops is that customers must pay their fair share. Mr. Giancola requested a copy of the City Council Budget Oversight Hearing questions and responses. Mr. Gadis, CEO/President mentioned that there were about 38 individuals that testified during the City Council Budget Oversight Hearing. He stated that many of the individuals testified, set on the other side of the table from DC Water, but now that they have a clearer understanding of what DC Water is faced with on a day to day basis, they are now on the side of DC Water. Ms. Boardman inquired how many SA members testified and how many were fully supportive of DC Water. Mr. Gadis, CEO/President replied that there were about five SA members that testified and none of them testified against DC Water. Mr. Franco inquired if there was any discussion on the District paying their fair share of the CRIAC. Mr. Gadis, CEO/President replied that many testified that the District should pay their fair share of the CRIAC.

Mr. Brown, CFO/EVP updated the Committee on the sample customers to include the average household, average multi-family, commercial, cemetery, and house of worship high and low consumption. He pointed out the two alternatives 18% Shift and 37% Shift impact to the sample customers. Mr. Franco inquired if the average multi-family impact on the FY 2020 18% shift from \$1,373 to \$1,413 is based on the FY 2019 Financial Plan. Mr. Brown, CFO/EVP replied that the Multi-family \$1,373 impact is based on the current Financial Plan and the \$1,413 impact is based on the proposed FY 2020 18% proposed alternative. Mr. Franco suggested that it may be helpful to have percentages to understand the change between where the rate would be with the 18% Shift and what the increase is over FY 2019.

Mr. Brown, CFO/EVP updated the Committee on DC Water compared to CSO communities. He noted that DC Water has challenge with 700,000 residents and a \$2.7 billion consent decree. He mentioned that DC Water has 125,000 customer accounts as compared to other CSO utilities that have larger customer accounts and smaller consent decrees.

Mr. Brown, CFO/EVP updated the Committee on the Customer Assistance Program (CAP) customers. He stated that the CAP customer would continue to receive a 58% discount. He noted that the CAP customer’s bill would increase about \$2.00, in FY 2020. He pointed out that DC Water’s CAP bill compared to other jurisdiction affordability programs without the District fees is about \$47.00.

Mr. Brown, CFO/EVP updated the Committee on the projected average residential customer bill. He stated that the \$1.0 billion in capital spending is reflected in the projected average residential monthly customer bill from FY 2019 – FY 2028, \$108 to \$184, respectively.

Mr. Brown, CFO/EVP updated the Committee on the revenue comparison by customer class, customer impacts on the average residential customer, multi-family and commercial customers for FY 2019 – FY 2028, proposed CRIAC discount from 4% to 20% for stormwater Best Management Practices (BMP) and the budget review dates and timeline.

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

Mr. Brown, CFO/EVP updated the Committee on the workplan. He noted that under the new legislation by the City Council, which is under congressional review, DC Water must provide a 45-day notice for hearings on rate increases. He stated that this has been DC Water practice, but would soon be a requirement. He stated that the Board has already approved the rate increase for FY 2020, but if the Board chooses to shift some of the CRIAC to the sewer volumetric rate, it is a rate change and will require a public hearing.

Agenda for March 26, 2019 Committee Meeting (Attachment C)

There was no discussion on the March 26, 2019 Committee meeting agenda.

Other Business

There was no discussion on other business.

Executive Session

There was no executive session.

Adjournment

Vice Chairperson Curry adjourned the meeting at 10:30 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (February 28, 2019)

- 1) Provide a copy the City Council Budget Oversight Hearing questions and responses. (Mr. Giancola)
Status: (February 2019)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

*Joint Meeting of the DC Retail Water and Sewer
Rates and Finance and Budget Committee*

Thursday, February 28, 2019

10:00 a.m.

MEETING MINUTES

Committee Members

Kendrick Curry, Vice Chairperson
Sarah Motsch, Vice Chairperson
Tommy Wells, Board Chairman
Ellen Boardman
Anthony Giancola
David Franco

(via telephone)

Jed Ross
Krystal Brumfield

DC Water Staff

David Gadis, CEO & General Manager
Matthew T. Brown, CFO and Executive Vice-
President, Finance & Procurement
Gregory Hope, Interim EVP, Legal Affairs
Biju George, EVP, Operations & Engineering
Linda Manley, Board Secretary
Lola Oyeyemi, Director, Budget
Ivan Boykin, Director, Finance

Call to Order

Reverend Kendrick Curry called the meeting to order at 10:37 a.m.

FY 2020 Proposed Budget

Mr. Matthew Brown, CFO & Executive Vice President, Finance & Procurement, presented a summary of the FY 2020 Proposed Budget, which includes the FY 2019 – FY 2028 Capital Improvement Plan (CIP) disbursements of \$4.96 billion, FY 2020 operating expenditure budget of \$614.5 million, and FY 2020 operating revenue of \$694.0 million. He noted that the budget proposal is consistent with the previous presentation at the budget workshop with the exception of the shift of the clean river's impervious area charges (CRIAC) to sewer volumetric rates, which has been updated to include analysis for both the 18% and 37% CRIAC cost shifts. Mr. Brown explained that responses to several budget questions received to date have been provided to the full Board.

Mr. Brown and Mr. David Gadis, CEO/General Manager, commended the budget team's effort in reducing the budget gap of \$37 million resulting from the initial submission and further explained the budget requests received, tough choices considered and the approach undertaken by the Authority to balance the budget and achieve its goals. Vice Chairperson Kendrick Curry inquired about the impact of the budget cuts on

contractors and small businesses in the District. Mr. Gadis and Mr. Brown responded that there was no significant impact. Next, Mr. Brown reviewed the budget adoption calendar and highlighted the action items for recommendations by the various Committees in March 2019, with budget adoption by the full Board on April 4, 2019.

Mr. Brown reported that the Environmental Quality & Operations (EQ&Ops) Committee was provided with detailed information on the comprehensive capital program. He stated that the proposed 10-year capital disbursements budget of \$4.96 billion supports two major programs: capital construction projects of \$4.43 billion, and additional capital programs of \$527 million for capital equipment and DC Water's share of the Washington Aqueduct's infrastructure improvements. Overall, the CIP increase of \$0.95 billion over previous plan is a testament to the Authority's commitment to its capital investment program, with increased funding beginning in FY 2021. Mr. Brown further highlighted that the recommended Modified Baseline CIP fully funds the Clean Rivers projects to meet the Consent Decree. In response to Ms. Motsch's request for clarification on the level of funding included for the small and large diameter water mains, Mr. Brown explained that the proposed CIP budget includes funding to meet 1% per year replacement level for the small diameter water mains. He stated that the EQ&Ops Committee requested management to explore three (3) alternative CIP scenarios for increased investments to achieve replacement levels of 1.5%, 2.0% and 2.5% per year for the underfunded small diameter water mains and small sewer lines. Management is preparing the analysis, including the related fiscal and customer impacts, and will provide the information to all the Committees to guide the budget review, discussion and recommendations process.

The proposed FY 2020 operating expenditure budget increase of \$31.7 million over the approved FY 2019 budget of \$582.8 million is mainly for personnel services and debt service costs, the two largest components of the operating budget. Mr. Brown indicated that the personnel services cost increase of \$8.1 million over FY 2019 reflects annualized impact of salary adjustments, overtime, vacancies and employee benefits. He noted that this budget eliminates 63 long standing (aged) vacancies and adds 12 new positions for a net decrease of 51 positions. The increase in debt service of \$16.3 million reflects the previously approved and projected increases in capital disbursements. He noted that debt service represents 31% of the FY 2020 operating budget and projected to be at 33% by FY 2028.

Next, Mr. Brown reviewed other areas of the proposed FY 2020 operating expenditure budget compared to the approved FY 2019 level and historical trends. The projected increase in chemicals and supplies is due to the unit prices of major chemicals as well as additional wastewater treated on the plant from the Tunnel Dewatering Pump Station (TDPS) that became operational in FY 2018. The water purchases budget funds the O&M needs of the Washington Aqueduct. Further, he explained the breakdown of the contractual services budget which encompasses maintenance of the infrastructure, legal, compliance requirements, technology, professional services and other expenditure. Ms. Motsch asked about any observed changes within the various contractual services categories. Ms. Oyeyemi responded that the FY 2020 contractual services budget was realigned with historical spending in several areas that included legal, insurance, and employee related costs. Mr. Gadis reiterated that this realignment had little impact on disadvantaged businesses in response to Mr. Curry's previous question. Mr. Brown added that the proposed budget provides increased opportunities for local and disadvantage businesses with the expanded CIP.

In addressing embedded budget risks, Mr. Brown explained that the full impact of the Clean Energy DC Omnibus Amendment Act of 2018 has not been quantified. However, a 1% increase in utilities cost, over the 3% baseline, has been assumed in the financial plan pending further analysis. He stated that the Act's requirement for 100% of energy from renewable sources by FY 2032 will make the Authority's Renewal Energy Credits, including solar power projected to come online in FY 2020, to be more valuable. Mr. Biju George, Executive Vice President, Operations & Engineering, further elaborated on the Solar Project including the guaranteed energy output of 0.4MW, how the deal was structured for the SRECs (Solar Renewable Energy Certificates), and related benefits and that detailed information will be provided to the Board Committees.

Mr. Brown provided highlights of the proposed FY 2020 operating revenue of \$694 million, including the proposed shift (18% and 37%) of the CRIAC charges to volumetric sewer rate, increased CRIAC discount from 4% to 20% for stormwater best management practices, and the projected average household charges for the ten-year period. He stated that the detailed information was presented to the DC Water & Sewer Retail Rates Committee that preceded this Joint Committee meeting. Mr. Anthony Giancola requested clarity and feedback regarding the Authority's efforts in pursuing the District Government to pay their proportionate share of the CRIAC charges associated with roads and right of way (ROW), and capital improvements for the pump station costs. In response, Mr. Gadis stated that the issue on the CRIAC charges came up during the City Council hearing and that Chairperson Mary Cheh was open to a conversation about it. He also stated that at the City Council hearing regarding the CAP expansion program, he had mentioned that the District Government would need to provide \$13 million for the program to continue an annual basis.

Mr. Giancola noted that DC Water's Rate Stabilization Fund (RSF) balance of over \$60 million was relatively high given the Authority received its highest credit rating in November 2014 when the RSF was only \$32.54 million. In response, Mr. Brown explained that the Authority currently maintains 250 days of cash on hand, and that the RSF is only one of several factors used by the rating agencies. He strongly advised the Board to maintain 250 days, and that falling below that level could have a negative impact on the credit rating. Mr. David Franco commented that the purpose of the RSF was to provide stability for rates and not a reserve to be used for bond rating but understands the rationale and related impact on cost of borrowing. Ms. Boardman emphasized the significance of maintaining strong bond rating and preventing any downgrade to the Authority's credit rating. Mr. Tommy Wells, Board Chairman, added that the RSF has changed in character and function since it was established, that the reserve funds are available to absorb unforeseen events, and the Board has the opportunity to reprogram funds in each year. Mr. Brown further explained that in the event of an economic downturn that resulted in reduced revenues, the RSF will soften the impact on rate payers.

Next, Mr. Brown reviewed the objectives and underlying assumptions of the proposed FY 2019 - FY 2028 financial plan. These include the CRIAC cost shift of 18% and 37% to sewer volumetric rates, maintaining a combined debt coverage of 1.6, debt service as a percentage of operating revenue of 33%, and 250 days of cash on hand, including RSF. He identified the additional revenue stemming from Engineering and Permit Fees (\$2.0 million), Fat, Oil and Grease (FOG) and Back Flow Prevention (BFP) programs (\$1.5 million). He further explained other assumptions for FY 2019 which include an increase of approximately \$9.5 million in County (Wholesale Customers) refund due to updated flows which are lower than previous years, \$7.0 million for Project Billing, and the one-time transfer of \$6.0 million from the RSF to the CAP2

program (Customer Assistance Program). Mr. Brown went on to review the ten-year financial plan, projected average residential customer monthly bill, rates, charges and fees based on the 18% and 37% shift of CRIAC costs. Mr. Gadis reiterated that this was one of the outcomes of collaborative efforts undertaken by the Stakeholders Alliance Group which considered several initiatives to reduce the burden of the CRIAC costs on customers. Mr. Brown provided information relative to the CRIAC incentive program and the proposed increase from 4% to 20% discount for stormwater best management practices. He explained that eligibility criteria for this program is managed by DOEE.

Financial Metrics and Planned Borrowing

Mr. Ivan Boykin, Director of Finance, provided an overview of DC Water's current financial metrics and the planned 2019 debt issuance. Mr. Boykin stated that the information on financial metrics have been provided in previous committee meetings. He displayed a scorecard from Moody's rating agency where the focus was on the strength factors for Aaa rating. The first strength factor listed three categories for system characteristics weighted against asset condition's remaining useful life, system size, and service area. DC Water's system size was rated higher than \$65 million with expenses at \$299.4 million. The second strength factor identified categories for annual debt service coverage that included days of cash on hand and debt to operating revenue. Other factors such as excellent rate setting and regulatory compliance were additional strengths that helped DC Water to attain its AAA category even though their Moody's rating is Aa1.

Mr. Boykin provided the days of cash on hand, which shows DC Water performed well over the last six years, but still to the left of our peers. Mr. Giancola stated that the peer comparisons are not necessarily equitable as some larger agencies, such as New York City Water, with \$2 billion in revenue, has only 382 days of cash on hand. Mr. Boykin noted that DC Water's indenture requires senior lien coverage of 1.2x for subordinate and 1.0x for Board policy. He highlighted that the value of DC Water's robust credit ratings saves ratepayers approximately \$19 million over a ten-year period.

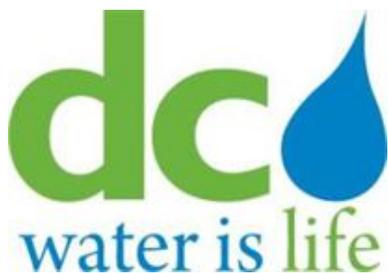
Next, Mr. Boykin reviewed the 2019 bond deal which is projected at \$300 million utilizing two series for Clean Rivers (green anticipated) and Non-Clean Rivers. He reviewed the debt issuance schedule, highlighting that the preliminary official statement will be reviewed with the Finance & Budget Committee in July 2019 and Board approval in September 2019. Working with selected senior underwriter(s), management anticipates going to the market in mid-September to price the bonds. Chairman Wells inquired if the Authority has a resiliency plan relating to climate change as this was one of the requirements requested for the financing in a recent bond deal in the District. Both Mr. Gadis and Mr. Brown responded in the affirmative that DC Water has such plan that includes asset vulnerability for the 100 and 500-year floodwall and information technology infrastructure. Management will ensure the comprehensive plan is updated and reviewed in preparation for the bond deal.

Adjournment

Hearing no further business, Vice Chairperson Kendrick Curry adjourned the meeting at 11:50 a.m.

Follow-up Items

1. Provide additional scenarios for the small diameter water mains and small sewer lines for increased CIP funding to achieve replacement levels of 1.5%, 2.0% and 2.5% per year **(Sarah Motsch)**
2. Provide information on how DC residents' average customer bill, based on average household income, compares to other cities **(David Franco)**
3. Provide website link for the criteria and certification process related to the CRIAC discount for stormwater best management practice administered by DOEE **(David Franco)**
4. Provide website link to the City Council Hearing **(David Franco & Tony Giancola)**
5. Provide overview of financing plan for the Solar Project and the period the developer receives the benefits of the Solar Renewable Energy Credits **(Tommy Wells)**
6. Update the Authority's comprehensive plan to include emergency resilience for climate change and disaster recovery **(Tommy Wells)**



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY
Board of Directors**

Finance and Budget Committee

Thursday, February 28, 2019

12:03 p.m.

MEETING MINUTES

Committee Members

Sarah Motsch, Vice Chairperson
Tommy Wells, Board Chairman
David Franco

(via telephone)

Krystal Brumfield
Jed Ross

DC Water Staff

David Gadis, CEO and General Manager
Matthew T. Brown, CFO and Executive Vice
President, Finance and Procurement
Gregory Hope, Interim Executive Vice President,
Legal Affairs
Linda Manley, Secretary to the Board
Lola Oyeyemi, Director, Budget
Paul Guttridge, Manager, Program Services

Call to Order

Vice Chairperson Sarah Motsch called the meeting to order at 12:03 p.m.

January 2019 Financial Report

Mr. Matthew Brown, CFO and Executive Vice President, Finance and Procurement, provided the monthly report by exception, noting that DC Water is on track and in line with budgetary expectations.

With approximately 33.0 percent of the fiscal year completed, total operating revenues are at \$243.7 million, or 37.5 percent of budget, operating expenditures at \$178.2 million, or 30.6 percent and capital disbursements at \$150.1 million, or 34.2 percent of budget in the respective categories.

Capital Improvement Program Quarterly Update

Mr. Paul Guttridge, Manager, Program Services for the Department of Engineering & Technical Services, provided the quarterly report by exception.

Adjournment

Hearing no further business, Vice Chairperson Sarah Motsch adjourned the meeting at 12:05 p.m.



CEO'S REPORT

David L. Gadis

March 2019



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Interpretation of Charts A

Color Key

Red	Did not meet Target
Yellow	Missed Target but within acceptable range
Green	Met/Exceeded Target
Gray	Budget/Target Value
<transparent>	Green/Yellow/Red based on comparison

MARCH 2019 CEO/GM REPORT

Office of the CEO/GM

Meter to Cash Operational Assessment

Performance, Customer Care, IT, Permits, Finance, and People and Talent completed a four-week engagement with West Monroe Partners to assess operations along the meter to cash process. Industry leading expertise was applied after understanding the breadth and depth of the meter to cash value stream considering the effectiveness of business processes, technology, information systems and staff. The resulting roadmap identifies several very promising opportunities for additional revenue, cost savings, transparency, accountability and improve the customer experience. DC Water will evaluate implementation options for priority projects with high potential and benefits.

Operations and Engineering

Sewer Services Respond and Repairs Sink Hole



On January 22, 2019, Sewer Services crews responding to a sink hole complaint by DDOT at 9:30 pm at the intersection of 17th and D Streets, NW discovered that part of our sewer system was damaged by the collapsed street pavement at the location. Our emergency sewer repair contractor was directed to the site to stabilize the trench area around the sinkhole. They were also able to re-direct the flow in the sewer to allow DCW staff to enter the trench and fully assess the damage to the sewer system. With assistance from DETS, repairs were developed to:



- Replace the 24-inch intercepting connection that conveys dry weather flow from the 10' 6" Easby Point Trunk sewer to the B Street/New Jersey Trunk sewer.
- Re-build the head-wall and replace broken parts of the 3.25' x 4.875' egg-shaped B Street/New Jersey Truck sewer that was installed in 1880.



All pipe repair work was completed January 31, 2019 and full restoration at the intersection finished February 5, 2019 to finally re-open the roadway.



MARCH 2019 CEO/GM REPORT

Administration

Leadership Update

The candidates for the Director of Occupational Safety & Health went through the final 2 rounds of interviews in February, including a discussion with the CEO. We hope to have someone in the position by the middle of March, and look forward to introducing them as soon as they come onboard.

Fleet Management

Preparation for the Winter Season

Fleet has collaborated with departments in preparation for Winter Season

- Fueling
- Tires, Chains and Parts
- Fleet met with Sewer Services regarding Work Order Process for CCTV investigation crews
- Training will commence next week 2/19/20
- Fleet is finalizing the Ride Share Key Box for HQO with the site identified on the 2nd Floor

Upcoming news

- Memo planned for finalized all vehicle requests/orders has gone out, and Fleet is reviewing all requests to present to EVP's for final approval
- Improvements to Indoor Air Quality at the Fleet Maintenance Facility is ongoing. A PO for Big A Fans has been executed by Facilities – Awaiting Delivery and installation
- hops Personnel completed OSHA 10 Hour Safety Training (provided thru Safety Department).
- Facilities has responded to 4 separate snow/ice events so far this season:
 - January 12 & 13 & 14, 2019
 - January 20 & 21, 2019
 - January 29 & 30, 2019
 - February 10 & 11, 2019
- TDPS HVAC Maintenance Contract bid was completed and the lowest Mechanical bidder was selected.
 - TDPS/ECF HVAC Maintenance Contract will use shared COTR between DMS and Facilities. (Following the Strategic Blueprint, sharing resources between departments)
- One-Way glass window installation in HQO Board Room pending to aid in webcasting (Glass has been purchased – standing by for delivery and installation by Facilities carpentry shop).
- Fort Reno trailers for new Water Services Department offices are on site. Working through permit issues. Installation expected to be complete by end of March 2019.
- Design for Department of Pumping Operations office upgrades in Main Pumping Station has begun, leveraging existing furniture and fixtures to save money and time.
- RFQ for Non-Process Facilities Master Plan is in development.
- RFP for HQ Building Facilities Management Subcontract is pending release.

MARCH 2019 CEO/GM REPORT

Completed projects

- HQO move-in was completed, first DC Water Board of Directors Committee meeting will be held on February 21, 2019 as we prepare for the first official Board meeting in HQO
- The mold remediation of the DETS section of CMF was completed, mold remediation continues in multiple other areas within CMF.
- Coordination complete with Safety Department for mold remediation training for all Facilities shops personnel. Paint Shop staff completed 2-day Mold Identification & Remediation Training; remaining facilities staff training to take place in March, 2019 so that we are better prepared to identify and eliminate this indoor air quality concern at our facilities.
- (Following the Strategic Blueprint, sharing resources between departments)
- Potomac Pumping Station Bathroom is complete with floors, partitions & fixtures; final punch list items to be complete by the end of February.

Emergency Management

General Accomplishments

- Conducted DC Water Multi-Year Training and Exercise Planning Workshop; conducted needs assessment for training from After Action Improvement Items and feedback.
- Facilitated: Planning Section positions for 17th and D Streets Sink Hole Sewer Pipe Repair; and liaison position to assist with evacuation due to gas smell at Bryant St.
- Completed Hazard Mitigation Plan- official review and sign-off, thus granted provisional approval for EMAP standards 4.2.
- Established an Internal Emergency Communications Task Force to develop and enhance a robust emergency communications program.

Upcoming News

- Finalize Multi Year Training and Exercise Scope and Calendar
- Upload virtual training- awareness tool created in house for Emergency Plans
- Launch the Community Engagement Feature of DC Water Alerts with everbridge platform for visitors and contractors with key internal stakeholders such as OMAC, DSEC, Operations and DOSH
- March 13th: SCADA Drill
- March 21st: DC Water Communications Drill
- Complete critical customer database with 200 largest users; coordinating with EVP for Administration on launching engagement with large capacity venues (e.g. Capitol One Arena)
- Complete review and updates to Inclement Weather Procedure and Water Outage Plan
- Establish Hazard Mitigation Plan Subcommittee
- Submit Hazard Mitigation Plan to HSEMA for grant provisions and to EMAP for final assessment report.
- Introduce Fire Protection Plan (FPP) to DC Water; Facilitate and coordinate FPP's review and update with Facilities and Security.
- Provide the updated and completed package of Emergency Planning and Preparedness Fire Safety Evacuation Plans to FEMS for HQO.

MARCH 2019 CEO/GM REPORT

Emergency Management

General accomplishments

- Assisted MPD in two investigations

Security

Upcoming news

- Installation of card readers at Blue Plains on Chemical Building

Safety

Safety Oscars have been scheduled – Friday, March 15, 2019



General Accomplishments

- Safety provided OSHA 10 Hour Safety Training for Facilities Shops Personnel.
- Coordination complete with Facilities Department for mold remediation training for all Facilities shops personnel. Paint Shop staff completed 2-day Mold Identification & Remediation Training; remaining facilities staff training to take place in March, 2019 so that we are better prepared to identify and eliminate this indoor air quality concern at our facilities.
 - (Following the Strategic Blueprint, sharing resources between departments)

Awards

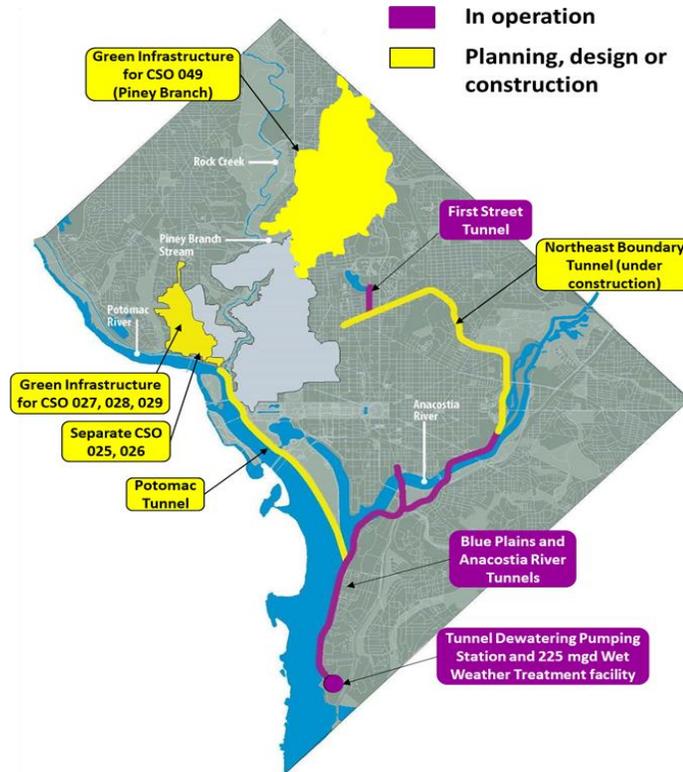
- American Council of Engineering Companies (ACEC) of Metropolitan Washington Honor Award for Kennedy Street Green Infrastructure Streetscape Project.
- American Council of Engineering Companies (ACEC) of Metropolitan Washington Honor Award for the Anacostia River Tunnel (Geotechnical Monitoring).

MARCH 2019 CEO/GM REPORT

Engineering

Performance of Anacostia River Tunnel System

- Captured over 4.8 billion gallons of combined sewer overflows and 950 tons of trash, debris, and other solids (March 20, 2018—January 31, 2019) that would otherwise have overflowed to the Anacostia River.
- Achieving 90% capture rate, exceeding the projected 80% capture rate at this stage of implementation.



Events

Potomac River Green Infrastructure Project 1

- Delivered door hangers to residents' homes notifying them of alleys reopening and trash collection resuming from alley.
- Held conference call with ANC 2E Commissioner Kishan Putta to update on final construction in Burleith neighborhood.
- Coordinated and delivered parking permits for non-District residents impacted by construction.
- Notified all ANC 2E Commissioners, Ward 2 Mayor's Liaison Office, and Georgetown University of updates on construction
- **CSO 025/026 Sewer Separation Project:**
 - Outreach to ANCs, businesses and residents for upcoming survey and utility investigations.
- **Northeast Boundary Tunnel (NEBT) Business Impact Mitigation Plan (BIMP)**
 - No significant development
- **Northeast Boundary Tunnel (NEBT) Outreach**
 - Organized and facilitated the NEBT Tunnel Forum for 4th Street NE and Rhode Island Avenue NE on February 7, 2019.

General Accomplishments

- **Green Bond and Annual Reporting Commitments** - Assisting the Office of the Executive Vice-President - Finance and Procurement in preparing the Fiscal Year 2018 annual reporting on the categories of Proceed Usage, Environmental and Social Outcomes, and Responsible Management.
- **Northeast Boundary Tunnel Construction**

MARCH 2019 CEO/GM REPORT

Site	Progress
Design	<ul style="list-style-type: none"> • East Side Force Main backfill design completed. • Finalized Safe Haven locations for TBM interventions.
Tunneling	<ul style="list-style-type: none"> • TBM resumed mining operation after planned shutdown to install remaining trailing gear, tunnel conveyor and linear plant for full production. • 475 ft. of tunneling completed as of 02/12/19
Mount Olivet Road	<ul style="list-style-type: none"> • Continue production columns jet grouting for future adit excavation, (approximately 33% completed)
W Street	<ul style="list-style-type: none"> • Break-in bentonite wall ongoing • Started installation of 10" sanitary line. • Preparing for the installation of the waterline.
Rhode Island Ave	<ul style="list-style-type: none"> • Site setup for slurry wall construction ongoing
4th Street	<ul style="list-style-type: none"> • Slurry panel work completed. Demobilizing slurry plant.

- **Potomac Tunnel Environmental Assessment** – Comment period closed on December 4, 2018. DC Water is preparing a Finding of No Significant Impact (FONSI) to conclude the National Environmental Policy Act (NEPA) compliance process.
- **National Green Infrastructure Certification Program (NGICP):**
 - Water Environment Federation (WEF) signed the agreement to support ongoing development and launch of NGICP. Agreement is ready for DC Water's VP of Compliance and Procurement's signature.
 - Final DC Clean Rivers/NGICP Risk Register update occurred on February 1, 2019. Future updates to the Risk Register will be led by WEF/NGICP.
- **Environmental Impact Bond Reporting:** Monthly reporting is ongoing. January report will be sent to investors by February 28, 2019.

Upcoming Events

- Present green infrastructure (GI) program to South Korean Ministry of Environment and take group on tour of GI sites in Potomac River Project A1 on February 19, 2019

Engineering and Technical Services (DETS)

Completed Projects / Milestones

- Completed inspection of the Key Bridge 30" water main, a critical water main serving Federal Clients in Virginia.
- Assessment of Sewer Structures 5A/B/C completed. These structures are located on the twin 96-in outfall sewers conveying sewage from Main PS to Blue Plains.
- Emergency repairs to Ft. Stanton #1 finished water reservoir are complete. The reservoir will be cleaned, disinfected and is scheduled to be put back in service on February 15.
- Submitted IFB 190030 Lead service Line Replacement pre-final bid package to PM for review.
- Submitted IFB 190020 Sanitary Sewer Lateral Replacement IRR pre-final bid package for review.

MARCH 2019 CEO/GM REPORT

Completed Projects / Milestones

- Completed the design for Small Diameter Watermain Replacement 13C and the expedited designs for Dexter Terrace, SE and Morris Road, SE.

Engineering and Technical Services (DETS)

Completed Projects / Milestones

- SDWM 12A Construction Substantial Completion achieved on November 7, 2018, five months ahead of original Substantial Completion April 30, 2019. NTP issued on May 16, 2017. Total water main installed for 8-inch (13,260 LF) and 12- inch (6,694.7 LF), cumulative total installed is 19,954.7 LF.
- SDWM 12B Construction Substantial Completion achieved on January 23, 2019. Final restoration of remaining locations suspended until March 31, 2019 due to seasonal impacts; estimated completion date of April 30, 2019. NTP issued on November 3, 2017. Total water main installed for 8-inch (2,750 LF) and 12- inch (400 LF), cumulative total installed is 3,150 LF.
- Completed design for the upgrade of the Soldier's Home Reservoir. This is critical project to address deficiencies identified as part of the EPA Sanitary Survey.

Events

- Conducted "Getting Things Done" Training for sixteen individuals. This training is based on the techniques of David Allen's book *Getting Things Done* and was conducted by in-house certified trainers.

General Accomplishments

- Staff spent a considerable amount of time realigning the CIP to ensure we meet the FY19/20 spending targets, including:
- Assessed the current spending forecast and worked with the program managers to realign projects and activities in the CIP schedule to produce the Run5c (FY19 baseline) to meet the ceiling for FY19 and FY20 and match the 10-yr modified plan.
- Held several meetings with the DETS/DWS/DSS leadership to review the broad approach to meet the spending goals for FY19/20.
- Produced a Contract level and activity level monthly spending forecast to assist with this process
- Reviewed the forecast spending disbursements at the Contract level with the Water & Sewer teams.
- Provided direction on the plan to meet the spending forecast to all activity managers.
- Project Controls continued to review and assess impacts to the CIP and held as appropriate various Task Orders, Changes and Contracts.
- Staff developed and completed a presentation on the Proposed FY2019-2028 CIP for the Board Workshop held on February 7. A more detailed presentation for the EQ & Ops Committee meeting on February 21 is currently being developed.
- Water Outage Planning completed, and alternatives documented for Fort Reno PS and Anacostia PS.
- Annual Water Quality documents completed for the Partnership for Safe Drinking Water and submitted to AWWA.

MARCH 2019 CEO/GM REPORT

General Accomplishments

- Qualification Statements received for the progressive design build for rehabilitation/replacement of a segment of the Potomac Interceptor (between MH 30-31). Contract is expected to be awarded late summer this year.
- The 17th Street sinkhole was fully repaired and restored for traffic. The Civil and Structural Design Unit provide extensive field and design support to the Department of Sewer Services on this assessment and repair.
- Proposals for the program management contract for the Water Service Area were received on 02/13/2019. Contract is expected to be awarded this summer.
- Staff participated in ERP Systems Integrator interviews with four teams. Staff also attended two ERP software demonstrations.
- Staff visited Databank in Philadelphia to inspect the document scanning facility. Accurate Conceptions / Databank are the firms scanning over 8 million archived documents from the Technical Information Center.
- Updated specifications to recognize American Iron and Steel Act.
- Addressed large attribute gaps in GIS. Team has updated 50% of the sewer gravity mains which did not previously have a size attribute. May complete the remaining updates this month.
- Low Area Trunk Sewer Rehabilitation: CIPP Lining of 42-inch RCP sewer and manhole rehabilitation in the Architect of the Capitol footprint (Senate parking lot- 1st & C St. SW) and the vicinity of NJ & H St. SE in advance of Whole Foods Market Grand Opening August 2019. Total sewer and manholes rehabilitated to date: 4,727 LF and 6 manholes respectively. Project is ongoing at 30% completion, projected completion July 2020.
- B St/NJ Ave SW Trunk Sewer Rehabilitation: Geopolymer Lining of 12ft Brick Arch Sewer/Tunnel (single & double bench) and manhole rehabilitation near Jefferson Drive & 5th St SW near the Smithsonian Museum. Total sewer and manhole rehabilitated to date: 695 LF and 1 manhole respectively. Project is ongoing at 20% completion, projected completion May 2020.

Development Ongoing Projects

Value Project: DC funded infrastructure improvements using DDOT contracting vehicle for cost savings, efficiency and reduction in number of impacts to the customer.

- Rehabilitation of Normanstone Drive/Fulton St. NW. Removal and installation and removal of RCP storm sewer, installation of culvert & LID- ongoing. Projected completion date May 2019.
- Rehabilitation of storm sewers- at Beach Drive and Sherrill Drives NW Construction of 2 deep manholes on exiting 36" and 30" storm sewers- ongoing. Projected completion date is April 2019.
- 14th St. Streetscape NW installing numerous catch basins and manholes, FH's and small diameter water main replacement -ongoing. Projected completion date September 2019.
- Minnesota Ave. Phase II NE installation of new Catch Basins, Manholes, FH's and new small diameter water main- ongoing Projected completion date is June 2019.
- DDOT/DMPED-Hill East installation of new water, sewer, & storm for the extension of Massachusetts Avenue, C Street, and Burke Street SC- on-going. Projected completion date August 2019.
- Key Bridge – 30" water main external joint rehabilitation and painting- ongoing. Projected completion date of water main rehabilitation April 30, 2019.

MARCH 2019 CEO/GM REPORT

Cost Neutral Projects: DC Water infrastructure installation/ upgrade costs charged to development community

Development Ongoing Projects

- Waterfront - Tingey St SE inspection of new water, sewer and storm to accommodate new 7 story office and condo building, adjacent project construction- ongoing. Estimated duration -18 months.
- Walter Reed Campus NW - Several separate projects on the campus installing new small diameter water mains and storm drainage infrastructure- ongoing. Estimated duration 24 months.
- Florida Avenue Market NE – Multiple private developer projects installing new small diameter water main, storm drainage upgrades, and new sanitary sewer in the 12- block footprint – ongoing. Estimated duration 24 months.

Upcoming News

- The annual 10-year (FY20-29) CIP update will start in February. This task involves several team members in operations, engineering and support services and most of the work including data collection, project formulation & validation and prioritization is expected to be completed in April 2019. Prioritization of projects will be done using InfoMaster.

Division Permit Operations (DPO)

Permit Operations Performance Highlights

- SAF Collected in January = \$17K
- SAF Assessed in January = 167K
- SAF Assessed to date = \$443 K
- 124 projects approved post SAF deadline
- 65 of them (52%) had actual SAF Fees to pay

Division Wastewater Engineering (DWE)

- Ongoing department staffing requirements assessment and planning toward a goal of optimizing efforts between in-house and outsourced services.
- Conducted internal training to fill a resource void for the recently vacated Document Management Specialist position.

Regulatory/Regional/National Activities

- Kicked-off update of regional wastewater flow forecast model for Metropolitan Washington Council of Governments.

Capital Improvement Program – New processes implemented to monitor spending

- Established a revised process to review, approve, and issue task requests under the High Priority Replacement Program (HPRP) to maintain spending levels in 2019.

CIP Project Delivery – Contract Actions

- Solicited Letters of Interest from potential bidders on the Design-Build Contract for Segment C of the Blue Plains Floodwall.
- Gravity Thickener Upgrades Phase 2 was advertised for construction November 11, 2018. Three addenda have been issued and the fourth addendum is planned to be issued February 4, 2019. Bid opening date is currently February 27, 2019. The project includes upgrades to the primary sludge screening and de-gritting and gravity thickener facilities.

MARCH 2019 CEO/GM REPORT



CIP Project Delivery –Status

Completed Reports

- Blue Plains Advanced Wastewater Treatment Plant Process Model Development and Documentation

Design

- Draft Concept Finalization Report for Headworks Electrical Project is underway
- Intermediate Design for Reclaimed Final Effluent Pump Station is underway
- Development of Draft Concept Finalization Report for Central Operations Facility Electrical Switchgear Project is underway
- Development of Request for Qualifications/Proposals (RFQ/P) for Design-Build of Segment C of the Flood Wall at Blue Plains is underway.
- Intermediate design of the rooftop solar arrays and the concept finalization reports for the carport and ground mount arrays are underway

Construction

Development Ongoing Projects

- Raw Wastewater Pump Station No. 2 Upgrades construction is ongoing. The project includes rebuild of pumps, replacement of motors and variable speed drives.
- Potomac Pumping Station Seal Water System Replacement construction is ongoing.
- Replacement of the Solids Processing Building roof is ongoing as part of the Solar PPA
- Completed repairs at Ft. Stanton Reservoir

ORGANIZATIONAL PERFORMANCE DASHBOARD (January 2019)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	63,386	Actual	244	Actual	178	Actual	150
Target	27,208	Target	216	Target	194	Target	188
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	166	Actual	2	Actual	2.39	Actual	2.01
Target	126	Target	3	Target	2.49	Target	2.41
	(\$ mil)		(%)		(%)		(%)

Customer Care and Operations Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	Jan 82		Jan 87		Jan 76		Jan 100
85	(% of calls rec)	85	(% of calls rec)	75	(% of calls rec)	90	(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	Jan 48	761			Jan 59	89	
	(count)	(count)		250	(YTD count)	(%)	

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	26	Previous	65
Target	27	Current	107
	(\$ tho)		(\$ tho)

Operational Highlights

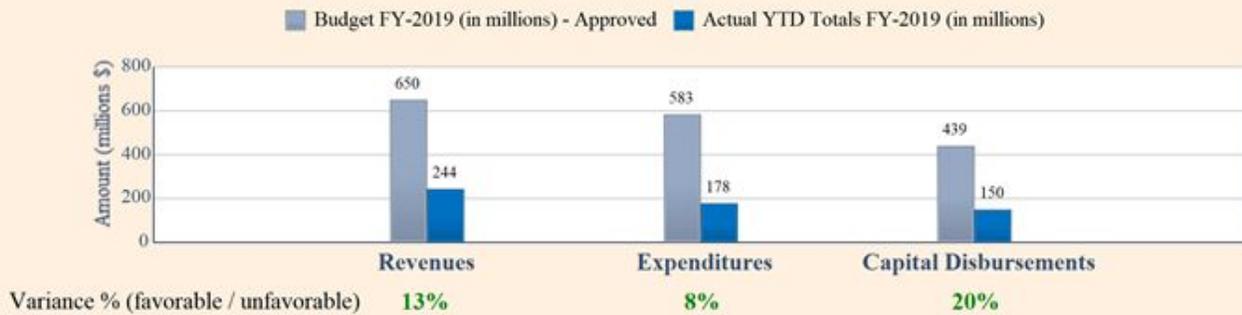
Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production	Total Nitrogen (lbs/yr mil)
		390	
		(wet tons)	
Plant Effluent Flow (gal mil)	Excess Flow	Water Main Leaks	Water Valve Leaks
	109	70	4
	(gal mil)	(count)	(count)
Non-Revenue Water	Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO
Sold	9	114	0
Purchased	(count)	(count)	(events)
8.18			
10.8			
(CCF mil)			
Recruitment Activity	Electricity Usage	Employee Lost Time Accidents	Vendor Payments
Filled	16	0	Actual
Open	(MWh)	(count)	Target
10			95
24			97
(count)			(%)

FINANCIAL HIGHLIGHTS

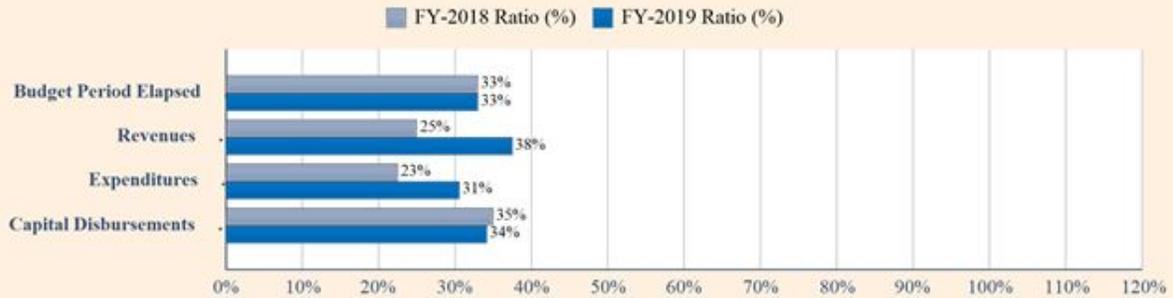
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

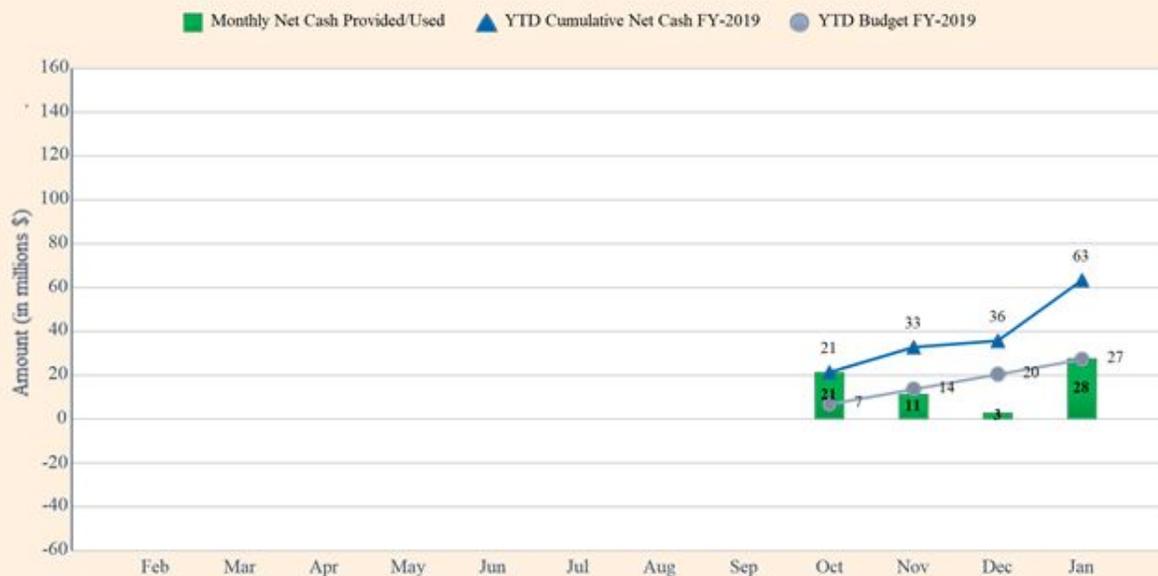


YEAR TO DATE ANALYSIS



NET OPERATING CASH

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



Net cash to date for January was above budget by \$36.2 Million

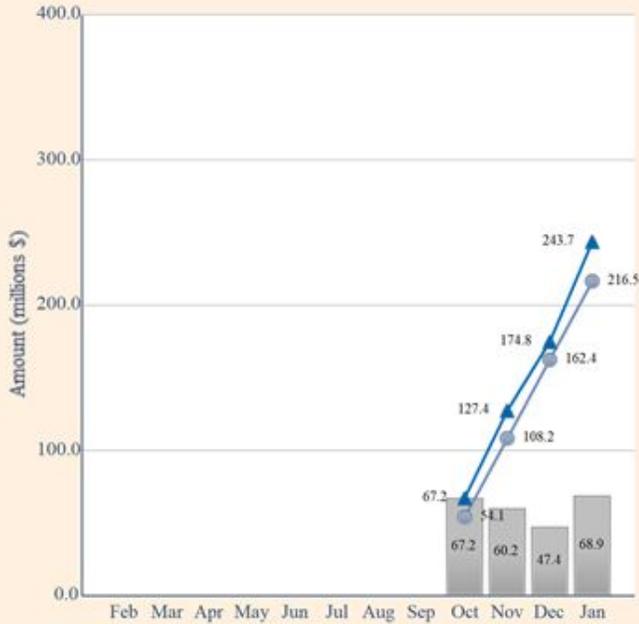
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- YTD Cumulative Revenue FY-2019
- YTD Cumulative Budget FY-2019

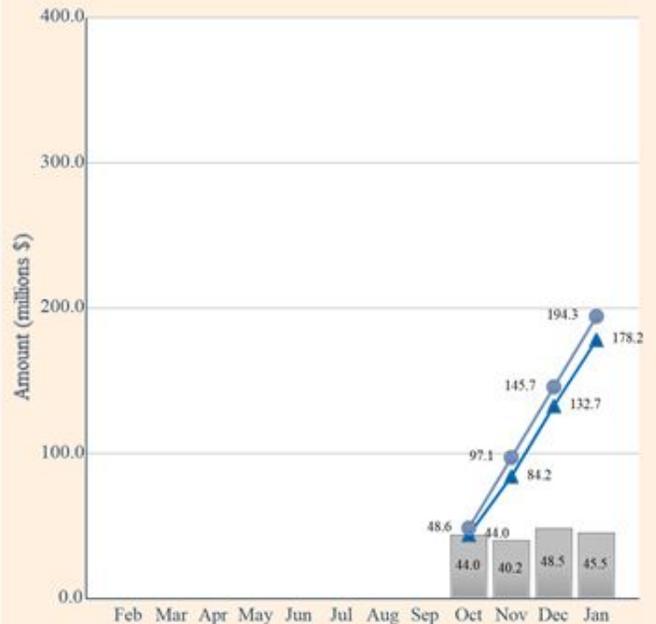


Revenue to date for January was above budget by \$27.2 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- YTD Cumulative Expenditure FY-2019
- YTD Cumulative Budget FY-2019



Expenditure to date for January was below budget by \$16.1 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- YTD Cumulative Disbursements FY-2019
- YTD Cumulative Budget FY-2019



Disbursements to date for January was below budget by \$38.3 Million. YTD spending reflects comparison to the approved budget.

FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- Actual Cash Balance FY-2019
- ... Operating Reserve Target - (125.5 Million)

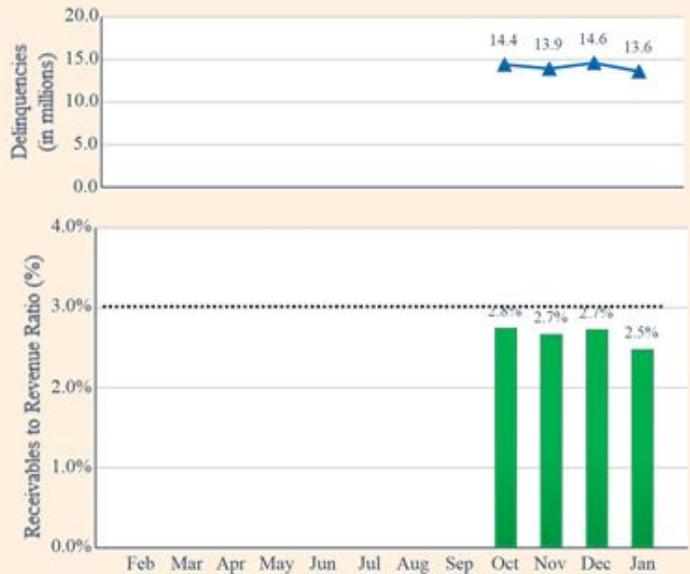


Cash Balance for January was above target by \$40.7 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

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



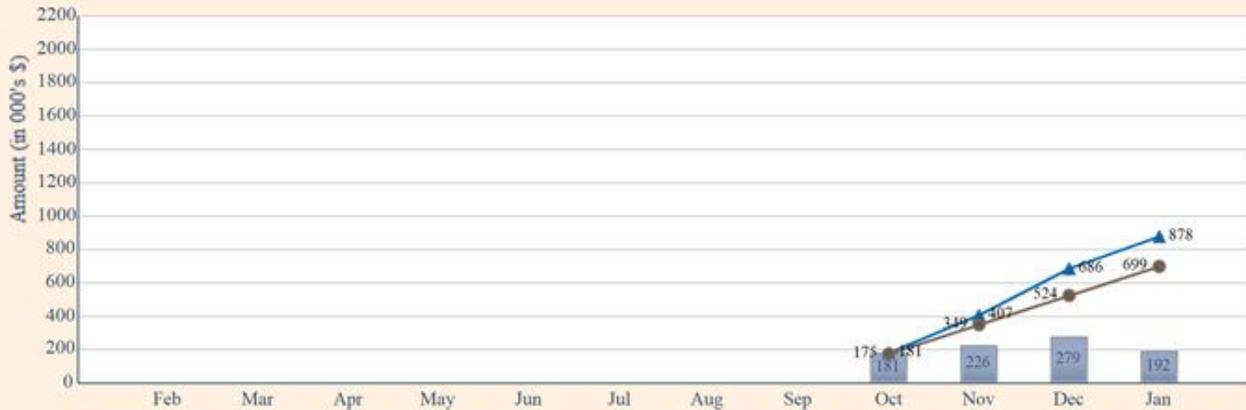
January Receivables to Revenue Ratio is 2.48, Delinquency is 13.59 million.

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- Monthly Earnings
- ▲ YTD Cumulative Earnings FY-2019
- YTD Cumulative Earnings Budget FY-2018



Earnings to date for January were above Projected Budget by \$179,160.

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for January was less than the treasury index by 0.10%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for January was less than the Merrill Lynch yield by 0.40%

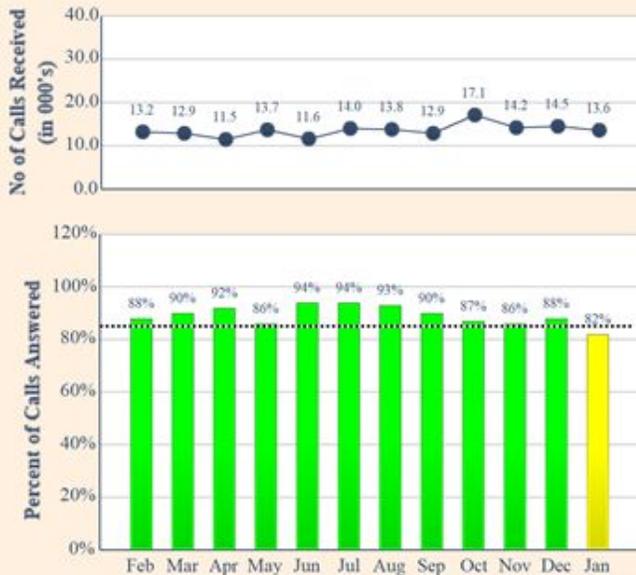
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target - Call Center (85%)

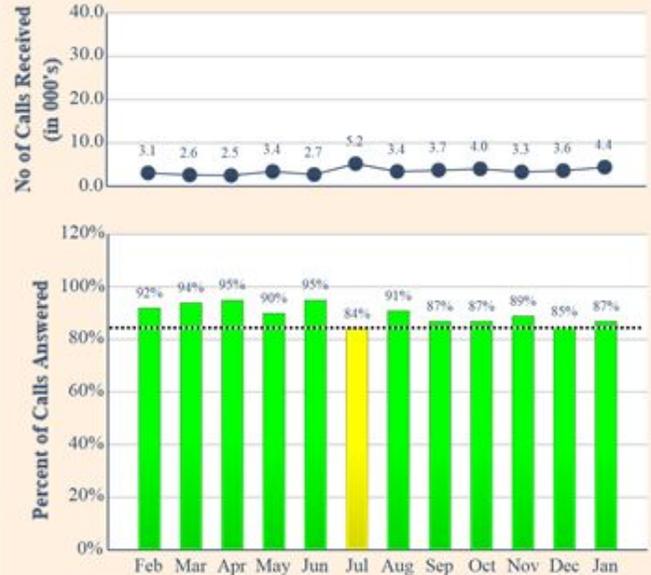


Performance for January was below target by 3%

COMMAND CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target - Command Center (85%)

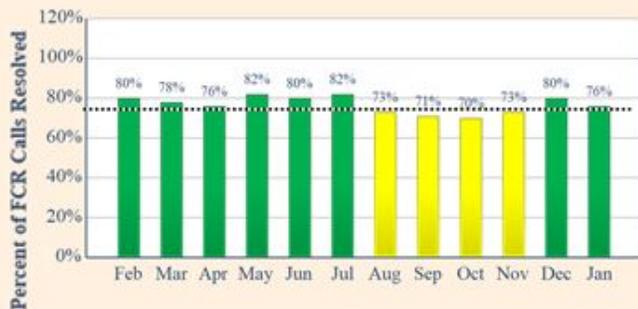


Performance for January was above target by 2%

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

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

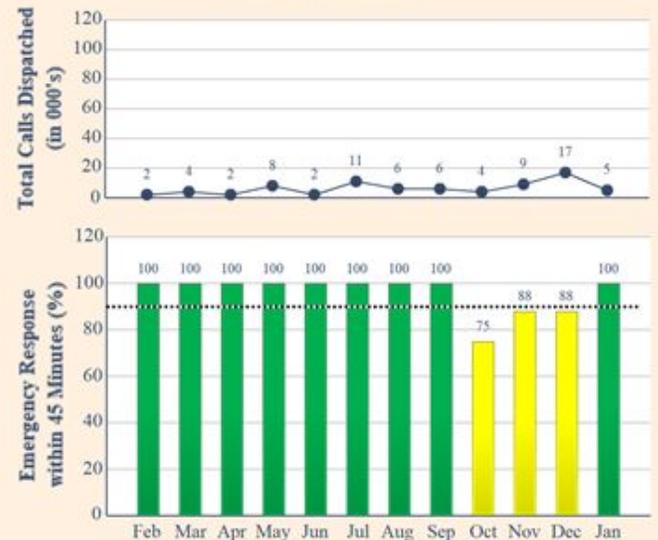


Performance for January was above target by 1%

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

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



Performance for January was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target

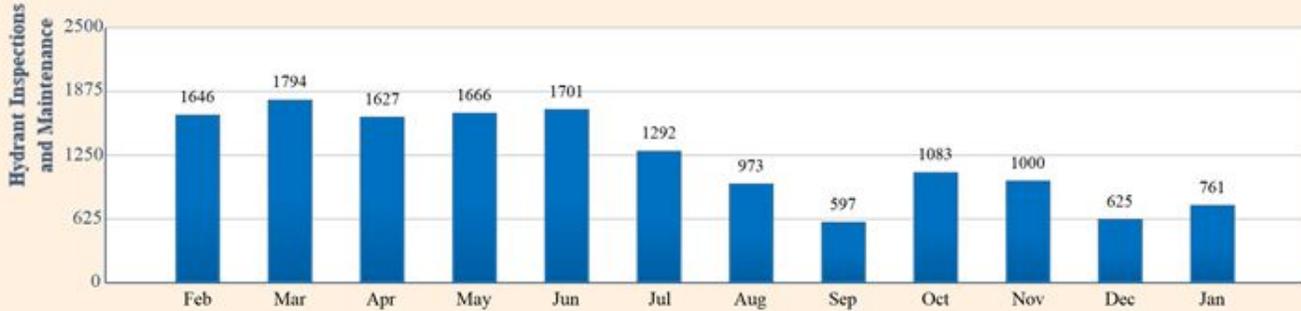
- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

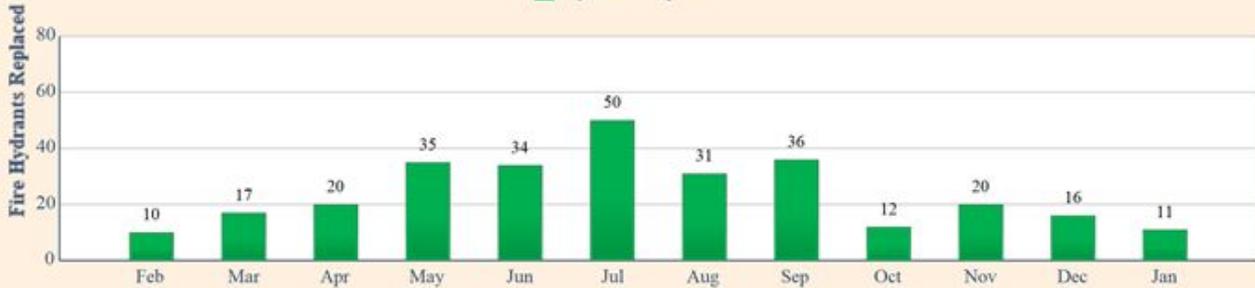
- Hydrant Inspections and Maintenance



Total Hydrant Replacements Per Month

Annual Replacement Target (250)

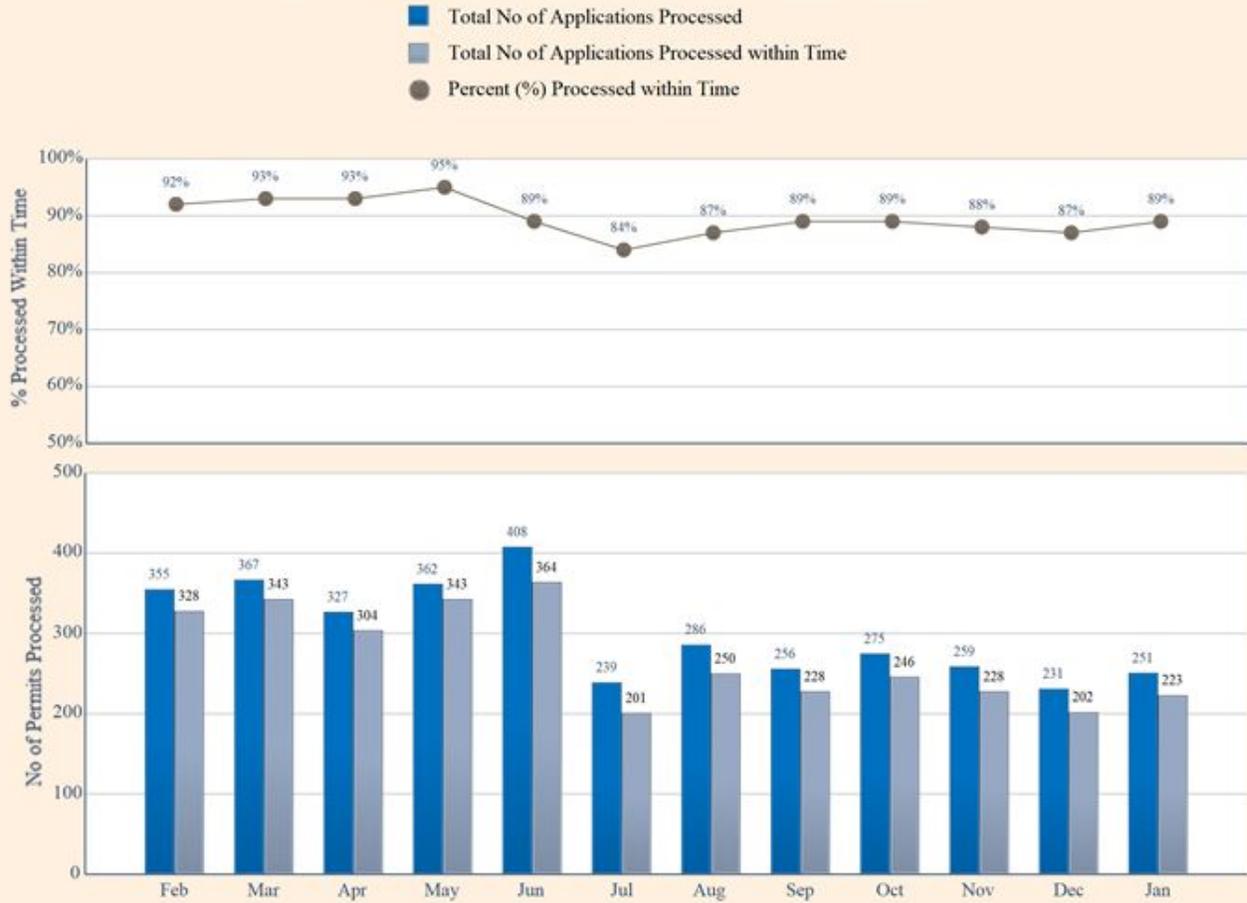
- Hydrants Replaced



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



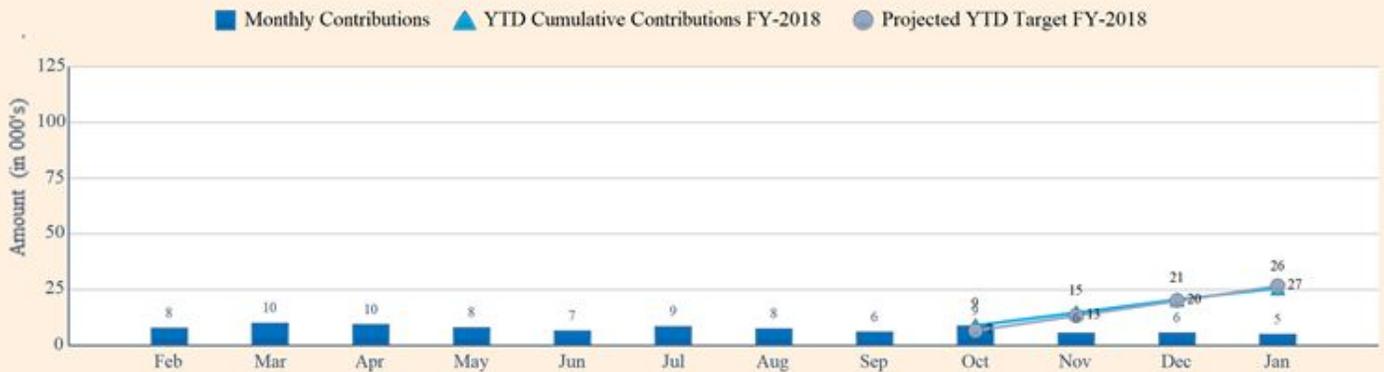
Permits processed in January were 4% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

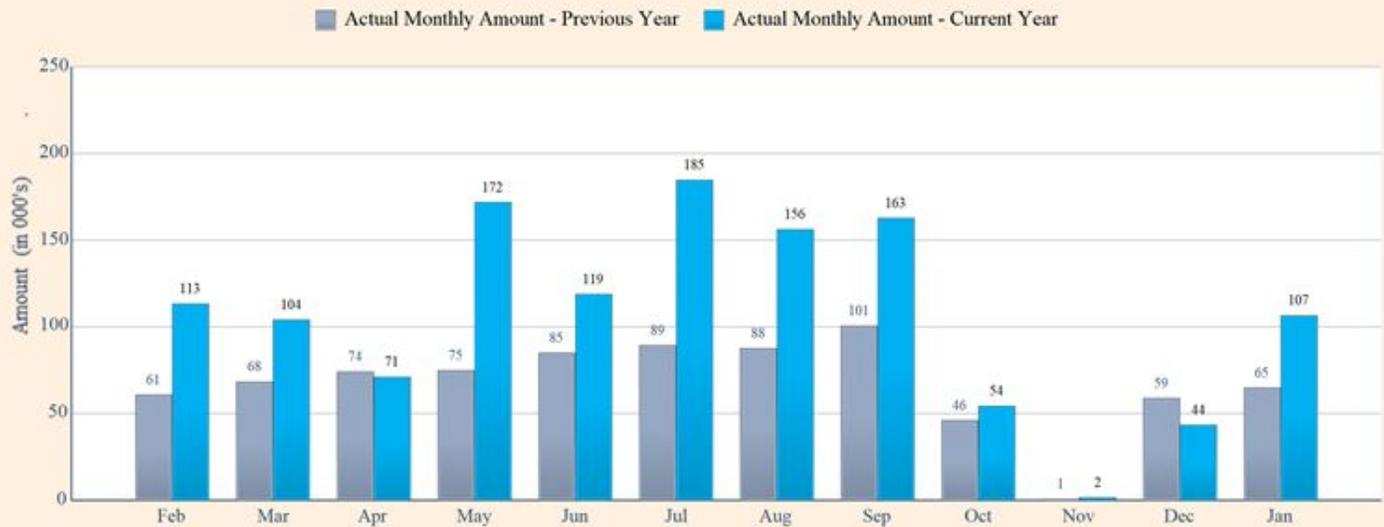


Total SPLASH Contributions to date for January was below target by \$990.

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods



OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

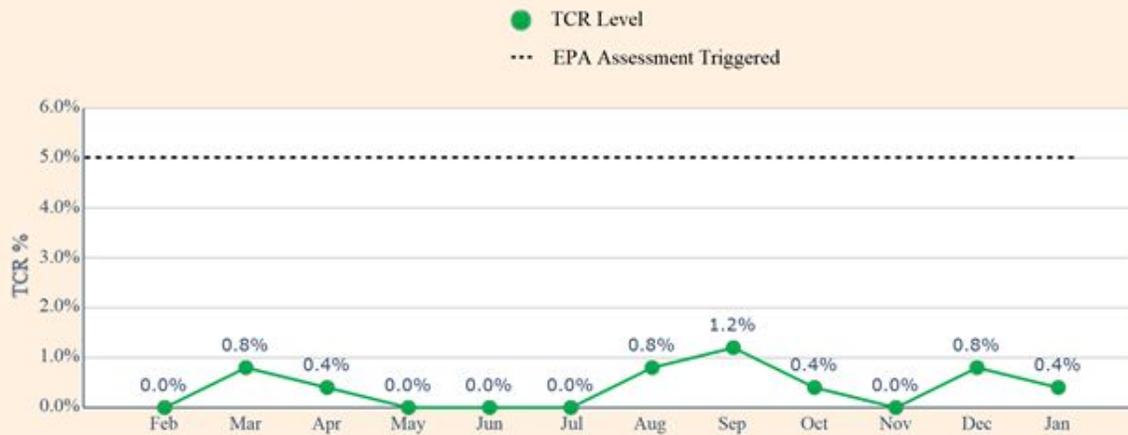
Semi-Annual LCR Monitoring Results



Jul-Dec 2018 results to date. 2019 Results Pending.

TOTAL COLIFORM RULE (TCR) COMPLIANCE

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



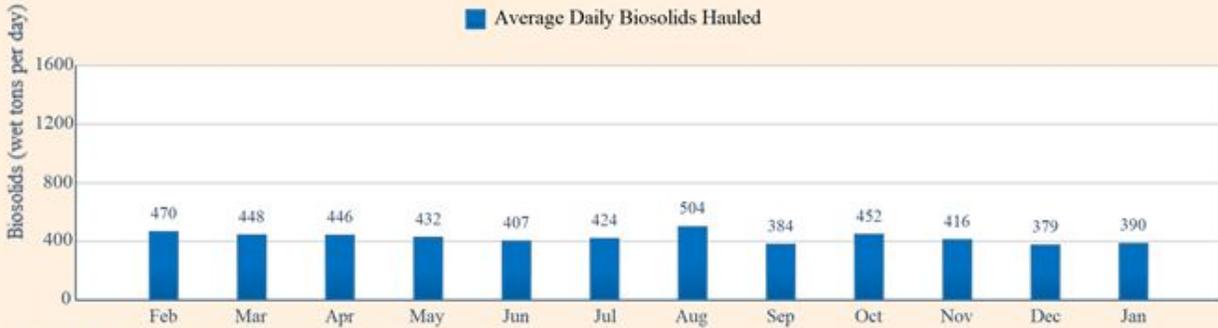
Coliform Positive was recorded at 0.4% in January

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

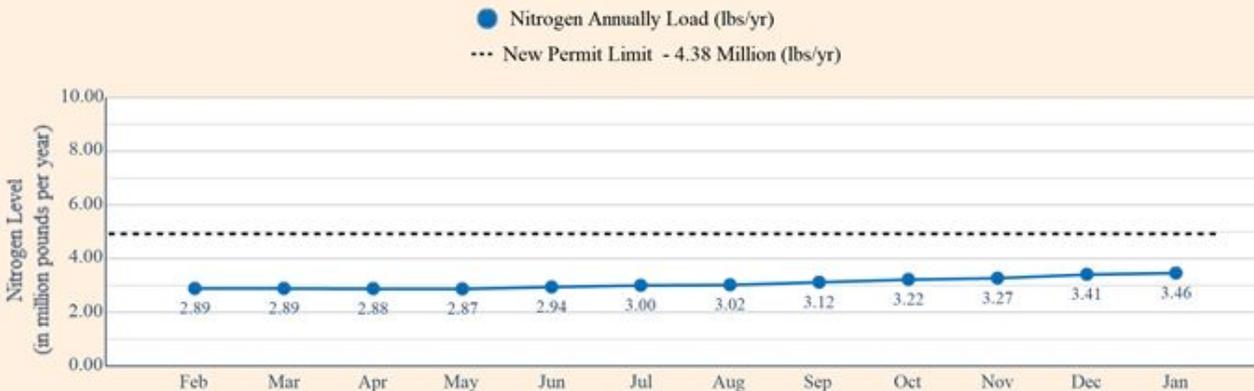
Average Daily Biosolids Production



Biosolids Daily Production for January were 390 wet tons per day

TOTAL NITROGEN

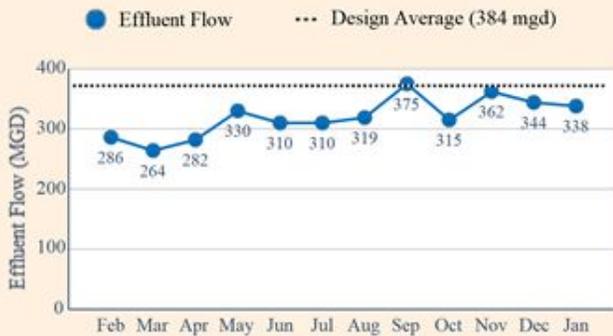
Total Nitrogen Compared to New Permit Levels



Nitrogen level for January were below permit by 0.92 million lbs/yr

OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In January Influent flow was below design by 46 MGD

OUTFALL 001 - DISCHARGE FLOW

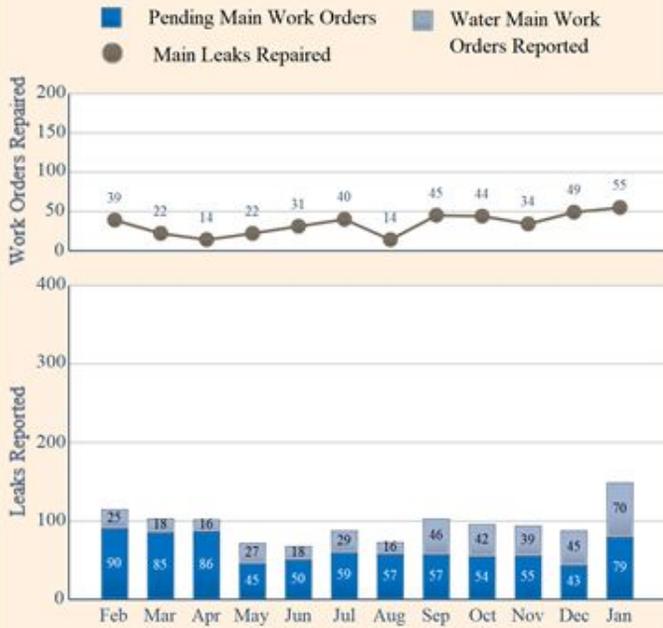


Excess flow events were recorded at 108.97 MG in January

OPERATIONAL HIGHLIGHTS

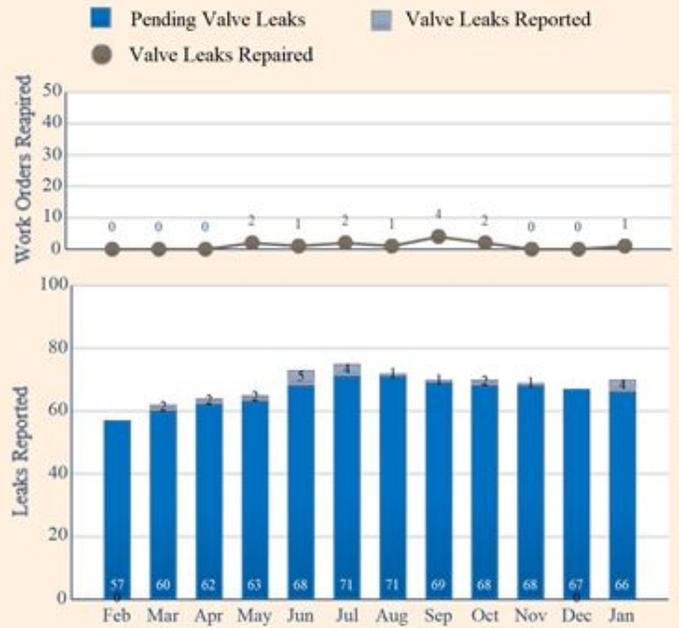
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 70 Water Main Work Orders reported in January.

WATER VALVE LEAKS

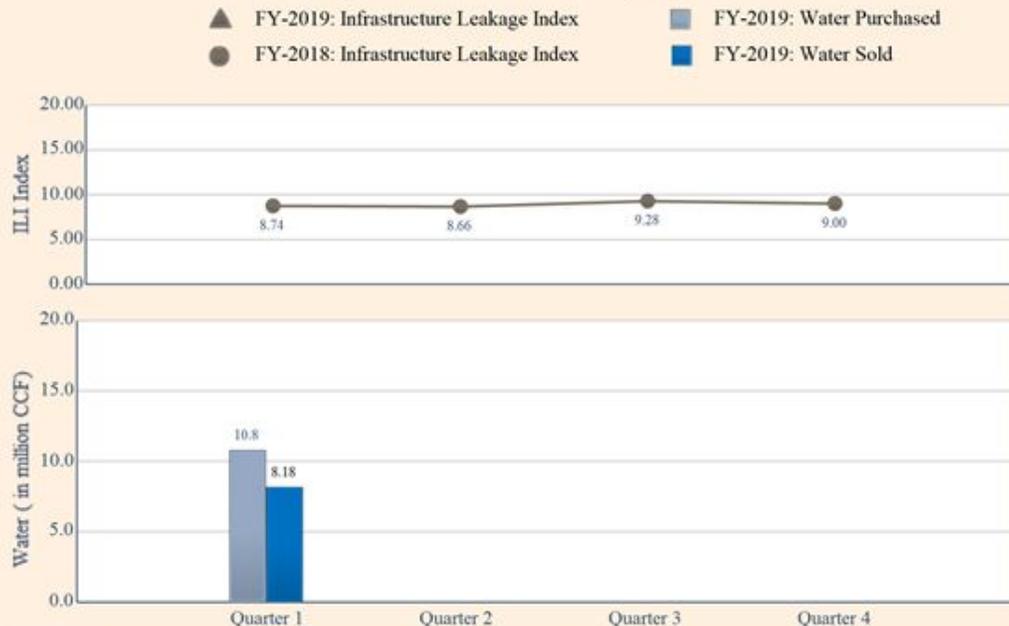


1 leak was resolved in January.

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



In the 1st quarter of FY 2019, 8.18 out of 10.80 million cubic feet of water was sold.

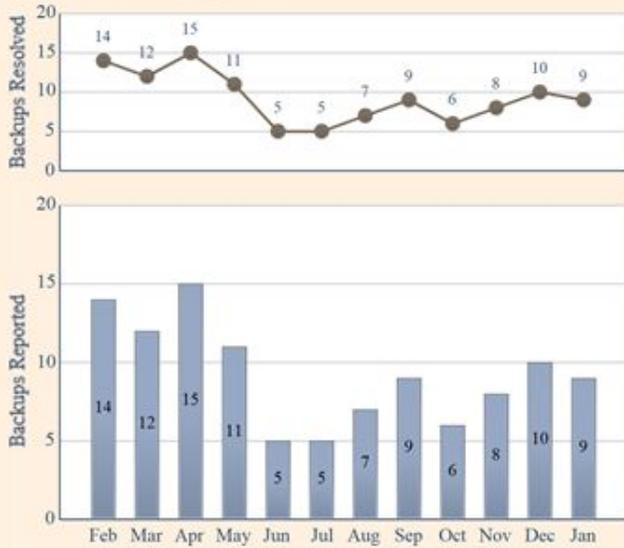
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

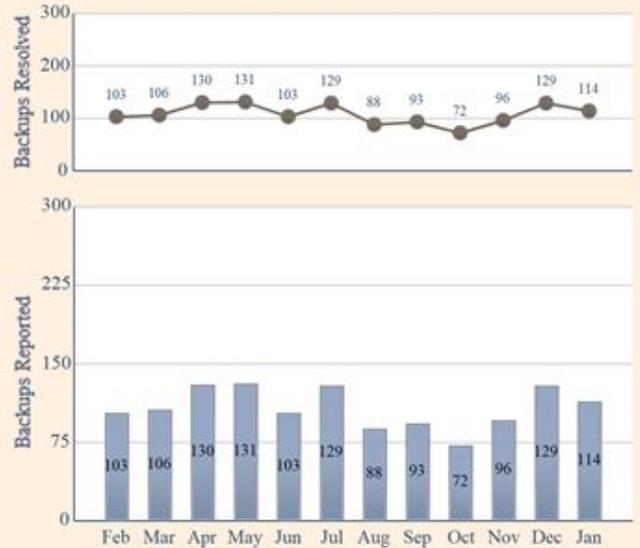


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Overflow Volume (MG)
- Number of CSO Events



No dry weather Combined Sewer Overflow events were recorded in Jan 2018

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR



RECRUITMENT ACTIVITY

CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC

PREVIOUS FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC

CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

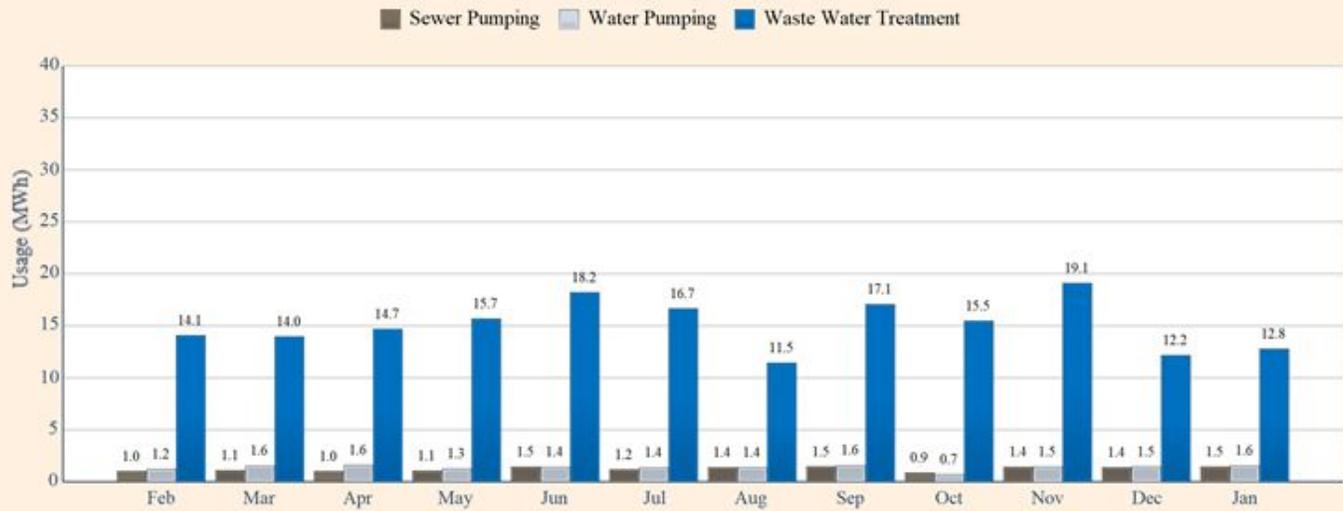
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity Consumption in January was 15,821 KWh

ELECTRICITY USAGE BY SERVICE AREA

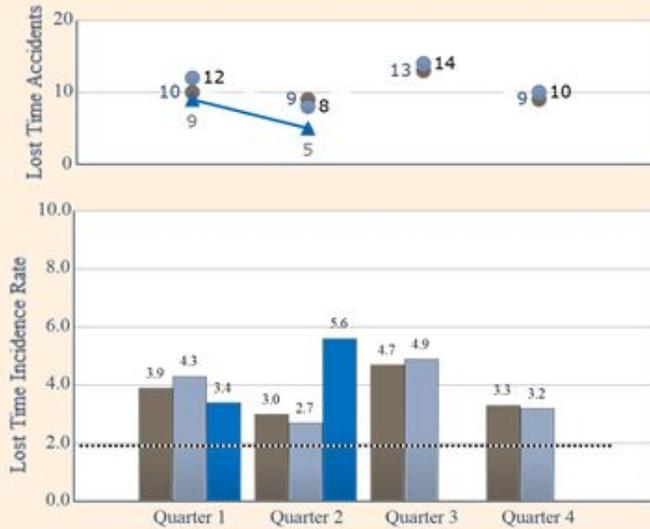
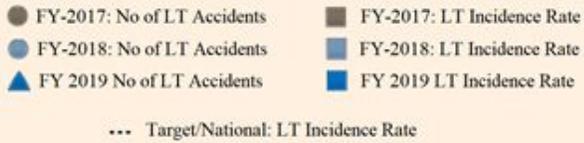


Waste Water Treatment had the highest electricity consumption in January at 12,797 KWh

OPERATIONAL HIGHLIGHTS

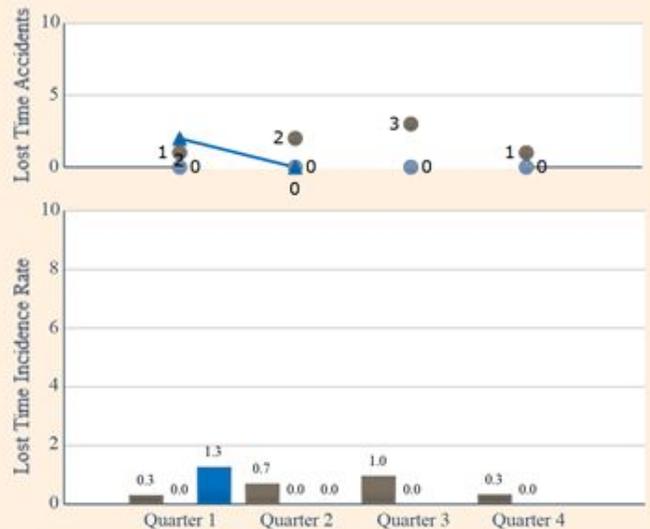
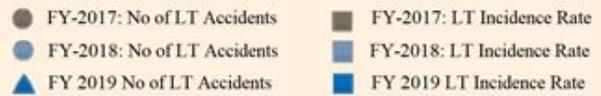
SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE



In the 2nd quarter, 5 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE



In the 2nd quarter, 0 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE



Performance for January was below the monthly target by 1%

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or higher than budget or target</p>	<p>Red - when the actual is higher than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded****

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
 - the number of permits processed per month(dark blue)
 - the number of permits processed within SLA per month(light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)

- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)

- Line graph denoted by (Δ) shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target	Red- when the actual is higher than 5% of budget or target
Yellow- when the actual is within 5% of budget or target	Yellow- when the actual is within 5% of budget or target
Green- when the actual is equal to or higher than budget or target	Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

Non Revenue Water

- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)



Consent Agenda

Summary of Contracts

251st Meeting of the DC Water Board of Directors

Thursday, March 7, 2019

Joint Use Contracts

1. **Resolution No. 19-08, Execute Additional Funding for Option Year One and Execute Option Year Two of Contract No. 17-PR-IT-06, IT Professional Services.** The purpose of the additional funding is to continue providing IT professional and staff augmentation services requirements through April 30, 2020. The total amount is \$6,270,160 **(Recommended by the Environmental Quality and Operations Committee 02/21/19)**
2. **Resolution No. 19-09, Execute Option Year Three of Contract No. 15-PR-WWT-52, W. K. Merriman, Inc.** The purpose of the option is to continue the supply and delivery of calcium hydroxide slurry for use in the Nitrification Facility at Blue Plains. The option amount is \$550,000. **(Recommended by the Environmental Quality and Operations Committee 02/21/19)**
3. **Resolution No. 19-10, Execute Contract No. 170180, Ulliman Schutte Construction, LLC.** The purpose of the contract is to perform emergency and non-emergency repairs on existing process equipment which is beyond routine, preventive and corrective maintenance. The contract amount is \$27,090,000. **(Recommended by the Environmental Quality and Operations Committee 02/21/19)**

Non-Joint Use Contract

4. **Resolution No. 19-11, Execute Change Order No. 02 of Contract No. 160010, Fort Myer Construction Corporation.** The purpose of the contract is to perform emergency and non-emergency water main repair and replacement work. The change order amount is not-to-exceed \$5,000,000. **Recommended by the Environmental Quality and Operations Committee 02/21/19)**

Presented and Approved: March 7, 2019

SUBJECT: Approval to add Additional Funding for Option Year One and Execute Option Year Two of Contract No. 17-PR-IT-06, IT Professional Services

**#19-08
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 March 7, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve additional funding for Option Year One and to approve Option Year Two of Contract No. 17-PR-IT-06, IT Professional Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the additional funding for Option Year One and approve Option Year Two of Contract No. 17-PR-DOS-38, IT Professional Services. The purpose of the additional funding is to continue providing IT professional and staff augmentation services requirements through April 30, 2020. The total contract amount is \$6,270,160.

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 PROFESSIONAL SERVICES**

(Joint Use)

Approval to add \$390,000 to option year 1, and execute option year 2 in the amount of \$5,880,160.00. The total requested funding of \$6,270,160.00 is to be allocated on an as needed basis among the firms listed below.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Advance Digital Systems* Fairfax, VA-22030	N/A	100%
Ampcus Inc.* Chantilly, VA 20151	N/A	100%
Networking for Future, Inc.* Washington, DC 20004	N/A	100%
Peak Technology Solutions, Inc.* Washington, DC 20036	N/A	100%
Susan Fitzgerald & Associates, Inc.* Washington, DC 20007	N/A	100%
Sankar Inc. Maple Grove, MN 55311	N/A	N/A
Vigilant Technologies, LLC. Troy, MI 48084	N/A	N/A
vTech Solution, Inc.* Washington, DC 20005	N/A	100%

*LBE/LSBE

DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$5,500,000.00
Base Year Contract Dates:	05-01-2017 – 04-30-2018
No. of Option Years in Contract:	2
Base Year Modifications Value:	\$2,889,000.00
Base Year Modifications Dates:	08-16-2017 – 04-30-2018
Option Year 1 Value:	\$0.00
Option Year 1 Dates:	05-01-2018 – 04-30-2019
Option Year 1 Modification Value:	\$390,000.00
Option Year 1 Modification Dates:	03-15-2019 – 04-30-2019
Option Year 2 Value:	\$5,880,160.00
Option Year 2 Dates:	05-01-2019 – 04-30-2020

Purpose and Scope of the Contracts:

Several contractors were selected from an open-market RFP to provide IT staff augmentation and professional services for long and short-term projects when it is not feasible for DC Water to hire permanent staff, or when specialized or unique skills are required. An Indefinite Delivery Indefinite Quantity (IDIQ) contract was executed with each of the above firms; and then DC Water selects from among these approved firms for a project. The scope of the contracts includes Customer Information System (CIS) support, database

administration, Maximo upgrade support, Supervisory Control and Data Acquisition (SCADA) support, and project management as outlined below:

Maximo Software <ul style="list-style-type: none"> • Integration of Kona Field Service • Maximo Anywhere for Plant Operations • Customer Information Billing System Integration 	Local Area (LAN)/Wide Area Network (WAN) <ul style="list-style-type: none"> • Supervisory Control and Data Acquisition System (SCADA) • Disaster Recovery • Daily Maintenance of DC Water internal and external network • Windows Administration <ul style="list-style-type: none"> ➢ Remote Access ➢ Support for Customer Information System ➢ Daily maintenance of DC Water internal network ➢ Storage Administration ➢ Disaster Recovery
Geographical Information System (GIS) <ul style="list-style-type: none"> • Integration of GIS with the Customer Information Billing System 	
Project Management <ul style="list-style-type: none"> • LiveLink Upgrade • Mobility Blue Plains Operations • Mobility Field Operations • Connected Drinking Fountains • Customer Information System 	

Reason for Change:

This modification will allow DC Water to continue to use the contract to fulfill IT professional and staff augmentation services requirements through April 30, 2020.

Spending Previous Years:

Cumulative Contract Value: 05-01-2017 to 04-30-2019: \$8,389,000.00
 Cumulative Contract Spending: 05-01-2017 to 02-05-2019: \$6,950,166.61

Contractors' Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Fixed Hourly Rate	Award Based On:	Competitive Bid; Highest Ratings
Commodity:	Professional Services	Contract Number:	17-PR-DIT-06 A, C, G, H, J, K, L, M
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Information Technology
Project Area:	DC Water Wide	Department Head:	Thomas Kuczynski

User – Operating	Share %	Dollar Amount
District of Columbia	83.75%	\$3,940,437.50
Washington Suburban Sanitary Commission	12.09%	\$568,834.50
Fairfax County	2.69%	\$126,564.50
Loudoun Water	1.30%	\$61,165.00
Other (PI)	0.17%	\$7,998.50
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$4,705,000.00

BUDGET INFORMATION

Funding:	Capital Equipment	Department:	Information Technology
Project Area:	DC Water Wide	Department Head:	Thomas Kuczynski

User – Capital Equipment	Share %	Dollar Amount
District of Columbia	72.37%	\$796,070.00
Washington Suburban Sanitary Commission	21.49%	\$236,390.00
Fairfax County	3.97%	\$43,670.00
Loudoun Water	1.78%	\$19,580.00
Other (PI)	0.39%	\$4,290.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,100,000.00

BUDGET INFORMATION

Funding:	Operating	Department:	Customer Service
Project Area:	DC Water Wide	Department Head:	Carolyn A. Mackool

Non-Joint Use – Operating	Share %	Dollar Amount
District of Columbia	100%	\$130,000.00
Washington Suburban Sanitary Commission	0%	\$0.00
Fairfax County	0%	\$0.00
Loudoun Water	0%	\$0.00
Other (PI)	0%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$130,000.00

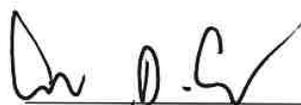
BUDGET INFORMATION

Funding:	Operating	Department:	Department of Pumping
Project Area:	DC Water Wide	Department Head:	Kenrick St. Louis

Joint Use – Operating	Share %	Dollar Amount
District of Columbia	83.75%	\$280,696.5
Washington Suburban Sanitary Commission	12.09%	\$40,520.84
Fairfax County	2.69%	\$9,015.80
Loudoun Water	1.30%	\$4,357.08
Other (PI)	0.17%	\$569.77
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$335,160.00



 Thomas Kuczynski
 VP of Information Technology
 Date 1/21/19



 Armon Curd
 EVP of Customer Experience
 Date 1/24/19



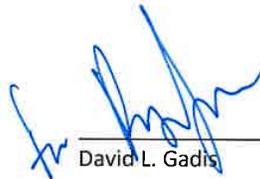
 Akhile Tesfaye
 VP of Wastewater Operations
 Date 1/21/19



 Dan Bae
 VP of Procurement and Compliance
 Date 1/21/19



 Matthew T. Brown
 CFO and EVP of Finance and Procurement
 Date 1/21/19



 David L. Gadis
 General Manager and CEO
 Date 1/21/19

Presented and Approved: March 7, 2019
SUBJECT: Approval to Exercise Option Year Three of Contract No. 15-PR-WWT-52, W. K. Merriman, Inc.

#19-09
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 March 7, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year Three of Contract No. 15-PR-WWT-52, W. K. Merriman, Inc,

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. 15-PR-WWT-52, W. K. Merriman, Inc. The purpose of the option is to continue the supply and delivery of calcium hydroxide slurry for use in the Nitrification Facility at Blue Plains. The option amount is \$550,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Supply and Delivery of Calcium Hydroxide
(Joint Use)**

Approval to exercise option year 3 for the calcium hydroxide (also called "lime slurry") supply and delivery contract in the amount of \$550,000.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: W.K. Merriman, Inc. 8038 Front River Road Pittsburgh, PA 15225	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$1,334,400.00
Original Contract Dates:	03-07-2016 – 03-06-2017
No. of Option Years in Contract:	4
Option Year 1 Value:	\$0.00
Option Year 1 Dates:	03-07-2017 – 03-06-2018
Option Year 2 Value:	\$350,000.00
Option Year 2 Dates:	03-07-2018 – 03-06-2019
Prior Modifications Value:	\$150,000.00
Prior Modifications Dates:	01-01-2019—03-06-2019
Option Year 3 Value:	\$550,000.00
Option Year 3 Dates:	03-07-2019 – 03-06-2020

Purpose and Scope of the Contract:

To supply and deliver calcium hydroxide slurry. The calcium hydroxide is used in the Nitrification Facility at Blue Plains for pH control. The requested option year 3 funding is similar to total option year 2 funding.

Spending Previous Year:

Cumulative Contract Value: 03-07-2016 to 03-06-2019: \$1,834,400.00

Cumulative Contract Spending: 03-07-2016 to 01-01-2019: \$1,648,500.00

Contractor's Past Performance:

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

No LSB/LSBE participation

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Lowest Responsive
Commodity:	Calcium Hydroxide	Contract Number:	15-PR-WWT-52
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Aklile Tesfaye

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$230,450.00
Washington Suburban Sanitary Commission	43.10%	\$237,050.00
Fairfax County	9.59%	\$52,745.00
Loudoun Water	4.64%	\$25,520.00
Potomac Interceptor	0.77%	\$4,235.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$550,000.00


 _____ 2/4/19
 Aklile Tesfaye Date
 VP of Operation


 _____ 2/5/19
 Dan Bae Date
 VP of Procurement and Compliance


 _____ 2/12/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement


 _____ 2/5/19
 David L. Gadis Date
 General Manager and CEO

Presented and Approved: March 7, 2019
SUBJECT: Approval to Execute Contract No. 170180
Ulliman Schutte Construction, LLC

#19-10
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 March 7, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 170180, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 170180, Ulliman Schutte Construction, LLC. The purpose of the contract is to perform emergency and non-emergency repairs on existing process equipment which is beyond routine, preventive and corrective maintenance. The contract amount is \$27,090,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Miscellaneous Facilities Upgrade – Phase 6
(Joint Use)**

Approval to execute a construction contract for \$27,090,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Ulliman Schutte Construction, LLC 7615 Standish Place Rockville, MD 20855	Hi-Mark Construction Group Franklin, OH MBE	23.5%
	G.E. Frisco Company, Inc. Upper Marlboro, MD MBE	8.6%
<u>Headquarters</u> Miamisburg, OH	Ideal Electric Supply Corp Washington DC WBE	6.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$27,090,000.00
Contract Time:	1500 Days (4 Years, 1 Months)
Anticipated Contract Start Date (NTP):	04-01-2019
Anticipated Contract Completion Date:	05-11-2023
Bid Opening Date:	12-19-2018
Bids Received:	3
Other Bids Received	
American Contracting & Environ. Services, Inc	\$ 27,199,883.00
CPP Construction Co.	\$ 28,834,000.00

Purpose of the Contract:

DC Water has a reoccurring need to have a contractor available to perform emergency and non-emergency repairs on existing process equipment which is beyond routine, preventive and corrective maintenance to avoid potential violations of its NPDES permit that cannot wait for a larger capital project.

Contract Scope:

- Modify and upgrade influent screening equipment at Blue Plains.
- "O" Street Pumping Station heating and ventilation reinstatement.
- Nitrification Blower PLC Replacement.
- Implementation of sync check on existing switchgear secondary main breakers and tie breakers.
- Replacement of two motor control centers in Chlorine Building 2
- Specialized Services as per Task Scope.
- Time and Material work on emergency and non-emergency Task Work Orders.

Federal Grant Status:

- Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	170180
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	Algynon Collymore (Acting)
Project:	IZ, PE, CV, HL, BX, XZ, FG, OE, TZ, LS, XA, FQ		

ESTIMATED USER SHARE INFORMATION

IZ, PE, CV, HL, BX, XZ, FG, OE TZ, LS, XA - Allocation (Blue Plains Allocation)

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 9,669,169.55
Washington Suburban Sanitary Commission	45.84%	\$ 10,752,904.70
Fairfax County	8.38%	\$ 1,965,736.07
Loudoun County & Potomac Interceptor	4.56%	\$ 1,069,660.68
Total Estimated Dollar Amount	100.00%	\$ 23,457,471.00

FQ - Allocation (CAPM - O Street Pumping Station)

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 1,933,960.00
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 1,933,960.00

FQ - Allocation (MJ-21 - Main Pumping Station)

User	Share %	Dollar Amount
District of Columbia	89.70%	\$ 1,523,616.39
Washington Suburban Sanitary Commission	10.30%	\$ 174,952.61
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 1,698,569.00

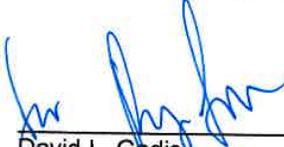
Total Combined Allocation

User	Share %	Dollar Amount
District of Columbia	48.46%	\$ 13,126,745.94
Washington Suburban Sanitary Commission	40.34%	\$ 10,927,857.31
Fairfax County	7.26%	\$ 1,965,736.07
Loudoun County & Potomac Interceptor	3.95%	\$ 1,069,660.68
Total Estimated Dollar Amount	100.00%	\$ 27,090,000.00


 Leonard R. Benson
 Senior Vice President, Chief Engineer
 Date: 12-13-19


 Matthew T. Brown
 CFO and EVP of Finance and Procurement
 Date: 12/15/19


 Dan Bae
 VP of Procurement and Compliance
 Date: 12/14/19


 David L. Gadis
 CEO and General Manager
 Date: 12/15/19

Presented and Approved: March 7, 2019
SUBJECT: Approval to Execute Change Order No. 02 of Contract No. 160010, Fort Myer Construction Corporation

#19-11
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 March 7, 2019 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Change Order No. 02 of Contract No. 160010, Fort Myer Construction Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No, 02 of Contract No. 160010, Fort Myer Construction Corporation. The purpose of the contract is to perform emergency and non-emergency water main repair and replacement work. The change order amount is not-to-exceed \$5,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**Water Main Infrastructure Repair and Replacement Contract for FY17 - FY19
(Non-Joint Use)**

Approval to execute Change Order No. 02 not to exceed \$5,000,000.00 The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corporation 2237 33 rd Street, NE Washington, DC 20018	S & J Services, Inc. Hyattsville, MD MBE United Construction Services. LLC Washington, DC WBE	32.0% 6.0%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 16,935,772.16
Value of this Change Order:	\$ 5,000,000.00
Cumulative CO Value, including this CO:	\$ 12,000,000.00
Current Contract Value, including this CO:	\$ 28,935,772.16
Contract Time:	1095 Days (3 Years, 0 Months)
Time Extension, this CO:	0 Days
Total CO Contract Time Extension:	0 Days
Contract Start Date (NTP):	10-01-2016
Contract Completion Date:	10-01-2019
Cumulative CO % of Original Contract:	71%
Contract Completion %:	85%

Purpose of the Contract:

To perform emergency and non-emergency water main repair and replacement work.

Original Contract Scope:

- Emergency repair of water distribution assets
- Scheduled repair/replacement of water mains, valves, service lines and hydrants
Special projects such as pipe condition assessments, internal repairs of water mains by joint seal installation or clean and line methods, pumping station/reservoir rehab projects.

Previous Change Order Scope:

- The volume of emergency main repairs increased dramatically in the 2017/2018 winter season. In January 2018 alone, 73 main breaks were repaired at a total cost of nearly \$1.6M.
- This contract was used to undertake numerous special projects that required urgent action including large valve installations.
- Additionally, 543 lead service lines have been replaced to date under the Lead Service Replacement (LSR) Demand Program and 170 Fire Hydrants have been replaced to date.

Current Change Order Scope:

- As of January 2019, a total of 458 water main breaks have been repaired under this contract which is more than anticipated and therefore contract capacity has been exhausted more quickly than expected.
- This Change Order allows further anticipated emergency main breaks to be repaired as well as additional valves, to be replaced thru the end of this fiscal year.
- Two new special projects have currently been assigned to this contract: The Fort Stanton Reservoir #1 Leak Repairs and Installation of Flowmeter on the 30" Main at Fort Stanton.

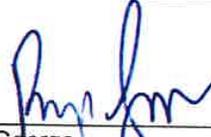
Federal Grant Status:

- Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	160010
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	Department:	Water Services
Service Area:	Water	Department Head:	Jason Hughes
Project:	HY		

ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 5,000,000.00
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%	\$ 5,000,000.00


 _____, 2/12/2019
 Biju George Date
 Executive Vice President,
 Operations and Engineering


 _____, 2/14/19
 Dan Bae Date
 VP of Procurement and Compliance


 _____, 2/14/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement


 _____, 3/5/19
 David L. Gadis Date
 CEO and General Manager