



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
274<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS  
Thursday, April 1, 2021  
9:30 a.m.**

The board meeting can be live-streamed at <https://dcwater.com/watch-board-meetings>

- I. Call to Order (Chairperson Tommy Wells)**
- II. Roll Call (Linda Manley, Board Secretary)**
- III. Approval of the March 4, 2021 Meeting Minutes**
- IV. Chairman's Overview**
- V. Committee Reports**
  - 1. [Governance Committee](#) (Lavinia Baxter)
  - 2. [Environmental Quality and Operations Committee](#) (Adam Ortiz)
  - 3. [DC Retail Water and Sewer Rates Committee](#) (Rachna Bhatt)
  - 4. [Executive Committee](#) (Chairperson Tommy Wells)
  - 5. [Finance and Budget Committee](#) (Anthony Giancola)
- VI. Issues of General Interest**
- VII. [CEO/General Manager's Report \(David Gadis\)](#)**
- VIII. [Contract Summary \(FYI\)](#)**
- IX. Consent Items (Joint Use)**
  - 1. [Approval to Execute Option Year Two \(2\) of Contract No. 19-PR-DWT-14, Polydyne, Inc. – Resolution No. 21-25](#) (Recommended by the Environmental Quality and Operations Committee 03/18/21)
  - 2. [Approval to Execute Option Year Two \(2\) of Contract No. 19-PR-DWT-15, Polydyne, Inc. – Resolution No. 21-26](#) (Recommended by the Environmental Quality and Operations Committee 03/18/21)
  - 3. [Approval of Appointment of the Officers of the Board for First Vice-Chairperson and Vice-Chairperson for Prince George's County – Resolution No. 21-27](#) (Recommended by the Executive Committee 03/24/21)

4. [Approval of Fiscal Year 2021-2030 Ten-Year Financial Plan – Resolution No. 21-28](#) (Recommended by the Finance and Budget Committee 03/25/21)
5. [Approval of Proposed Fiscal Year 2021-2030 Capital Improvement Program – Resolution No. 21-29](#) (Recommended by the Environmental Quality and Operations Committee 03/18/21 and Finance and Budget Committee 03/25/21)
6. [Approval of Proposed Fiscal Year 2022 Operating Budget – Resolution No. 21-30](#) (Recommended by the Finance and Budget Committee 03/25/21)
7. [Approval of Fiscal Year 2021-2022 Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing – Resolution No. 21-31](#) (Recommended by the Finance and Budget Committee 03/25/21)

**X. Consent Items (Non-Joint Use)**

1. [Approval to Execute Contract No. 170080, Capitol Paving of DC – Resolution No. 21-32](#) (Recommended by the Environmental Quality and Operations Committee 03/18/21)
2. [Approval to Participate in the District’s Department of Transportation Project, Florida Avenue NE from 2<sup>nd</sup> Street NE to H Street NE – Resolution No. 21-33](#) (Recommended by the Environmental Quality and Operations Committee 03/18/21)
3. [Approval for Notice of Proposed Rulemaking to Amend the Fire Protection Service Fee – Resolution No. 21-34](#) (Recommended by the DC Retail Water and Sewer Rates Committee 03/23/21)

**XI. Executive Session**

**XII. Adjournment (Chairperson Tommy Wells)**

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); 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); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); 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 – (via Microsoft Teams)**

- Public Hearing on Proposal to Amend the CAP Reg. for Multi-family Emergency Relief Program – Wednesday, April 7, 2021 @ 6:30 p.m.
- Environmental Quality and Operations Committee – Thursday, April 15, 2021 @ 9:30 a.m.
- Audit Committee – Thursday, April 22, 2021 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, April 22, 2021 @ 11:00 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, April 27, 2021 @ 9:30 a.m.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

Governance Committee

Wednesday, March 10, 2021

9:00 a.m.

**MEETING VIA MICROSOFT TEAMS**

**Committee Members**

Lavinia Baxter, Chairperson  
Joe Leonard Jr.  
Rachna Bhatt  
Tommy Wells, Chair

**DC Water Staff**

David L. Gadis, CEO & General Manager  
Marc Battle, EVP, Legal Affairs  
Kisha Powell, Chief Operating Officer, EVP  
Matthew T. Brown, CFO & EVP, Finance and Procurement  
Thomas Kuczynski, President, Blue Drop and Vice  
President, Information & Technology  
Linda Manley, Secretary to the Board

**Call to Order**

Lavinia Baxter, Chairperson, called the meeting to order at 9:05 a.m.

**Roll Call**

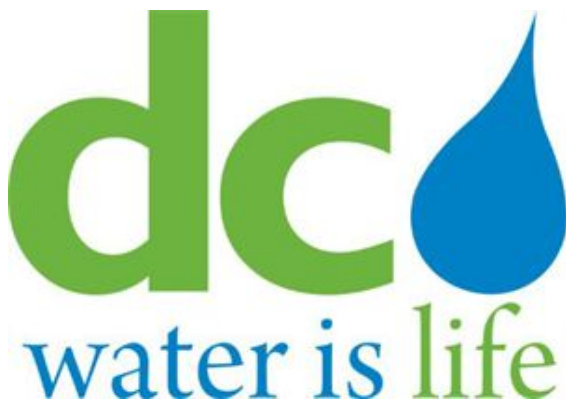
Ms. Linda Manley, Board Secretary, DC Water, conducted a rollcall of the Committee members present for the meeting.

**Executive Session**

There was a motion to move into Executive Session by Ms. Baxter to discuss legal and confidential matters under D.C. Official Code § 2-575(b)(4)(A) and proprietary matters under D.C. Official Code § 2-575(b)(11). It was so moved and seconded, and the motion carried. The meeting was cleared of non-Executive members and all public individuals. The Committee went into Executive Session at approximately 9:06 a.m. The Committee reconvened into open session at 9:23 a.m.

**Adjournment**

Hearing no further business, Chairperson Lavinia Baxter adjourned the meeting at 9:25 a.m.



**District of Columbia  
Water and Sewer Authority**

**Board of Directors**

**Environmental Quality and Operations  
Meeting**

*Thursday, March 18, 2021*

*9:30 a.m.*

**MEETING SUMMARY**

**Committee Members**

Adam Ortiz, Chairperson  
Steven Shofar  
Howard Gibbs  
Ivan Frishberg  
Randy Bartlett  
Jared McCarthy

**DC Water Staff Present**

David Gadis, CEO & General Manager  
Kishia Powell, Chief Operating Officer & EVP  
Matthew Brown, Chief Financial Officer & EVP  
Gregory Hope, Deputy General Council  
Leonard Benson, SVP, CIP Project Delivery  
Aklile Tesfaye, VP, Wastewater Operations  
Alfonzo Kilgore Stukes, Board Operations Specialist

**I. CALL TO ORDER**

Mr. Ortiz called the meeting to order at 9:a.m. The meeting was conducted via teleconference.

**II. ROLL CALL**

Mr. Alfonzo Kilgore Stukes, Board Operations Specialist, DC Water, conducted a roll-call of the Committee members present for the meeting.

**III. AWTP STATUS UPDATE**

**1. BPAWTP PERFORMANCE**

Mr. Aklile Tesfaye, VP, Wastewater Operations, DC Water, briefed the Committee on the performance of the Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). Mr. Tesfaye stated that all performance parameters were excellent, and all permit requirements were met.

Mr. Tesfaye highlighted the accomplishments of staff who completed a study to optimize bioreactors or aeration tanks at BPAWTP to enhance the capacity and performance of secondary treatment processes. Since April 2020 the feed configuration to these six aeration tanks was changed incrementally to test whether performance of biological processes within the tanks can be improved. The study demonstrated that the feed configuration improved the settlement of solids in downstream sedimentation basins which resulted in improved quality of effluent from the secondary treatment process. This accomplishment aligns with DC Water’s strategic objective to improve performance, reliability and resilience at BPAWTP.

Mr. Tesfaye reported that the quality of the plant effluent for February 2021 was excellent, with all effluent parameters well below the seven-day and monthly NPDES permit requirements. In February 2021, a total of 151 million gallons (MG) of combined wet weather flow was captured in the tunnel system and all flow was treated through the Wet Weather Treatment Facility (WWTF). There was no measured overflow to the river during February.

Biosolids hauling during February 2021 averaged 319 wet tons per day and all biosolids produced during the month met Class A Exceptional Quality (EQ) requirements required by the EPA. Mr. Tesfaye reported that Blue Drop sold 367 wet tons of Bloom during February 2021. February had higher precipitation than normal, in addition demand is typically low at this time of the season. Both these factors resulted in lower sales of Bloom.

Mr. Tesfaye discussed progress made to enhance culture of proactive maintenance by continuously reducing reactive maintenance hours at BPAWWTP. A figure was presented which demonstrated progress made on the reduction of reactive maintenance from FY2019 through FY2021 to date. The target is for reactive maintenance hours to be less than 20% of total maintenance hours. DC Water continues to make progress towards this target - through FY21 to date, reactive maintenance hours are 32% of total maintenance hours.

The Committee inquired about the figure summarizing the production of Class A Biosolids. 'Land Application' refers to quantities of Biosolids which DC Water paid at reduced unit prices for beneficial use on farms through contracts with Blue Drop. Marketed as Bloom' refers to quantities of Biosolids sold to customers from which additional cost savings and revenues were derived.

The Committee further inquired whether customers have provided feedback on the efficacy of Bloom and if there are any issues or complaints with the product. Mr. Chris Peot, Director DCW Resource Recovery, DC Water, confirmed that they have received positive feedback from clients and are breaking into new markets with sales to clients in landscaping and construction industries. For the past 12 months there have been no odor complaints from the product. Bloom is currently being sold to clients in Maryland and land application is done in Virginia. Sales to clients in Virginia will take place once permits for sale of Bloom are approved.

#### **IV. 10-YEAR CIP PLAN FY2021-FY2030**

##### **1. REVIEW OF CIP**

Mr. Len Benson, SVP, CIP Project Delivery, DC Water, briefed the Committee on the proposed FY2021-FY2030 Capital Improvement Program (CIP) Budget. It was noted that the proposed budget was presented to the Full Board on February 4, 2021 and to the Committee on February 18, 2021. The proposed 10-year disbursements for FY2021-FY2030 are \$5.4 billion and the goal of the budget is to continue investment in DC Water's ageing infrastructure.

Mr. Benson discussed the major initiatives funded in the proposed budget. The budget for Capital Construction Projects includes \$1.03 billion for the DC Clean Rivers Project to meet consent decree requirements. The budget for the Water Service Area allows for an increase in replacement of small diameter water mains to 1.5% of the system per year from FY2028 onwards. The budget for the Sewer Service Area allows for the prioritization of small diameter sewer main rehabilitation. The average age of these mains is over 80 years old. Mr. Benson noted that multiple projects have been deferred in the proposed budget to account for projected revenue impacts due to the COVID-19 pandemic. The deferred projects have a combined value of \$171 million and have been moved from FY2021 and FY2022 to FY2023 and beyond.

## **2. RESPONSE TO BOARD FOLLOW-UP QUESTION**

Ms. Maureen Holman, EVP, Administration, DC Water, provided a response to the Committee's question about the compliance of DC Water's fleet of vehicles with the Mayor's DC Net Zero goals. The Clean Energy DC Act mandates that 100% of public fleets are to be zero-emission by 2045 (and 50% zero-emissions by 2030). Ms. Holman noted that 60% of DC Water heavy vehicles/equipment (Priority #1 units) are clean idle, 10% of fleet vehicles are electric, 5% hybrid electric plug ins and 2% biodiesel. DC Water are looking to increase the number of electric vehicles significantly and charging stations have been installed at the Fleet Facility and BPAWTP.

Ms. Holman noted that DC Water works closely with the District Department of Public Works (DPW), Metropolitan Washington Council of Governments (MWCOCG) and the District Department of Energy and Environment (DOEE) to leverage outside grant funding and partnerships in pursuit of achieving the goals. One such partnership, the Diesel Emission Reduction Act (DERA) partnership with DPW and DOEE, allows for the replacement of heavy vehicles in the fleet with vehicles which run on B100 biodiesel. A grant of \$5.1 million has been approved for FY2021 and a proposal has been submitted for funding for FY2022.

The Committee inquired about the lifecycle of heavy vehicles in DC Water's fleet and whether these vehicles will be required to be replaced before DC Water are required to achieve zero-emissions. Ms. Holman confirmed that the lifespan of the heavy vehicles is typically 10 to 12 years and these vehicles will likely need to be replaced before DC Water is required to achieve zero-emissions. Ms. Holman noted that the change to clean idle technology for vehicles in the fleet is becoming an industry norm.

## **3. ACTION ITEM: FY2021 – FY2030 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Mr. Matthew Brown, Chief Financial Officer & EVP, DC Water, briefed the Committee on the roll out of the proposed FY2021-FY2030 CIP Budget to date. It was noted that the proposed budget was introduced to the full board at a workshop on February 4, 2021 and was presented to the Committee on February 18, 2021. Mr. Brown requested that the Committee consider moving the following two components of the FY2021-FY2030 CIP Budget to the full board:

- Proposed FY2021-FY2030 CIP Budget
  - FY2021-FY2030 Disbursement Plan – \$5.43 billion
  - Lifetime Budget – \$12.13 billion
- Revised FY2021 CIP Disbursement Budget – the proposed amendment is to reduce the Approved FY2021 CIP Disbursement Budget from \$507.6 million to \$471.3 million

Mr. Brown noted that the DC Retail Water and Sewer Rates Committee and the Finance and Budget Committee will recommend various components of the budget to the full Board next week.

The Committee recommended the Action Item to the full Board.

## V. EPA REVISED LEAD AND COPPER RULE

Ms. Maureen Schmelling, Director, Water Quality, DC Water, briefed the Committee on the Environmental Protection Agency (EPA) revised lead and copper rule requirements that are anticipated to impact DC Water. Ms. Schmelling noted that as of March 12, 2021, the EPA issued a delay of the effective date of the revised rule to allow time for additional public comment and review of the rule. There could be further revisions to the proposed rule before the rule is adopted.

Ms. Schmelling discussed revisions to the rule and anticipated impacts to DC Water.

Ms. Schmelling noted that the Washington Aqueduct (WAD) operates the two water treatment plants which supply finished water to the DC Water system. The treatment plants use orthophosphate for corrosion control treatment in DC Water's distribution system. The revised rule establishes an action level (15 ppb) and a trigger level (10 ppb) for lead sampling in the distribution system. Ms. Schmelling noted that if lead sampling exceeds the trigger level (10 ppb), DC Water will be required to conduct a study to optimize the corrosion control treatment process at both water treatment plants.

Ms. Schmelling discussed sampling requirements under the new rule. DC Water will still be required to collect samples from single family homes with lead service lines. DC Water currently collects samples from 100 homes, and this will not change under the revised rule. DC Water will be required to collect samples annually under the new rule. If the action level (15 ppb) is exceeded, samples will be required to be collected semi-annually. Copper samples are required to be collected from the 1<sup>st</sup> liter at each sample location and lead samples are required to be collected from the 5<sup>th</sup> liter at each sample location. DC Water has been collecting samples in this manner since 2018 and based on collected data, it is expected that DC Water sampling results will be 5-6 ppb in the summer months.

Ms. Schmelling noted that the revised rule has a find and fix requirement whereby an evaluation will be required for each lead and copper rule sample exceeding 15 ppb. As part of the evaluation, additional sampling and testing is required within 30 days of the first sample which will require additional coordination with the customer and will be challenging for DC Water to complete in the required timeframes. In addition, the regulator may require DC Water to conduct an optimization study for corrosion control treatment at the water treatment plant.

The revised rule requires that water utilities develop an inventory of all service lines connected to the public distribution system and make this information available to the public by September 2024. Since 2016, DC Water has made an interactive map with inventory of all service lines in the system available to the public. The map is updated periodically to show the latest service line material data. In addition, DC Water will be required to submit a lead service line replacement plan which should cover the utility's response to exceeding the trigger level of 10 ppb from sampling in the distribution system. Ms. Schmelling provided to the Committee what the plan will be required to address.

Ms. Schmelling noted that a lead service line replacement plan is currently being developed as part of the Lead-Free DC program. It is anticipated that the plan will be submitted to the Committee in the upcoming weeks.

Under the revised rule, when the action level of 15 ppb is exceeded from sampling in the distribution system, DC Water will be required to replace 3% of utility owned lead and unknown service lines annually. Only full lead service line replacements will count towards required service

line replacement metrics. A full lead service line replacement is achieved when no lead service pipe remains. Ms. Schmelling noted that lead service line replacements completed as part of the Lead Pipe Replacement Assistance Program (LPRAP) would count towards this goal.

With the revised rule, DC Water will be required to provide public education to certain customers on the health effects of exposure to lead. In particular, customers with lead and unknown service lines and healthcare providers and caregivers will be required to be notified annually. DC Water will look to coordinate with DOEE and the District Department of Health (DOH) for the issue of these notifications. In addition, DC Water will be required to provide pitcher filter kits for all meter replacements and replacement of lead and unknown service lines. DC Water currently does this for service line replacements and will need to extend the program to include all meter replacements.

The revised rule requires that all schools and licensed daycares be tested for lead within five years following adoption of the rule and upon request thereafter. The District government currently tests for lead in all public schools and licensed daycares. Public charter schools have a program for testing of drinking fountains. DC Water will have to coordinate with the District government on existing testing programs and develop additional programs to ensure all schools are tested.

Ms. Schmelling discussed amendments to the DC Water Omnibus Amendment Act of 2020, which came into effect on March 16, 2021. The key revisions are that the definition of a lead service line is extended to include galvanized iron and brass piping for customers to qualify for assistance. Current DC Water policy for lead service line replacement does not include allowance for replacement of galvanized iron service lines. Amendments to the DC Water policy will be made in the next month to be consistent with the new amendments to the act.

The Committee inquired about how many service lines of unknown material exist in the distribution system and whether the greatest water quality concerns are from partial lead service line replacements. Ms. Schmelling reported that roughly 15,000 service lines are of unknown material and roughly 10,000 service lines remain that are known to be full lead service lines. Ms. Schmelling noted that DC Water has been conducting lead sampling in homes where partial lead service line replacements have taken place. Data from samples at these locations show that lead levels are lower than locations where full lead service lines are in place.

The Committee noted that DC Water is committed to eliminating lead service lines faster than the timelines required by the revised lead and copper rule. It was noted that the cost of lead service line replacement is too high to be covered exclusively by DC ratepayers. The DC Water Board has applied for additional funding from the American Rescue Plan Act to aid with the costs of lead service line replacement.

## **VI. ACTION ITEMS**

### **JOINT USE**

1. Contract No.: 19-PR-DWT-14 – Belt Press Dewatering Polymer, Polydyne, Inc
2. Contract No.: 19-PR-DWT-15 – Centrifuge Pre-Dewatering Polymer, Polydyne, Inc

Mr. Joel Grosser, Director of Procurement, Goods and Services, DC Water, presented all joint use action items.



**NON-JOINT USE**

1. Contract No.: 170080 - Small Diameter Water Main 14B, Capital Paving of DC
2. Contract No. N/A: MOU Contract - Florida Avenue NE From 2<sup>nd</sup> Street NE to H Street NE, District Department of Transportation (DDOT)

Mr. Len Benson, SVP, CIP Project Delivery, DC Water, presented all non-joint use action items.

The Committee recommended all Joint Use and Non-Joint Use Action Items to the full Board.

**VII. BLUE PLAINS SOLAR PANELS**

David Parker, Director, Wastewater Engineering, DC Water provided a status update on the Solar Power Purchase Agreement project. The goal of the project is to generate savings in DC Water's operating budget, by purchasing power at a reduced rate. The project could also result in improved resiliency at BPAWTP due to availability of an alternative energy source. The project is a power purchase agreement contract wherein the installation, operation and maintenance for the project is performed by the contractor, Marbury Point, LLC. The contract has a 20-year term with options for an extension of an additional 5 years and purchase of the solar scheme at different times during the term of the contract.

Mr. Parker provided details of the types and locations of solar panel arrays installed at BPAWTP as part of the project and the generation capacity of the solar scheme. The nominal capacity of solar panel arrays at BPATWP is around 4MW. The guaranteed annual cost savings for purchase of power at BPAWTP increases from \$0.29 million to \$0.41 million per year over the term of the 20-year contract. As part of the project, DC Water have received the indirect benefit of roof improvements on eight buildings at BPAWTP. Three of the buildings had their roofs replaced and five buildings received extended warranties for the roofing as a result of improvements required prior to the installation of rooftop solar panel arrays. The added value of the roof improvements is between \$3.5 million and \$4.5 million.

Construction of the project is 93% complete, the project is currently in the commissioning phase, all rooftop, carport and ground mounted arrays are anticipated to be completed by the end of March 2021. Starting April 2021, DC Water anticipates final commercial operation of solar energy from these completed locations. Construction at the last location, at the dock along the Potomac River, is anticipated to be completed by May 2021. Construction at this location was delayed due to additional coordination being required with the Army Corps of Engineers for permitting of the construction.

A proposal for Phase 2 of the Solar Power Purchase Agreement project was received by the contractor for an 8MW system; however, it was not accepted because the price and terms were not favorable to DC Water. To date, the design has been completed to intermediate design stage. Mr. Parker started to discuss the estimated power generation and consumption at BPAWTP however time ran out during the meeting. The Committee requested that Mr. Parker present this information at a future Committee meeting.

The Committee inquired whether the solar energy scheme will have battery backup storage and whether energy generation from the project can truly be considered to improve resiliency at BPAWTP in the event of power outage due to a big storm. Mr. Parker noted that battery backup is currently not part of the project because the power generated is used to meet immediate

demand. The energy available to BPAWTP from the solar scheme is not enough to mitigate a complete plant power outage. Battery backup storage may be considered for the solar scheme in future phases of the project.

**VIII. OTHER BUSINESS / EMERGING ISSUES**

None.

**IX. EXECUTIVE SESSION**

No Executive Session Held.

**X. ADJOURNMENT**

Meeting was adjourned at 11:05 AM.

**Follow-up Items**

1. Director, Wastewater Engineering - provide the Committee with more information on the estimated power generation and consumption at the Blue Plains AWTP, including details on renewable energy.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

*DC Retail Water and Sewer Rates Committee*

Tuesday, March 23, 2021

9:30 a.m.

**MEETING MINUTES**

**Committee Members in Attendance**

**DC Water Staff**

**Committee Members Via Teleconference**

Rachna Bhatt, Chairperson  
Tommy Wells, Chairman  
Reverend Dr. Kenrick Curry  
Howard Gibbs  
Anthony Giancola  
Joe Leonard Jr.  
Ivan Frishberg  
Jedd Ross

**DC Water Staff Via Teleconference**

David L. Gadis, CEO/General Manager  
Matthew Brown, CFO/EVP, Finance & Procurement  
Kishia Powell, COO/EVP  
Marc Battle, EVP, Office of Legal Affairs  
Linda Manley, Secretary to the Board

**Call to Order**

Chairperson Rachna Bhatt convened the meeting at 9:30 a.m.

**Roll Call**

Linda Manley, Board Secretary conducted a roll call of the Committee members.

Mr. Brown, CFO/EVP Finance and Procurement, greeted the Committee and mentioned that there are three items on the agenda: (i) Monthly Report, a new agenda item; (ii) Proposed Ten-Year Financial Plan FY 2021 – FY 2030; and (iii) FY 2021 Fire Protection Service Fee Cost of Service Review.

**Monthly Report To DC Retail Water & Sewer Rates Committee (Attachment A)**

Mr. Brown, CFO/EVP Finance and Procurement said that a new monthly report will be provided to the Committee. The report will include relevant financial information to the committee, some of which is also presented to the Finance and Budget Committee. Mr. Brown stated that the report includes category-wise year-to-date (YTD) actual versus budget operating revenue, retail accounts receivable and delinquency, and arrears by customer category. Mr. Brown stated that the YTD revenue as of February 28, 2021 is below budget by \$24.7 or 7.7% mainly due to decline in consumption and increase in delinquency on account of the impact of COVID-19.

**Proposed Ten-Year Financial Plan FY 2021 – FY 2030 (Attachment B)**

Mr. Brown, CFO/EVP Finance and Procurement stated that the presentation is an overview of FY 2021 – FY 2030 Ten-Year Financial Plan, which is the element of the proposed FY 2022 to be recommended to the full Board by the Committee. Mr. Brown briefed the Committee on the objectives of the Ten-Year Financial Plan such as: (i) serves as the fiscal roadmap to achieve the Board's strategic plan; (ii) is a key tool to monitor progress in meeting financial goals and targets; and (iii) ensures that DC Water meets or exceeds all debt-related legal and policy requirements, as well as maintaining sufficient liquidity to meet all current financial obligations. Mr. Brown mentioned that the financial includes the ten-year capital improvement plan, anticipated investments and borrowings, estimated operating expenditures, financial metrics and forecasted rates. Mr. Brown stated that the ten-year Capital Improvement Program (CIP) sources and uses of funds is \$5.4 billion, which is approximately the same as the previously approved FY 2020 – FY 2029 Ten-Year Financial Plan. Mr. Brown explained the details of the ten-year CIP details with the projected annual disbursements and a comparison of 10-year total to last year CIP, which is a decrease of \$17.5 million.

Mr. Brown explained the FY 2020 operating budget and noted that the major categories are personnel, contractual services, chemicals, utilities and water purchases. Mr. Brown mentioned that the Financial Plan includes the revised \$692.3 million revenue projection for FY 2021 with a reduction of \$41.5 million in anticipated revenue in response to COVID-19. Mr. Brown stated that the FY 2022 proposed operating revenue of \$756.4 million assumes a fifteen percent consumption decline in commercial category. Mr. Brown mentioned that the projected average residential customer bill at 5.42 Ccf ranges from \$111 in FY 2021 to \$187 in FY 2030 given all the assumptions in the Financial Plan. Mr. Brown briefed the Committee on the revenue growth comparing FY 2020 actual versus revised FY 2021 projection and proposed FY 2022. Mr. Brown explained the metrics of the Financial Plan: (i) maintain debt service as a percentage of revenue equal to or below 33 percent; (ii) maintain combined coverage of 160 percent; and (iii) maintain 250 days of cash including Rate Stabilization Fund (RSF). Mr. Brown provided a summary of the Ten-Year Financial Plan by highlighting the most important areas.

**FY 2021 Fire Protection Service Fee Cost of Service Review (Attachment C)**

Mr. Brown, CFO/EVP Finance and Procurement introduced Mr. Ed Markus from Amawalk Consulting Group to present the FY 2021 Fire Protection Service Fee Cost of Service Review. Mr. Markus stated that the review is done every three years. Mr. Markus mentioned that the purpose of the presentation is to review the findings of the 2021 Cost of Service (COS) Study and recommend the appropriate fees for recovering fire protection costs from the District. Mr. Markus explained that the 2013 Fire Protection Memorandum of Understanding (MOU) is the most recent MOU, which list items that DC Water is required to perform to provide Fire Protection Service to the District. Mr. Markus stated that the 2007 MOU is the prior agreement which lead to a significant investment in the fire hydrant replacement and

repairs. Mr. Markus briefed the Committee on the methodology applied for the COS. Mr. Markus mentioned that there was no change to the methodology since the prior report.

Mr. Markus stated that the District paid \$10.796 million annually from FY 2015 through FY 2018, and \$12.527 million per year from FY 2019 through the current year. Mr. Markus explained that the preceding payments have enabled the District to catch-up on its prior obligations to DC Water for fire protection; the net credit due to the District at the end of FY 2021 is estimated to be about \$2.4 million, assuming the continued capitalization of certain construction costs. Mr. Markus mentioned that DC Water has advised Amawalk Consulting Group that there has been some impact on fire hydrant replacement and maintenance due to COVID-19, but the actual and anticipated effects on performance and operating and capital spending remain uncertain through the pandemic and the projections presented in this Report do not assume potential operating expense or capital cost adjustments due to impacts from COVID-19.

Mr. Markus provided a summary of historical (FY 2016 through FY 2020) and projected (FY 2021 through FY 2024) cost of service by cost category. Mr. Markus stated that DC Water expended about \$118.4 million from FY 2006 through FY 2021 to provide fire protection services to the District and the District reimbursed DC Water approximately \$120.8 million for the same period including the anticipated FY 2021 payment, resulting in a calculated \$2.4 million credit.

Mr. Markus concluded his presentation by stating the recommendation of the study that the true-up of the \$2.4 million credit in District reimbursements be spread over the next three years (FY 2022 – FY 2024), which results in a proposed fire protection service fee of approximately \$11.535 million per year, paid quarterly.

#### **Action Items (Attachment D)**

Mr. Brown, CFO/EVP Finance and Procurement mentioned that the Committee is asked to recommend the following action items to the Full Board for approval.

- Proposed Ten-Year Financial Plan FY 2021 – FY 2030 (Action Item 1)
- Proposed Fire Protection Service Fee FY 2022 – FY 2024 (Action Item 2)

Chairperson Bhatt asked the Committee members if there was any opposition to move the action items to the full Board, hearing none, the action items were recommended to the Board.

#### **DC Retail Water Sewer Rates Committee Workplan (Attachment E)**

There was no discussion on the Committee workplan.

#### **Agenda for April 27, 2021 Committee Meeting (Attachment F)**

There was no discussion on the Committee agenda for April 27, 2021.

#### **Other Business**

None

#### **Executive Session**

There was no executive session.

#### **Adjournment**

Chairperson Bhatt adjourned the meeting at 10:12 a.m.

**FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (March 23, 2021)**

There were no follow up items



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**BOARD OF DIRECTORS  
EXECUTIVE COMMITTEE MEETING  
THURSDAY, MARCH 24, 2021**

**MINUTES**

**Committee Members Via Teleconference**

Tommy Wells, Chairperson  
Fariba Kassiri  
Randy Bartlett

**DC Water Staff Via Teleconference**

David L. Gadis, CEO/General Manager  
Marc Battle, Chief Legal Officer  
Linda Manley, Secretary to the Board  
Gregory Hope, Deputy General Counsel

**Call to Order**

Chairperson Wells convened the meeting at 11:03 a.m.

**Roll Call**

Linda Manley, Board Secretary conducted a roll call of the Committee members.

**Discussion of Selection of Officers**

Chairperson Wells opened the meeting by emphasizing that the three primary roles of the Executive Committee were to (1) act as the performance Review Committee for the General Manager rather than the Human Resources Committee, (2) assist the chair in identifying chairs for standing committees, and (3) guide the Board in the instance of emergent circumstances so that decisions can be made quickly.

The Committee discussed the vacancy for Vice-Chairperson for Prince George's County due to the departure of Major Riddick and the District vacancy for First Vice-Chairperson which is due to the departure of Krystal Brumfield. The Committee agreed to recommend Rachna Bhatt as First Vice-Chairperson pending the Chairperson's communication with Ms. Bhatt and Tara Jackson as Vice-Chairperson for Prince George's County which is an automatic based on Board by-laws.

The Chairman thanked the Committee for its continued hard work and support.

**Executive Session**

There was no executive session.

**Adjournment**

Chairman Wells adjourned the meeting at 11:22a.m.



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

Finance and Budget Committee

Thursday, March 25, 2021

9:30 a.m.

MEETING MINUTES VIA MICROSOFT TEAMS

**Committee Members**

Anthony Giancola, Chairperson  
Rev. Kendrick Curry  
Adriana Hochberg  
Joe Leonard  
Jared McCarthy  
Sarah Motsch

**DC Water Staff**

David L. Gadis, CEO & General Manager  
Matthew T. Brown, CFO & EVP, Finance and Procurement  
Marc Battle, Chief Legal Officer & EVP, Legal Affairs  
Lola Oyeyemi, Director, Budget  
Genes Malasy, Controller  
Linda Manley, Secretary to the Board

**Call to Order**

Chairperson Anthony Giancola called the meeting to order at 9:30 a.m.

**February 2021 Financial Report**

Mr. Matthew T. Brown, Chief Financial Officer & Executive Vice President, Finance and Procurement, reported that at the end of February 2021, total operating revenues were \$295.1 million, or 40.2 percent of budget, operating expenditures were \$228.5 million, or 35.6 percent of budget, and capital disbursements were \$141.5 million, or 27.9 percent of budget.

Mr. Brown highlighted the ongoing review of the FY 2020 Intermunicipal Agreement (IMA) Operating Settlement with completion anticipated at the end of March. He stated that the FY 2020 Green Bond attestation and Comprehensive Annual Financial reports are available on the website. He also noted that DC Water was contacted by the Government Finance Officers Association (GFOA) regarding the acronym previously used for the Comprehensive Annual Financial Report, which can be misinterpreted as a racial slur within South Africa. DC Water considers it essential to follow the request as we advance inclusivity, and we will use the words "Annual Report" or "Annual Financial Report" as the short term for the Comprehensive Annual Financial Report.

Next, Mr. Brown thanked Ivan Boykin, Rhonda Green, Kathleen Kharkar, and other staff involved for their participation in completing the Water Infrastructure and Financing Innovation Act (WIFIA) loan. The WIFIA loan was closed with an interest rate of 2.33 percent and approximately a 2½ year effort. He informed the Committee that DC Water issued \$25 million in Commercial Paper (CP) to retire the 2016 Environmental Impact Bond debt prior to the upcoming April 1<sup>st</sup> mandatory



tender date. This \$25 million bond was issued to make green infrastructure improvements and will be rolled into the next bond issuance.

Mr. Brown mentioned that the year-to-date decline in revenue of \$24.7 million is mainly due to the commercial consumption and the growth in delinquencies during COVID-19, although DC Water has seen some positive trends recently and is hopeful this uptrend will continue throughout the fiscal year. He stated that delinquencies were \$23.9 million at the end of February and consists of 14,973 accounts which is approximately 11.6 percent of the total accounts.

Next, Ms. Lola Oyeyemi, Director, Budget, provided an overview of the operating expenditures and capital disbursements for the month. She noted that the areas of underspending in operating expenses are consistent with previous reports. Underspending in personnel services is due to the recruitment of only critical positions. She noted DC Water ended February 2021 with a vacancy rate of 12 percent and overtime spending of \$2.6 million or 32 percent of the budget. She stated that the underspending in contractual services is mainly due to the instituted spending targets to align expenses with the revenue forecast. Ms. Oyeyemi informed the Committee that underspending in chemicals and supplies is approximately \$1.7 million below budget due to the lower than budgeted unit prices, and staff will continue to monitor the current market conditions for major chemicals. She informed the Committee that debt service is consistent with the assumptions of the financial plan with the underspending due to the refinancing, refunding and lower interest on the existing debt.

Capital Disbursements are \$141.5 million or approximately 28 percent of the FY 2021 approved budget. Ms. Oyeyemi explained that the underspending in capital projects is mainly due to permitting delays for the new Fleet Facility, some delays in invoicing and lower than anticipated spending consistent with management's efforts to mitigate potential impacts of reduced revenue due to the coronavirus pandemic.

In conclusion of the financial report, Mr. Brown stated that the appendix contained detailed information on the operating revenues, retail accounts receivable, overtime spending and the investment performance report. Mr. Brown stated that members of the PFM Asset Management team will provide an overview of the investment report at next month's Committee meeting.

### **FY 2020 Year-End Closeout Status Update**

Mr. Genes Malasy, Controller, provided an update on the FY 2020 Year-End Closeout status. He stated that DC Water received an unmodified opinion on the Basic Financial Statements, noting that within the Internal Control Financial Report, no material weaknesses or significant deficiencies were identified, and no instances of non-compliance were reported. Mr. Malasy stated the OMB Uniform Guidance Audit has been completed and submitted to the federal audit clearinghouse.

Next, Mr. Malasy informed the Committee that the Green Bond Report and the Comprehensive Annual Financial Report (Annual Report) have been completed and both can be viewed on DC Water's website. Overall, DC Water received a clean independent accountants' review report from the KPMG auditors. Mr. Giancola extended his congratulations to Mr. Malasy and the Finance

team for their continuing efforts to keep the Authority “clean”. Mr. Brown also thanked Mr. Malasy, Hoa Truong, Tika Acharya and their staff for a tremendous job, especially during COVID.

### **Proposed FY 2022 Budget**

Mr. Matthew T. Brown, Chief Financial Officer & Executive Vice President, Finance and Procurement provided detailed overview of the Proposed FY 2022 budget and informed the Committee that four action items will require their recommendation to the full Board. These are the Proposed FY 2022 Operating Expenditure Budget, FY 2021 – FY 2030 Capital Improvement Program (Disbursement and Lifetime Budget), FY 2021 – FY 2030 Ten-Year Financial Plan, and the Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing. Mr. Brown mentioned the Capital Improvement Program includes amendments totaling \$36 million.

The Proposed FY2022 Operating Budget is \$658.4 million and includes \$366.7 million for personnel and non-personnel expenses, \$231.2 million for debt service, Cash Financed Capital Improvements (CFCI) budget of \$37.8 million, which acts as a contingency on the operating side but is used as Pay-Go on the capital side. The operating budget also includes PILOT & ROW payments to the District of \$22.7 million. The Proposed FY 2021 – FY 2030 CIP disbursement is \$5.4 billion and includes some changes due to COVID. Mr. Brown stated that the previously Board-approved rates last year are also part of this budget and applies \$10.5 million from the Rate Stabilization Fund. This budget completes the shift of 37 percent of Clean Rivers cost from the Clean Rivers Impervious Area Charge to the sewer volumetric rate.

Next, Mr. Brown reviewed the sources and uses of funds for the Proposed FY 2022 Operating Budget and the Proposed FY 2021 – FY 2030 Capital Improvement Program (CIP). The Proposed FY 2022 operating revenues is \$756.4 million, mainly from residential, multi-family, federal government and wholesale customers. He noted the uses of funds includes Pay-Go and other funds and that debt service is one of the largest cost drivers, at \$231.2 million and followed by personnel services of \$155.3 million. For the ten-year CIP, he noted that the Clean Rivers project continues to be a significant portion but continues to decline in the overall share of the capital program as DC Water moves the project forward to completion in 2030. This provides the ability to spend additional funds in other areas, specifically water and sewer infrastructure. CIP funding will be mainly from debt financing and represents 37.3 percent. Mr. Brown stated that DC Water anticipates borrowing \$2 billion over the next ten years to finance the capital program.

Mr. Brown informed the Committee that the CIP includes total spending of \$5.4 billion over the next ten years. He highlighted that this budget includes spending reductions of \$36.3 million in FY 2021 and \$134.9 million in FY 2022 compared to last year’s plan due to impact of the pandemic on revenues. He anticipates the capital project deferrals will impact future years due to reduced office occupancy rates and tourism in the District. The proposed lifetime budget is \$12.13 billion and covers total commitments, including labor, for active projects prior to, during, and beyond the ten-year window.

Next, Mr. Brown reviewed the Proposed FY 2022 operating budget of \$658.4 million which is \$15.8 million above FY 2021 amount mainly for debt service and CFCI. He went on to explain the major variances between FY 2021 and FY2022. The personnel budget includes two new positions to support inspection work for the LeadFree DC program and eight new positions to reduce continued reliance on consultants. Other areas of budget increases are for water purchases based on DC Water’s share of the Aqueduct’s operating costs and new programs such as the leak repairs, Backwater Valve Program, inspection of small local sewers and maintenance

needs for the Green Infrastructure (GI) facilities and the new Fleet and Sewer Service locations. These increases are being offset by projected decreases in chemicals, utilities, and various professional services contractual costs.

Mr. Brown went further to review the FY2021 vs. FY2022 Operating Revenues. He mentioned that the forecasted FY 2021 operating revenues of \$692.3 million is \$41.5 million below the adopted budget due to the COVID impact. He highlighted that the decrease is mainly due the decline in commercial consumption and growth in delinquent accounts. He further went on to review the projected average monthly residential customer bill for the ten-year period ranging from \$111 in FY 2021 to \$187 in FY 2030.

Next, Mr. Brown provided an overview of indenture requirement, Board policy, management targets and assumptions in the ten-year financial plan. The financial metrics include days of cash on hand, coverage ratios for senior and subordinate bonds, debt service as a percent of revenue and the Rate Stabilization Fund. He informed the Committee that staff is currently reviewing the financial policies and having discussions with financial advisors to revise the policies to include a floor of 250 days of cash on hand and a combined coverage ratio of 1.6X to maintain our bond rating. Discussions will be scheduled with this Committee and the Governance Committee at a future date. Mr. Brown also reviewed the projected operating receipts, operating expenses, debt service costs and the combined debt service coverage ratios over the ten-year period.

Mr. Brown went on to review the Intent to Reimburse Capital Expenditures which allows DC Water to reimburse itself for capital expenditures with debt proceeds. He mentioned that the reimbursement request is \$340 million for FY 2021 and FY 2022, and management may combine the borrowing for approximately \$400 million for the two fiscal years. He stated that as part of the request to issue a specific series of debt in the future, the Board will be asked to adopt a specific resolution that confirms the actual amount financed with actual reimbursed expenses at a future date.

Mr. Giancola asked if money received from the federal government for the capital program will necessitate us going earlier rather than later to the bond market. Mr. Brown responded that further discussions will be held to decide if we would use the federal money for projects that are funded in the capital budget or use it as an opportunity to increase funding for water and sewer infrastructure, since many projects were deferred due to the COVID impact on our revenues.

Mr. Brown reviewed management's recommendations and the accompanying action items for the budget proposal. In closing, he expressed his appreciation to Ms. Lola Oyeyemi, Mr. Syed Khalil, Mr. Ivan Boykin, and the Finance team for their great work on the budget. He thanked Pade Zuokemefa, Stacey Johnson, Shirley Thomas, Kunle Fagbohunka, Dionne Butcher-Wallace, Rodea Hines, Annie Fulton-George, Patrice O'Neal, Schannon Keller, Henok Getahun, Tika Acharya and Yubraj Gautam. The Board members also commended the team for their work on the budget proposal and financial statement documents.

### **Action Items**

The Committee members agreed to move the following action items to the full Board:

- Recommendation for Approval of the FY 2022 Proposed Budget
  - Action Item 4A: Fiscal Year 2022 Proposed Operating Expenditure Budget of \$658.4 million

- Action Item 4B: Fiscal Year 2021 – 2030 Capital Improvement Program which includes the Proposed Revised FY 2021 CIP budget of \$471.3 million, Ten-Year Disbursement Plan of \$5.43 billion and Lifetime Budget of \$12.13 billion
- Action Item 4C: Fiscal Year 2021 – 2030 Financial Plan
- Action Item 4D: Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing

**Follow-up Items**

- Provide the letter submitted to the District requesting funding from the COVID Relief Plan provided by the current administration (**Mr. Giancola**)

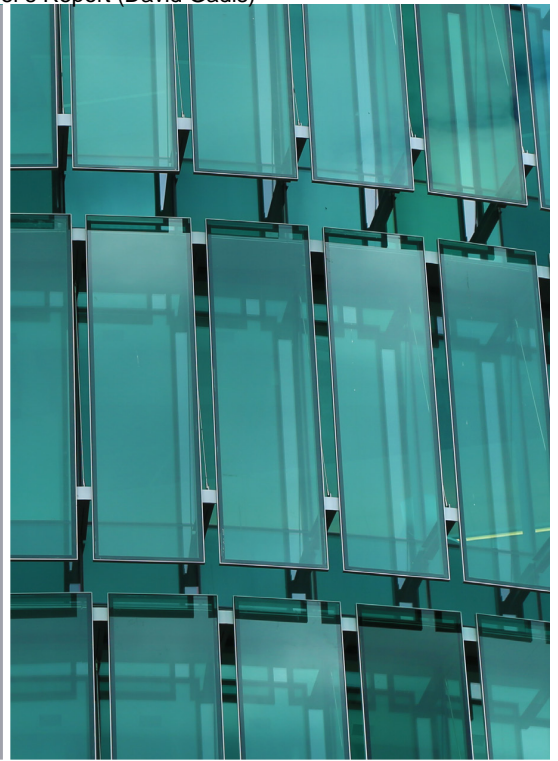
**Adjournment**

Hearing no further business, Chairperson Anthony Giancola adjourned the meeting at 10:24 a.m.



# CEO's Report

APRIL  
2021



**ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING**

## Inside

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# dc April Highlights

Chairman Wells and members of the Board, there is a lot to update you on as March was an extremely busy and fruitful month for DC Water. The Senior Executive Team and I participated in several high profile events that generated significant interest locally, nationally and internationally. I summarize those activities below, along with the monthly reports from our Finance and Procurement; Administration; Customer Experience; and Operations and Engineering clusters. In addition, this month's report includes a quarterly update on the progress of our strategic programs.



## High Performing Team

### FY 2020 Enterprise Performance Accountability Report

The FY 2020 Enterprise Performance Accountability Report (ePAR) was prepared and presented to the Board of Directors last month. Subsequently, the ePAR was submitted in preparation for my Performance Oversight Hearing with the DC Council's Transportation and the Environment Committee.

The ePAR is the representation to the public of some of the great enterprise-level work DC Water completed in FY 2020. This work is demonstrated through no less than 17 cross functional programs with notable accomplishments and direct benefits to our ratepayers. Additionally, the ePAR highlights key performance indicators and measures tied directly to the FY 2020 Enterprise Performance Plan initiatives, aligned with **The Blueprint**. With the guidance of our program-level leaders, the initiatives and measures included in the ePAR were distilled from the data collected during FY 2020.

The preparation of the ePAR is a critical milestone of the strategic management function demonstrating that strategy is being implemented, aligned and measured. It also leverages the organization's values of Teamwork, Accountability, Customer Focus, Trust, Safety and Well-Being.

This has been a difficult year. We have all faced performance challenges, constraints and limitations. The ePAR points to the dedication and commitment of Team Blue to advance the strategic management function leading to this critical milestone for DC Water. I am proud of our team's resilience in staying the course toward world class performance.

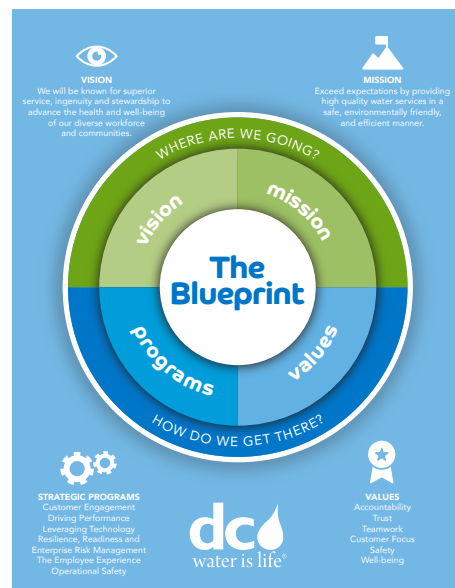
### Operations Organizational Assessment and Redesign

As a follow-up to the update provided in early December 2020, we are happy to report that the Arcadis team was selected to review and assess our alignment across the Administration, Customer Experience and Operations and Engineering clusters. This assessment is designed to focus on the Director-level and above (non-Union) staff. An interactive kick-off meeting was held in March with EVPs, Senior VPs, and VPs to ensure inclusion as we confirmed the goals, objectives, and outcomes of this engagement.

### KPMG Issues Clean Audit Report on FEMA Grants

This year KPMG conducted an audit of our FEMA grants. Each year, under the OMB Uniform Guidance, a portion of DC Water's federal grants are included in an audit. DC Water receives federal grants from Environmental Protection Agency (EPA), Federal Emergency Management Agency (FEMA), and direct Congressional appropriation to support some capital projects. In FY2020, DC Water spent more than \$20 million of grant money. FEMA grant money was spent on projects that include pump station hardening, federal (EPA) awards were used on water infrastructure, and Congressional appropriations were used for the Clean Rivers Program.

KPMG issued an unmodified report without questioned costs, significant deficiencies, or material weaknesses in internal controls and compliance for major programs. Congratulations to **Genes Malasy** (Controller / Finance and Procurement) and his team for a successful audit.



# dc April Highlights

## → Resilience and Readiness



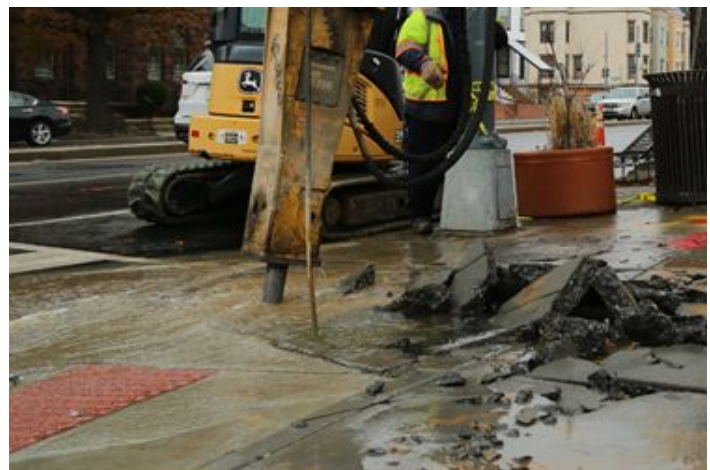
### World Water Day Forum on the COVID Challenges for Water Services

DC Water is a member of an international organization called the Club for the World's Premier Water Services, which hosted a special roundtable on World Water Day (March 22) to discuss the challenges utilities across the globe are facing due to the coronavirus pandemic. It was my pleasure to participate virtually in the multicultural event and to share how DC Water has maintained essential services, taken care of our employees and kept the Authority on solid financial ground over the past year. The discussion also gave myself and the other water service leaders an opportunity to talk about the lessons learned during the pandemic and the implications as we move forward.

### DC Water Closes on \$156 Million WIFIA

DC Water closed on the \$156 million Water Infrastructure Finance and Innovation Act (WIFIA) Loan in mid-March. The Comprehensive Infrastructure Repair, Rehabilitation and Replacement Program includes 20 drinking water, stormwater and wastewater projects to rehabilitate, upgrade, and/or replace aging infrastructure throughout the system. Funds will be drawn down through FY2027 as projects – including small diameter water replacements, upgrades at Blue Plains, and sewer rehabilitation – are implemented.

The loan was rated AAA by Standard & Poor's. Benefits of the WIFIA program include favorable interest rates, long repayment periods, and staggered draws. This has been a collaborative effort between the Office of the Chief Financial Officer and Engineering. Special thanks to Finance Director **Ivan Boykin**, CIP Infrastructure Management Director **Paul Guttridge**, Senior Manager CIP Risk and Change Management **Kathleen Kharkar**, and Grants Management Specialist **Rhonda Green** for all of their work in this transaction.







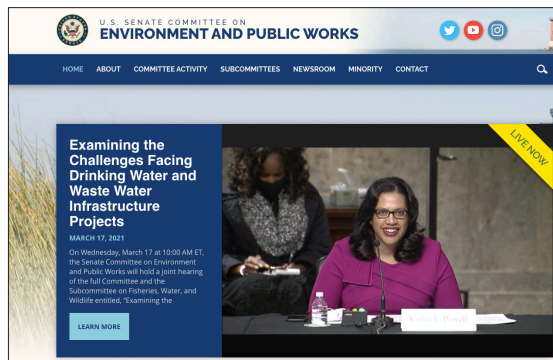
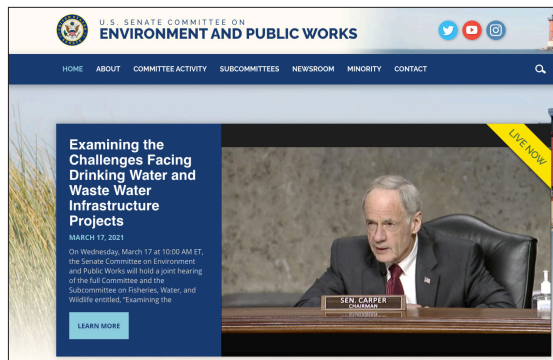
**Stakeholder Engagement**

**Performance Oversight Hearing**

On Monday, March 15, alongside members of the Senior Executive Team, I testified at the Authority's annual performance oversight hearing before the DC Council's Committee on Transportation and the Environment. The hearing afforded us an opportunity to highlight how DC Water has met the challenges presented by the pandemic, while simultaneously supporting our customers and employees. I also announced our new water equity initiative, led by Ms. Powell, that will fundamentally improve the way the Authority delivers services in the community.

Committee Chairwoman Mary Cheh and At-Large Councilmember Christina Henderson asked good questions on a number of topics including the Lead Free DC program, the September 10th flooding, our customer assistance programs, CRIAC fees and the hiring of District employees. The Committee has also sent a set of follow-up questions and we are compiling detailed responses now.

A host of community activists and stakeholders also offered testimony relating to water services, most of whom were very complimentary of DC Water programs and recent initiatives. I was pleased with the tenor of the hearing and want to extend my appreciation to **Marc Battle** (Chief Legal Officer and Executive Vice President / Government and Legal Affairs) and his team for their outstanding contributions to our testimony and presentation.



**COO Powell Testifies at Senate Environment and Public Works Hearing**

COO **Kishia Powell** was on Capitol Hill on March 17 to provide testimony before the U.S. Senate Committee on Environment and Public Works' Subcommittee on Fisheries, Water, and Wildlife on the growing need for increased investment in water and sewer infrastructure. Ms. Powell was the first speaker called during the hearing, entitled "Examining the Challenges Facing Drinking Water and Wastewater Infrastructure Projects." As many of you know, Ms. Powell is the Vice President of the National Association of Clean Water Agencies (NACWA) and testified on behalf of the over 330 public clean water and wastewater utilities represented by the Association.

In her remarks she made the case that there is a great need for federal investment in critical infrastructure projects and that "the COVID-19 pandemic has exacerbated the financial strain for many clean water utilities as arrearages have grown to an estimated \$8.7 billion in revenue losses."



# dc April Highlights



## Stakeholder Engagement

### 2021 Cool Arts and Cleaner Rivers Contest

The Authority has launched the 2021 [Cool Arts and Cleaner Rivers Contest](#). First offered in 2019, the contest provides a vehicle for engaging local artists and the broader community to creatively spur thinking and action in support of a healthy environment and cleaner waterways.

Four District artists, aged 15 or older, will get to paint their murals on a DC Water storm drain and receive a \$600 prize. **Franchesca Thompson** (Marketing and Digital Communications Manager / Marketing and Communications), who created the contest, is leading the event once again this year. I look forward to sharing the winning designs with the Board.

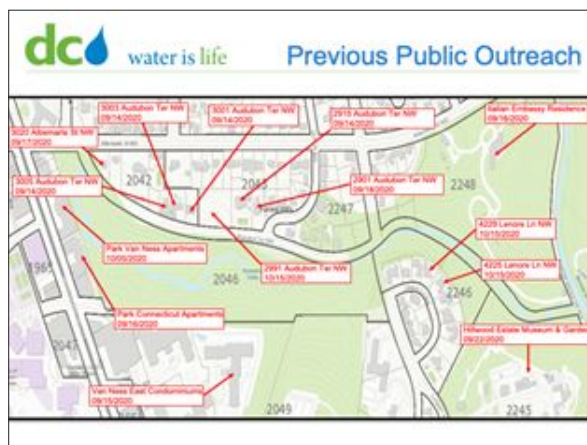
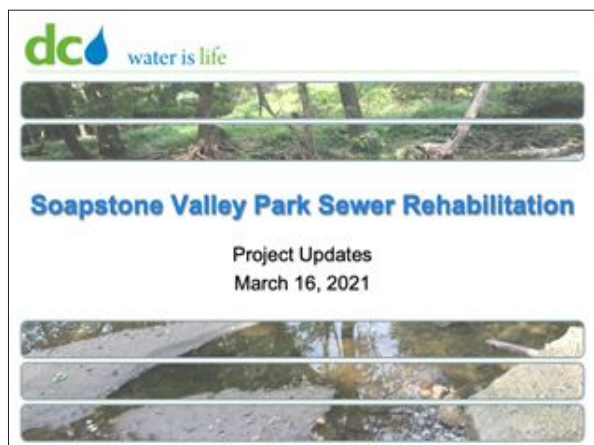


### Soapstone Presentation at ANC 3F Virtual Monthly Meeting

A large contingent of staff, representing several clusters of the Authority, delivered a virtual presentation March 16 to ANC 3F Commissioners on several projects, including the Soapstone Valley sewer rehabilitation project.

The presentation was tailored to address community concerns and was very well received. Commissioners requested a newsletter for the project to offer ongoing communication on progress and timelines moving forward, and the Authority has committed to sharing both the final design documents and the slides from our presentation.

I would like to highlight the efforts of **William Elledge** (Senior Manager, Design / Engineering and Technical Services), **Burak Kaynak** (Engineer III, Civil Design / Engineering and Technical Services) and **Emanuel Briggs** (Manager, Outreach / Marketing and Communications) in delivering a very effective briefing and demonstrating the Authority's commitment to transparency.





# The Blueprint Quarterly Update

**Driving Performance**

**Objective:** To operate a high-performing utility that delivers exceptional service to our customers.

 **Initiative 1:** Create and implement an enterprise-level performance program geared towards execution of the strategic plan and improving line of sight for our employees.

a. The DC Water FY 2020 Enterprise Performance Accountability Report (ePAR) is complete. The report was transmitted to the Board of Directors in March 2021 and subsequently transmitted as requested for the purposes of preparing for the FY 2020 Performance Oversight Hearing with the Department of Transportation and Environment.

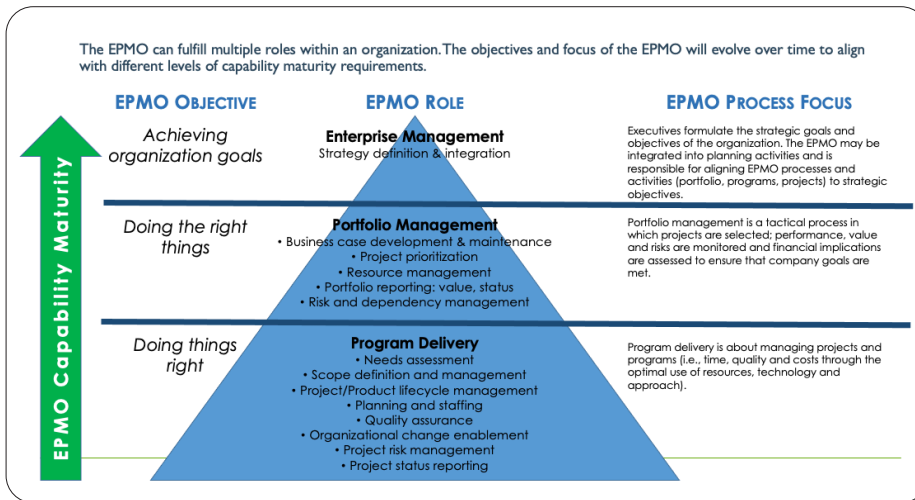
The completion of the DC Water FY 2021 Enterprise Performance Plan has been further delayed due to resource constraints and the development of The Blueprint 2.0. The FY 2021 plan will be presented to the Board of Directors in April 2021.

b. The Enterprise Program Management Office (EPMO) has advanced several key initiatives.

- The EPMO continues to provide program management guidance and oversight to DC Waters' Project Zeus (Oracle ERP Implementation Project). More recently, Phase III and IV Discovery sessions and the Sprint I process design phase to review future state design flows were completed on 02/25. We anticipate Phase IV Budgeting to "go live" in June 2021 and Phase V Advancing HR to "go live" in October 2021. The EPMO has accelerated the deployment of Project Zeus through the use of best practices and lessons learned, consistent and regular engagement with stakeholders, and optimized collaboration amongst the functional business teams.

- The EPMO is currently leading efforts to remediate the Authority's DCRA Professional Engineer Representation statutory requirements. Advancing a compliance tracker mechanism to manage the status of the impacted employees, aligning job descriptions with employee credentials, and engaging in impacts and effects discussions with the Union leadership. The EPMO continues to strategize with stakeholders to remedy this compliance matter cohesively and effectively.

**EPMO Role and Objectives**




 **Initiative 2:** Develop optimized model for repeated business processes improvement and socialize it throughout the enterprise.

a. We continue efforts to establish standardized program management and change management practices through the Enterprise Program Management Office. The EPMO is bringing a rigorous program/project management approach to enterprise-wide initiatives. Particularly, this office is developing standard library of forms, templates, and status reports in line with leading practices. While this initiative is behind due to resource constraints, progress continues to be made.

**Employee Experience**

**Objective:** To support and engage a workforce that is aligned with our vision to provide superior service to our customers.

 **Initiative 1:** Create training profiles for all job categories (326) and establish a schedule for renewal.

**a.** Completed a comprehensive review and evaluation of all Authority positions. Developed training profiles for job categories to deliver specific trainings that meet the needs of each job group and established a schedule for refresher training.

**b.** We remain committed to advancing a learning organization through initiatives focused on building the core capabilities of our workforce.

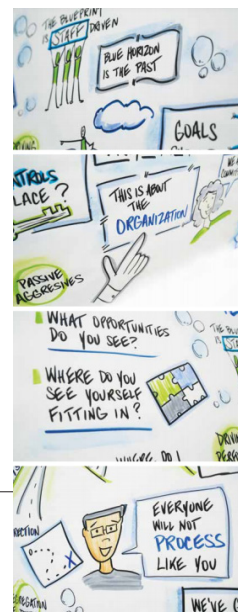
- Leading Blue Cohort 4 presented capstone projects to the Senior Executive Team on March 8th. The presentations encompassed varying themes (Leveraging Technology, Working Parent Business Resource Groups (BGR), & Navigating Change). The concepts articulated were representative of our current environment and the impact to our staff. Efforts are underway to leverage the ideas presented to improve the overall employee experience during these unusual times.
- Leading Blue Cohort 5 embarked on their leadership journey on March 25th. 15 participants were selected by their respective managers/supervisors and VPs based on their established track record of performance, willingness to partner on challenging tasks on behalf of the Authority, and most importantly their unwavering dedication.


**c.** Engaged staff through Lead and Learn sessions. We hosted the following Lead and Learn sessions during the second quarter of FY2021. On average, we have 45 participants attend each session.

- BLAST (Building Leaders and skills for Tomorrow) Mentoring Circles Program Information Session
- The Blueprint 2.0 is Coming: A Look into Our Current Strategic Planning Process
- Using Technology to drive Teamwork

**d.** In January, we launched the BLAST Mentoring Program. This program is designed to broach important topics in a group setting with carefully chosen mentors facilitating discussions. The goal is to extend the mentoring experience to more employee to give opportunity to connect with seasoned staff members who can offer insight, advice, and support to help navigate DC Water and become more effective. Collectively, we led 10 mentoring circles covering the themes below

- Leading from the Middle
- Rising Leaders
- Women of Water
- Community Engagement
- Inclusive Employee Engagement



 **Initiative 2:** Utilize [The Blueprint](#) to create individual performance goals anchored to strategic planning and operational priorities.

**a.** Continue to provide on-going support to all Clusters in the goal-setting process through regular communications and training.

 **Initiative 3:** Identify critical leadership and operational positions, then develop a comprehensive succession plan.

**a.** Refreshing the Succession Planning Program.

- Performing an assessment of all the components of the pilot program. The aim is to begin discussions and reach agreement on what positions are critical to the Enterprise, review the potential successors against the needs of the organization, and to examine the comprehensive development plans to ensure alignment with required skills. This review will inform building and executing the Succession Plan function.

**Leveraging Technology**

**Objective:** To develop an integrated set of solutions that leverages people, process and technology to improve reliability, increase efficiency, reduce cost, drive innovation and improve the customer experience.

● **Initiative 1:** Create the Digital Utility Platform that will transform data into information and knowledge.

- a. Continue to leverage new and existing technology to enhance our capabilities, improve our analytical insights and create value for our customers.
  - Implemented a new consecutive use alert for HUNA (high water usage notification alerts) program to identify when water is running constantly. The HUNA enhancement monitors usage on a specific account over a specified number of hours (6, 12, or 24) the app can pick up small amounts of continuous consumption on the account indicating the possibility of a leak or broken fixture. These small amounts of continuous usage are not typically detected by the high usage alert, so it adds an additional feature to help reduce customer bills from water loss.



- Launched same day water balancing Power BI dashboard. The water balance dashboard allows the user to balance the distribution system using billed and/or metered usage on a monthly and/or daily basis. The app helps identify potential non-revenue water locations more precisely and focuses efforts to reduce lost and unaccounted water, while helping Pumping Operations to better optimize the distribution system.
- Released a mobile app for Pump station inspections. The Department of Pumping and Sewer Operations requested mobile capability to streamline Work orders for the crews. This new app integrates with Maximo allowing managers to access WOs on phones improving the collective work order process.

● **Initiative 2:** Build analytics and model capabilities across the Authority.

- a. Empowering staff to embrace a data culture. Power BI is fully deployed and employees continue to leverage training opportunities and engage in regular lunch and learn sessions. Staff is embracing the powerful tools offered and increasing capabilities to manipulate, learn from and act on data.

● **Initiative 3:** Build a comprehensive energy portfolio management capability.


- a. Blue Plains Energy audit will evaluate each unit process for energy efficiency and identify opportunities for improvement. The second component of this effort is building out an energy management portfolio dashboard. This initiative is progressing, energy data for all facilities is currently being gathered, reviewed and organized for the dashboard.

**Operational Safety**

**Objective:** To ensure a safe workplace that supports the continuity of operations and services to our customers.

 **Initiative 1:** Review and update all safety policies on a regular basis to ensure consistent safety practices across DC Water.

- a. Department of Safety & Health (DOSH) in partnership with Labor Relations continues to engage the Union Leadership to update the safety policies. This effort is prevailing in a deliberate, phased and collaborative approach. The intent is to not only ensure consensus with the Union and the respective departments, but to also validate that our safety policies are current and align with industry best practices.

 **Initiative 2:** Develop an environmental health and hygiene program for DC Water facilities and operations.

- a. DOSH is engaged in the following initiatives in an effort to improve our overall safety, health & environmental performance.
  - Partnering with departments across the Authority to monitor leading indicators in an effort to reduce accident & incident trends. The data will aid in identifying what areas are in need of focus & attention.
  - In collaboration with People & Talent launched staff-wide mandatory safety training in March. The Safety department identified three (3) trainings geared to promote a healthy and safe work environment. Employee participation is being monitored.
  - Engaging with operating departments on reviewing SOPs & utilizing Risk Assessments to more clearly identify hazards / controls in the documented processes and aligning procedures with best practices.




## Resilience, Readiness & Enterprise Risk Management

**Objective:** To protect and maintain the resources, systems and operations necessary to deliver safe and reliable services to our customers.


 **Initiative 1:** Establish an early warning notification system of contamination threat to drinking water.

- a. We continue engagement with the Metropolitan Washington Council of Governments (MWWCOG) to establish source water monitoring for early warning contaminant detection of the Potomac.



 **Initiative 2:** Identify secondary source water.

- a. As part of our resilience and readiness efforts, we engaged in regional initiatives through the Metropolitan Washington Council of Governments (MWWCOG) and Army Corp of Engineers to identify options for secondary source water for use during emergencies. MWWCOG provided a comprehensive report of the results. Subsequently, DC Water compiled a cumulative report of the complete findings.

 **Initiative 3:** Harden DC Water facilities against climate change impacts.

- a. Implemented solutions to risks and vulnerabilities identified in the Blue Plains Flood Risk Assessment.
- Blue Plains Floodwall project is underway to harden DC Water against climate change impacts. Design is complete, and construction started January 2021. Schedule completion is Aug 2021.

 **Initiative 4:** Asset management for linear and vertical assets.

- a. Standardized asset management for linear and vertical assets through enhancements made to the asset classification table. We mapped the asset classification table with our work management system. This change effort is complete and has transformed into a routine maintenance mode.



**Customer Engagement**

**Objective:** To deliver an exceptional customer experience and communication plan that enhances the values of our services by listening to and engaging with our customers.

**Initiative 1:** Design and execute a customer communication plan.

- a. We updated our Customer Communications Plan for 2021 and begun executing the internal and external strategies included in it. This public health crisis greatly influences the Authority's immediate communications objectives and requires some creative retooling to ensure we are still able to effectively engage internally and externally. More specifically, we are working to ensure information about COVID is accessible to staff, identifying creative ways to engage with customers and other stakeholders and ensuring all customers have access to assistance programs.
- b. Developed a Communications Plan to promote the new DC Water Cares Multifamily Assistance Program (MAP). DC Water has long recognized the need to provide water bill assistance to families with fixed and limited incomes. Under this program DC Water has set aside funds to assist customers residing in eligible multifamily dwellings.
- c. Continue to promote the customer assistance and emergency relief programs available to help residents, particularly those impacted financially by the COVID-19 pandemic.
- d. The Voice of the Customer (VOC) program represents an important step forward for the Customer Experience cluster and the Authority, in that it will generate the type of customer insights that will drive organizational improvements and also demonstrate that DC Water cares about our customers and the quality of service we provide for them. The Voice of the Customer Survey went live on Wednesday 24th February. Within the first week, over 1.9K responses were received. Development on the Touchpoint surveys is underway.



**Initiative 2:** Leverage strategic partnerships to voice DC Water priorities and messages.

- a. We continue to cultivate and draw on our relationship with the Stakeholder Alliance.
  - The Stakeholder Alliance supported our "Voice of the Customer" VOC program by sharing information with the community thru their respective constituencies.
  - The Alliance also socialized an updated summary of the Customer Assistance Programs available to ratepayers in need of assistance with their bills.
  - Representatives of the Stakeholder Alliance provided testimony on the Lead Free DC program at the Performance Oversight Hearing on March 15, 2021.

**b. Lead Free DC program**



- The Authority amended the District law to expand customer eligibility for free private-side lead replacements (amendment effective as of 3/16).
- Provided a status report of the Lead Free DC Program which includes DC Water's approach to executing future lead replacement projects based on health equity and water quality data to D.C. Council staff and lead advocates (NRDC, DC Environmental Network, Earthjustice).

**c. Education Outreach**

- Launched two (2) readings of the Authority's first ever children's book, 'Wendy, Where Does Our Wastewater Go?' Initiated creative process for book #2, slated to release late 2021.
- Established a World Water Day partnership with WEF communications team. Completed filming of a promotional video featuring our two mascots scheduled to air on Monday, March 22.





## Clusters

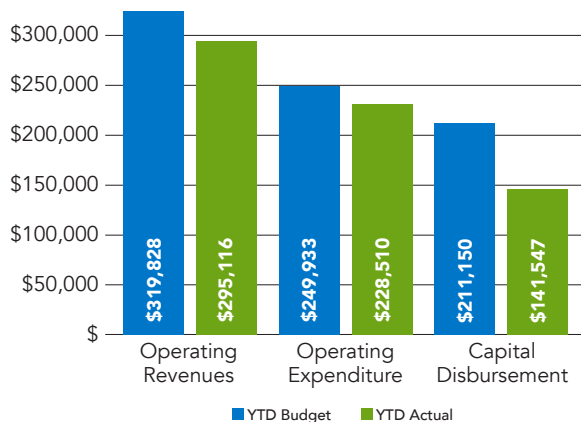
New to the CEO report are the addition of service level based key performance indicators for our operations clusters. These are indicators for which the teams have established or confirmed response and resolution times in which to perform the related work. This is assisting us in identifying productivity impacts related to COVID-19 and resource needs as well as benchmarking ourselves against other utilities. It is important to note that where teams may not meet the Service Level Targets set for a specific metric, it does not mean the work is not getting accomplished. The teams are doing a tremendous job despite the pandemic and continue to strive to meet a high bar of performance.

**Finance Highlights**

**FY 2021 Financial Performance YTD**

As of the end of February 2021, with 42 percent of the fiscal year completed, both revenues and expenditures are below budget. Revenues are below budget by \$24.7 million mainly for the Residential, Commercial and Multi-Family categories as compared to the year-to-date (YTD) budget. DC Water is working to align expenditures with revenues, and as a result operation and maintenance expenditures are below the YTD budget by \$21.4 million.

**FY 2021 Year to Date Performance Budget vs. Actuals (\$000's)**



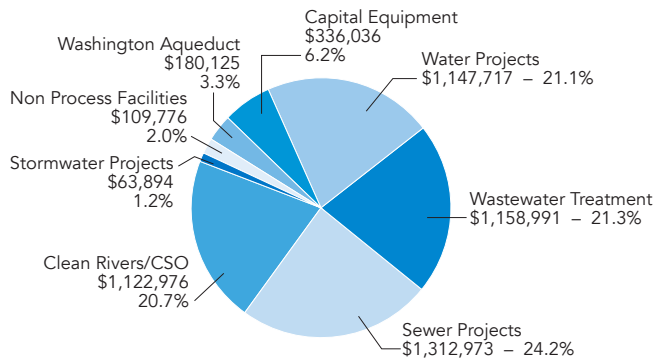
**FY 2022 Proposed Budget**

DC Water embarked on the formulation of its annual operating and 10-year capital improvement program (CIP) budgets in July 2020. The Budget Office worked with the operational and engineering departments and the Executive Team to review and prioritize various business initiatives and capital projects, including new programs and balance the budget within the previously Board-approved FY 2022 rates. This year's budget proposal includes the FY 2022 Operating budget of \$658.4 million, the 10-year Capital Improvement Program (Disbursements of \$5.4 billion and Lifetime Project of \$12.13 billion) and FY 2022 Operating Revenues of \$756.4 million.

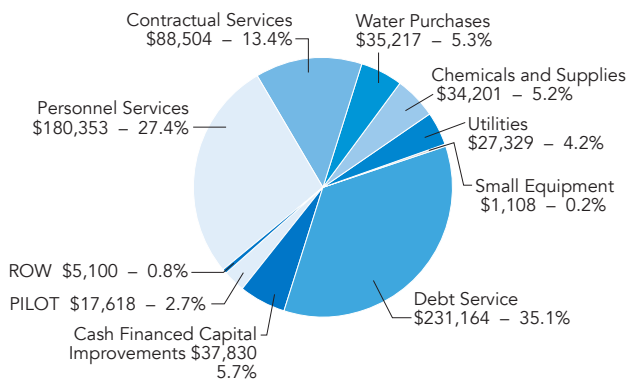
Management would like to appreciate the collaborative efforts between all departments, the Budget Office, Revenues and Financial Planning Office and the Finance Office in delivering this budget remotely and during the implementation of the Enterprise Resource Planning (ERP) Project. Their dedication and continued focus on the impact on our ratepayers were evident throughout the process and culminated in the seamless review, prioritization and decision-making process by the Executive Team

and the Board members anticipated on April 1, 2021. Detailed information about the budget proposals can be found at [dcwater.com/ratemaking-process](http://dcwater.com/ratemaking-process).

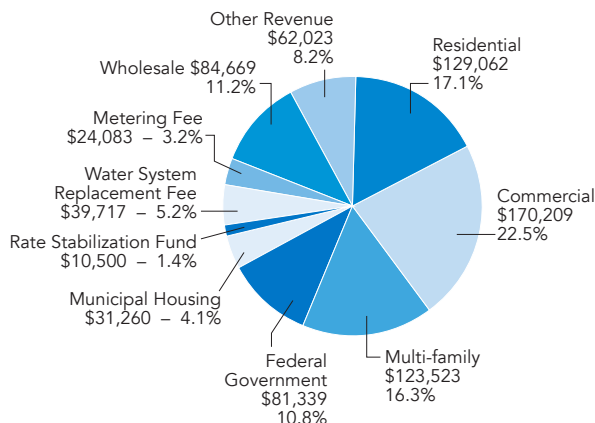
**FY 2021 - FY 2030 Capital Improvement Program Disbursements of \$5.4 billion**



**FY 2022 Operating Budget of \$658.4 million**



**FY 2022 Operating Revenues of \$756.4 million**



**Finance Highlights - continued**

**Water Infrastructure Finance and Innovation Act (WIFIA) Loan for \$156 Million**

On March 12, DC Water closed on the \$156 million WIFIA Loan at a rate of 2.33 percent. The Comprehensive Infrastructure Repair, Rehabilitation and Replacement Program includes 20 drinking water, stormwater and wastewater projects to rehabilitate, upgrade, and/or replace aging infrastructure throughout the system. Funds will be drawn down through FY 2027 as projects – including small diameter water replacements, upgrades at Blue Plains, and sewer rehabilitation – are implemented.

The loan was rated AAA by Standard & Poor’s. Benefits of the WIFIA program include favorable interest rates, long repayment periods, and staggered draws. This has been a collaborative effort between the Office of the Chief Financial Officer and Engineering. Special thanks to Finance Director **Ivan Boykin**, CIP Infrastructure Management Director **Paul Guttridge**, Senior Manager CIP Risk and Change Management **Kathleen Kharkar**, and Grants Management Specialist **Rhonda Green** for all of their work in this transaction.

**Procurement and Compliance**

**Procurement Highlights:**

Procurement held two (2) industry outreach events with the Maryland Transportation Builders & Materials Association (MTBMA) to discuss contracting opportunities at DC Water, and specifically discussed DC Water’s Strategic Sourcing initiative for the Public Space Restoration contract. Over 35 materials supplier and contractors participated in the discussions to identify opportunities to increase participations and to improve doing business with DC Water.

**Business Diversity and Inclusion Highlights:**

**DC Sustainability Energy Utility (DCSEU)**

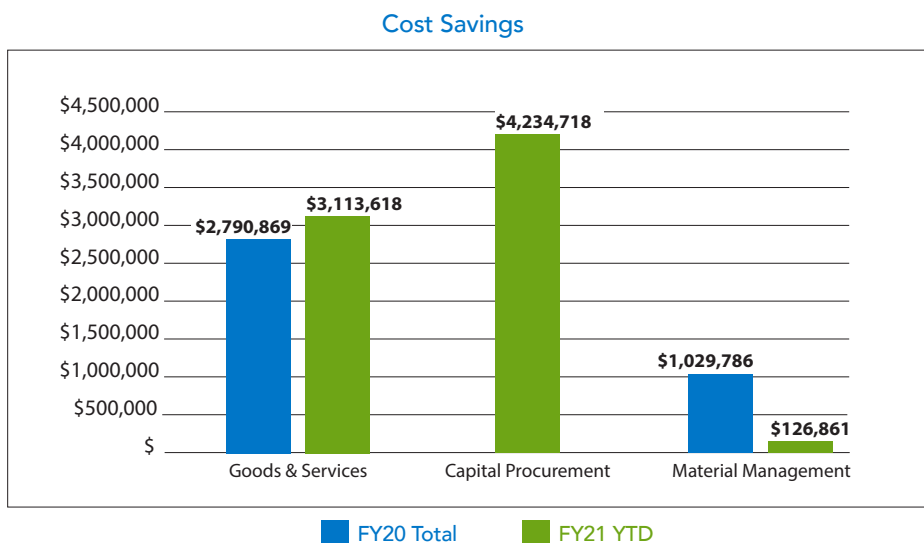
The three (3) externs who have been assigned to the Procurement and Compliance Department are gaining hands-on business experiences in DC Water Works, Business Development Programs, and Oracle Procurement System.

**DC Water Work**

Discussing potential partnership with the University of the District of Columbia to pursue EPA Grant funding for the University’s Developing America’s Workforce Nucleus (DAWN) Initiative. UDC would like to prepare young adults (high school and college students) for careers broadly in the waste-water sector.

**Cost Savings (negotiated savings and cost avoidance):**

The chart shows the FY20 total cost savings and FY21 year-to-date cost savings achieved by Procurement through the competitive solicitation process in the Capital Project and Goods/Service solicitations and the cost avoidance achieved in Materials Management through inventory optimization. The cost savings for Capital Procurement was not tracked in FY20.



### Procurement and Compliance – continued

#### Upcoming Business Opportunities:

All current and planned solicitations are available at [dcwater.com/procurement](http://dcwater.com/procurement).

Those upcoming in the next two months are shown below:

#### Capital Procurement:

Planned Solicitation	Project Title	Delivery Type	Estimated Total Contract Value	Eligible Inclusion Program
Mar 2021	Filter Underdrain and Backwash System	Design	\$3M	DBE/WBE or MBE/WBE
Mar 2021	Process Facility Engineering contract	Design	\$4M	DBE/WBE or MBE/WBE
Apr 2021	PI Cabin John Culvert Headwall & Embankment Repair	Bid Build	\$5M	DBE/WBE or MBE/WBE
May 2021	Public Space Restoration Contract for FY 21 - FY 24	Bid Build	\$10M	DBE/WBE or MBE/WBE

#### Goods and Services Procurement:

Planned Solicitation	Project Title	Estimated Total Contract Value	Eligible Inclusion Program
Apr 2021	Group Life and Disability Insurance*	< \$1M	LSBE
Apr 2021	Dental Medical Benefit for Employees*	\$1-\$5M	DBE/WBE
Apr 2021	Crane Hoist Repair & Maintenance*	\$1-\$5M	DBE/WBE
Apr 2021	Cisco Smartnet Renewal*	< \$1M	LSBE
Apr 2021	Chemical Root Control of Sanitary Sewers	< \$1M	LSBE
Apr 2021	Solids Screening facility Hauling - Roll Off Containers	< \$1M	LSBE
Apr 2021	Liquid Sodium Hypochlorite	\$5-\$10M	DBE/WBE
Apr 2021	Document Management Services	\$1-\$5M	DBE/WBE
Apr 2021	401 & 457 Retirement	<\$1M	LSBE
Apr 2021	Prescription Safety Eyewear	< \$1M	LSBE
Apr 2021	Financial Consultant Services	< \$1M	LSBE
Apr 2021	Residuals Hauling	\$1-\$5M	DBE/WBE
Apr 2021	Fire Protection Systems	\$1-\$5M	DBE/WBE

\* Rescheduled from March

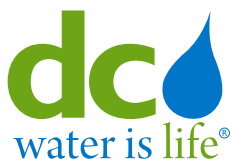
**COVID-19 Recovery**

After one year of activation, the Office of Emergency Management has deactivated DC Water's COVID-19 Incident Management Team (IMT) by developing a demobilization plan, and planning for after action review. The 40th and final COVID-19 IMT operational period ended on March 10th. OEM continues to coordinate with public health officials from DC Department of Health and FEMA National Business Emergency Operations Center to discuss COVID-19 vaccine distribution efforts. DC Water staff are essential workers who are expected to access vaccines in Phase 1c, though the exact timeline and logistics within the District are still being developed by the Mayor's Office.



**Accomplishments**

The Office of Emergency Management formally distributed the updated and revised versions of the 2020 emergency management and response plans to senior staff and department heads. OEM also met with Duke Energy to discuss benchmarking emergency management programs, Emergency Management Accreditation Program standards, and best practices.



**Safety Training Updates**

The Department of Occupational Safety and Health (DOSH) launched the DC Water Mandatory Safety Training Curriculum in March. After a thorough analysis, DOSH deemed necessary a series of classes geared to promote a healthy and safe work environment. The courses assigned are intended to provide basic information and test employee understanding regarding PPE, Incident Reporting and Hazard Communication, and DOSH will be tracking compliance with the requirements in partnership with People & Talent.

Last month DOSH provided employee safety hazard awareness level training to 82 employees and field service user level safety training to 24 employees. DOSH also provided Winter Weather Planning and Response Hazard Prevention information to employees and contractors.



**Upcoming Priorities**

Fleet Management maintained 83% availability of Priority #1 units during February 2021 despite the many challenges of COVID-19, and has shown small improvement to the Preventative Maintenance metrics. Availability lower than anticipated due to COVID cases (onsite technicians and outside vendors), limited resources/services due to close contacts, and fleet building being closed or delay in service due to gas leak detection and inclement weather.



### Administration Metrics

Metric	Target	Nov-20	Dec-20	Jan-21	Feb-21
Security: Camera operational uptime	90%	96%	96%	95%	94%
Security: Smart card readers operational uptime	90%	99%	99%	99%	99%
Security: Percent of security investigations completed within 21 days	95%	80%	80%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	21%	48%	40%	46%
Facilities: Service Request Completion Rate	90%	30%	38%	22%	27%
Fleet: Preventive Maintenance (PM) on Schedule	96%	22%	17%	19%	27%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	89%	82%	83%	83%
Safety: DC Water Employee Recordable Incident Rate (RIR) (CY)*	< 5.3	3.5	3.7	3.6	4.2
Safety: DC Water Employee Lost Time Incident (LTI) (CY)	< 2.1	1.2	1.8	2.3	1.4
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (CY)	< 2.8	0	1.4	1.4	1.9
Safety: Contractor/ROCIP Lost Time Incident (LTI) (CY)	< 1.1	0	0	0	0

\* Employee and Contractor RIR and LTI benchmarks provided by the Bureau of Labor Statistics (BLS), updated Nov, 2020 based on the 2019 Survey of Occupational Injuries and Illnesses. The prior benchmarks are listed for reference, showing industry trends continue to improve.

Facilities and Fleet continue to struggle to meet preventative maintenance (PM) and service request benchmarks due to the reductions in services and activities related to COVID-19.



# dc Customer Experience Cluster

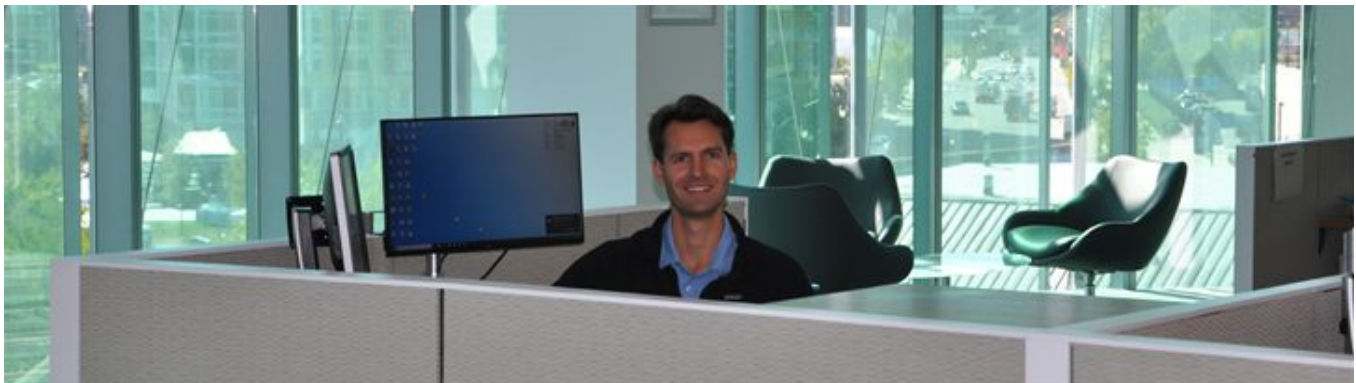
## Customer Care and Information Technology

Customer Experience's answer rate is improving and should continue in that direction over the next few months. Our new hires are adjusting well and answering calls with very little assistance. We will continue to work on their handle time to increase our overall answer rate. We will continue focusing on guiding our customers to assistance programs as they contact us in the call center as well as offering flexible payment arrangements.

### Customer Assistance Programs (CAP)

Program	FY2020 Enrolled	FY2020 Dollars	Feb. # Enrolled	Feb. Dollars	# FY21 Enrolled	FY2021 Dollars	FY2021 Budget
CAP I	3,818	\$1,584,808	374	\$163,721	2,853	\$669,141	\$2,200,000
CAP II	624	\$173,837	21	\$17,986	384	\$85,800	\$200,000
CAP III	133	\$25,863	4	\$2,467	129	\$12,430	\$200,000
Non Residential CRIAC Relief	171	\$1,028,753	7	\$83,474	95	\$344,560	\$2,747,591
Emergency Relief Program	2,098	\$884,388	221	\$146,856	1,385	\$711,248	\$1,073,979
DC Water Cares Residential*	N/A	N/A	733	\$324,611	733	\$324,611	\$3,000,000
DC Water Cares Multifamily (number of units)	N/A	N/A	122	\$14,311	122	\$14,311	\$7,000,000

\* For DC Water Cares Enrollment, assistance to same account over multiple months will be counted in each month of occurrence



### IT Monthly Report

SR/WO Type	SL Target/SLA	May 2020	Jun 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Jan 2021
Number of tickets submitted	Trend only	1,802	1,731	1,606	1,026	1,028	937	825	930	836	880
Number of open tickets	Trend only	25	56	57	24	99	31	7	108	33	72
Helpdesk SLA	96%	100%	98%	98%	96%	97%	95%	96%	100%	98%	99%
Number of active projects	Trend only	12	11	9	9	11	18	20	21	20	20
Number of completed projects	Trend only	15	17	19	22	23	0	0	3	4	3
On schedule performance	90%	74%	74%	74%	75%	94%	94%	91%	95%	87%	83%
On budget performance	90%	97%	100%	100%	96%	100%	100%	100%	91%	96%	90%



# dc Customer Experience Cluster

## Customer Care and Information Technology

### Key Performance Indicators

Metric	Target/ Service Level	Nov-20	Dec-20	Jan-21	Feb-21
% of Bills issued on time (w/in 5 days)	95%	98%	97%	97%	96%
Estimated bills as a percent of meters read	3%	6%	5%	5%	5%
Number of High Bill Complaints	trend only	276	362	239	253
% of OPC inquiries resolved within 14 days	90%	100%	100%	100%	100%
% of calls answered in 40 seconds (call center)	85%	81%	71%	83%	97%
Monthly Call Volume Served (Call Center)	trend only	6,042	6,391	5,799	5,769
Average Talk Time (minutes)	3:30	5:25	5:38	5:54	5:53
Average Wait Time (minutes)	1:30	1:10	1:58	4:11	0:11
Abandoned Calls (%)	6%	3%	4%	3%	1%



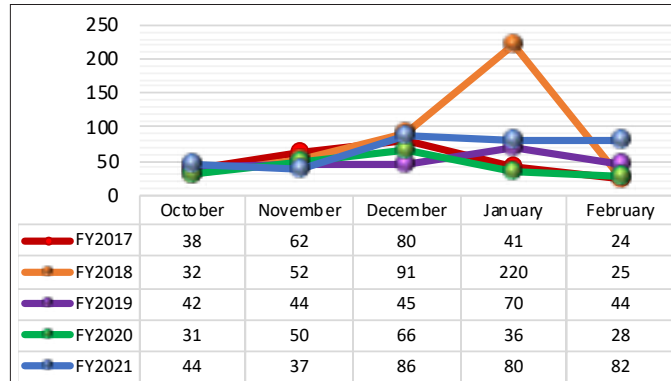
# dc operations and Engineering Cluster

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

## Featured Department of the Month – Water Operations

### Key Priorities

- Meet all required drinking water monitoring and water quality standards.
- Continue to maintain vigilance around COVID-19 posture for essential activities, staff, and community.
- Maintain winter preparedness activities including evaluating staff tour realignment for improved response to potential water distribution system issues.
- Finalize and socialize operational workplan



Aging infrastructure continues to be a challenge that the water distribution system expresses via increasing main break activities every winter season. While this year's activities are among the highest in the last few years, our work to respond and repair expeditiously has been impacted by the pandemic.

### Key Performance Indicators

Metric	Target/Service Level	Nov-20	Dec-20	Jan-21	Feb-21
<b>Wastewater Operations</b>					
NPDES Permit Compliance	100%	100%	100%	100%	100%
Air Permit Compliance	100%	100%	100%	100%	100%
Biosolids Class A	100%	100%	100%	100%	100%
Tunnel Dewatering	100%	100%	100%	100%	100%
Combined Heat and Power	>20%	22%	22%	23%	19%
Reactive Maintenance	<20%	26%	31%	35%	34%
Critical Asset Availability	>95%	98%	96%	97%	97%

<b>Sewer Operations</b>					
CSS Structures Inspection	100%	100%	100%	100%	100%
MS4 Area Catch basins Cleaning/Inspections	100%	86%	91%	9%	14%
CSS Area Catch basins to Anacostia – Cleaning/Inspections	100%	100%	100%	0%	13%
Non-Anacostia CSS Area Catch Basins – Cleaning/Inspections	85%	87%	100%	0%	0%
Sewer Cleaning and Inspection (Miles)	>12	2.4	3.1	4.6	16.5
Sewer Backup (Investigation to Resolution)	>95%	100%	100%	100%	100%
Sanitary Sewer Overflow	1.4 per 100 Miles	0.62	0.46	0.15	.23
Combined Sewer Overflow	0	1	0	0	0

# dc Operations and Engineering Cluster

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

## Key Performance Indicators continued

Metric	Target/Service Level	Nov-20	Dec-20	Jan-21	Feb-21
<b>Pumping Operations</b>					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	39%	36%	34%	42%
Critical Asset Availability	95%	97%	97%	97%	96%
<b>Water Operations</b>					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Replace Non-Standard Hydrants	>21/Month	5	4	2	8
Hydrant Flow Tests (Non-Winter Months)	>180	73	72	23	44
Fire Hydrants Operational	99%	99.6%	99.6%	99.5%	99.6%
Emergency Water Service Orders Completed	>90%	88%	75%	92%	73%
Water Quality Complaint Resolution (within 48 hours)	>90%	83%	45%	58%	67%
Water Main Breaks	<28/Month	37	86	80	82
Water Main Break Rate /100 Miles (National Average is 25)	25	36	49	54	58
% of Hydrant Leaks in inventory that are not leaking	>90%	99.2%	99.2%	99.2%	99%
<b>Permit Operations</b>					
Overall On-time completion of Permit Reviews	90%	86%	89%	87%	86%





## Operations and Engineering Cluster

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

### Explanation of Missed Targets

#### Wastewater Operations Reactive Maintenance ( <20%)

- DC Water has adopted industry best practice benchmark of less than 20% reactive maintenance hours as a percent of total maintenance hours. Based on experience from leading Industries, it will require 3-5 years to transform to a culture of proactive maintenance and effectively implement proven skills to eliminate or reduce failures that lead to reactive maintenance.

#### Combined Heat and Power ( >20%)

- During the month of February 2021, the Combined Heat and Power (CHP) Facility was shut down for three full days to allow Constellation - the contract operator - to replace digester gas and steam meters to improve accuracy and reliability. Approximately, 460 MWH of electrical energy, or two percent of electrical energy used at Blue Plains during the month was not generated because of these shutdowns. In addition, Constellation completed annual emissions testing required by an Air Quality Permit issued to DC Water by DC DOEE. Operational limitation to accommodate these tests were contributing factors to the lower total electrical energy production during the month.

#### MS4 Area Catch Basin Cleaning/Inspection (100%)

- Annual goal and January numbers reflect starting a new Calendar Year

#### CSS Area Catch basins to Anacostia (100%) and Non-Anacostia CSS Area Catch Basins (85%)

- Our next goal is to complete cleaning the entire MS4 for compliance period July 1, 2020 – June 30, 2021. We also have a non-compliance goal for 1st time inspections of the CSS Anacostia between January 1, 2021 - June 30, 2021. Our compliance period for cleaning the Non-Anacostia CSS is January 1, 2021 - December 31, 2021

#### Replace Non-Standard Hydrants (>21/month)

- The Department did not meet the monthly target due to prioritization of other emergency field work.

#### Emergency Water Service Orders Completed

- The Department did not meet the monthly target due to seasonal main break activity

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

- The Department did not meet the monthly target due to fleet availability and prioritization of other emergency field work

#### Water Quality Complaint Resolution (within 48 Hours)

- The percent of complaints resolved was lower in January and February due to decreased staff availability. Our response to customer complaints follow this progression: phone consultation, water testing, flushing, water testing 1-2 weeks after flush to ensure water quality has maintained improvement, and repeat flushing and testing as necessary. WQ&T currently has 4 of 6 WQ technicians employed, therefore we are not able to complete much of the non-compliance activities which for this program is the water testing after flushing to ensure the flushing activity resolved the complaint

#### Water Main Breaks (<28/Month) and Water Main Break Rate /100 Miles (National Average is 25)

- The Department did not meet the monthly target due to seasonal main break activity

#### Over-all on-time completion of Permit Review (>90%)

- The winter season between December and February typically results in a dip on on-time production due to staff availability, resulting in a backlog and slight delay over the following months

# dc DC Water Capital Improvement Program

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

## Blue Plains

### Floodwall Segment C

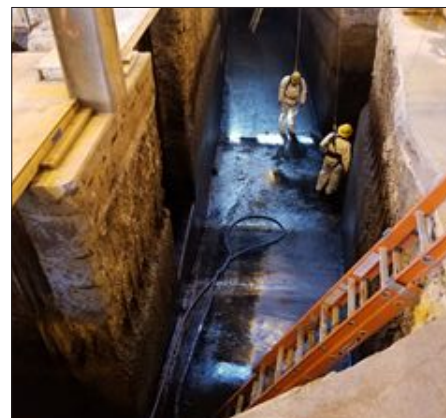
- Design and permitting are complete, construction is ongoing, subsurface work and excavation is underway. Substantial completion is anticipated in June 2021

### West Grit Effluent Channel Rehabilitation

- Critical shutdown of the west influent pump station, grit chambers, and primary sedimentation tanks was initiated on 3/10/21. This is a 7-day planned shutdown.

### Other Ongoing Blue Plains Construction Projects

- Raw Wastewater Pump Station No. 2 should be substantially completed by April
- MPT Cake Bin Seal upgrades are underway, first cake bin out of four was completed, with commissioning to be complete by the end of March.



## Water Quality Compliance

DC Water collected 253 samples in February 2021 for compliance with the Revised Total Coliform Rule (RTCR). DC Water met the RTCR standards for February with one of the samples testing positive (0.4 percent) for total coliform. The federal regulatory trigger for further system evaluation is 5 percent of routine and repeat samples positive for total coliform for each month. The system conducts the evaluation to identify possible sanitary defects and actions to resolve. Figure 1 displays the last 13 months of RTCR results.



The Lead-Free DC team is identifying shovel-ready projects to refine the cost estimate of replacing all lead lines in the District. Projects are identified using a model that scores and ranks blocks according to the health benefit and social impact of lead service line replacement so that projects can be funded and executed equitably.

Fiscal Year	LPRAP (Assistance Program)	Voluntary Full	CIP Full	CIP Partials	Emergency Full	Emergency Partials	Total LSRs	FY21 Goal	Partials	Partials %	Goal %
FY2021	78	201	13	7	40	1	340	500	8	2.4%	2.10%



### Updates on current projects:

#### CSO 025/026 Sewer Separation:

- DC Water is required to separate the combined sewers that discharged through CSO 025/026 in Georgetown near Wisconsin Ave and K Street NW.
- Contract awarded to Anchor Construction Corporation who had both the highest technical score and lowest price

#### Northeast Boundary Tunnel

- As of March 9, 2021, approximately 91.6% of the tunnel has been mined.
- The tunnel is planned to be placed in operation in 2023.

### Sanitary Sewer Area Projects | Updates on current projects:

- Reviewed more than 405 applications for backwater valve rebates
- Processed and reimbursed over 83 rebate requests.
- Nicholson St. Sewer System Evaluation Survey is underway

#### Watts Branch Sewer Manhole Protection

- DC Water worked closely with DOEE and other permitting agencies to fast-track authorizations to commence work on compromised sanitary sewer infrastructure
- Starting work quickly was important to prevent a Sanitary Sewer Overflow in DC Parks (Watts Branch)



# High Risk Audit Findings

## Open High Risk Prior Audit Findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	
1	2016	7/28/2016	Training, Licensing, and Certification	Identification and monitoring of training requirements by position <i>Status notes: Two of three training buckets (safety and compliance) have been configured in LMS. Coordination underway with HRBPs to complete final training bucket (technical training).</i>	9/30/2017	10/1/2021
2	2017	4/27/2017	Data Privacy Assessment	Finding issued in Executive Session	5/1/2017	3/31/2021
3	2017	10/26/2017	Entity Level Assessment	Lack of a comprehensive risk management function to evaluate entity-wide risk	10/1/2018	3/31/2022
4				Lack of Authority-wide policy and procedure management function <i>Status notes: EPMD is in the process of developing an Enterprise Risk Management (ERM) Policy to be institutionalized across the enterprise. EPMD is also developing a long-term enterprise-wide solution to address Authority-wide policy development, issuance, and maintenance.</i>	9/30/2018	2/28/2022
5	2017	10/26/2017	Materials Management Operations and Inventory	Inadequate documentation of variance review and root cause analysis for Lawson inventory data <i>Status notes: New field for variance review and root cause detail to be incorporated into new Oracle ERP inventory module.</i>	1/17/2018	3/31/2021
6	2018	1/24/2019	Enterprise Work Order Management Assessment	DWO – Inadequate capture of labor and materials cost data in Maximo work orders <i>Status notes: Pilot for hydrant program is complete. Roll out of valve application is anticipated by the end of the fiscal year.</i>	9/30/2020	9/30/2021
7	2019	4/25/2019	Legal Operations Assessment	Lack of definition of Office of Legal Affairs' role in matters across the Authority <i>Status notes: Not started.</i>	9/30/2020	9/30/2021

## Open High Risk Prior Audit Findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	
8	2019	4/25/2019	Occupational Safety and Health Internal Audit	Outdated comprehensive safety plan for the Authority <i>Status notes: An initial group of safety policies have been presented to the 5 Union Presidents &amp; a meeting was held on 1/24 answering any questions. Updates in progress.</i>	3/1/2020	Past Due
9	2019	7/25/2019	Purchasing Card Internal Audit	Non-compliance with documented PCard and TCard policies <i>Status notes: PCard policy has been updated and updated training conducted for all cardholders. TCard policy updates are on-hold given other COVID-19 response priorities and limited TCard usage.</i>	5/25/2020	On hold
10	2019	1/23/2020	Asset Management Assessment	Inaccurate data captured in GIS map and data table <i>Status notes: GIS team has made progress identifying required fields and missing data. PowerBI dashboard created to monitor linear asset attributes. Delays caused by competing priorities for COVID-19 response and Engineering organization review.</i>	7/31/2020	7/31/2021
11	2020	4/15/2020	Work Order Planning Assessment	Inconsistent and poorly defined roles and responsibilities for the planning function	12/1/2020	3/31/21
12				Missing and inconsistent job planning for equipment maintenance <i>Status notes: Management requested extension due to COVID-19 response needs.</i>	12/1/2020	3/31/21

Legend	
<span style="background-color: #f8d7da; border: 1px solid #f5c6cb; padding: 2px;"> </span>	Past due
<span style="background-color: #d4edda; border: 1px solid #c3e6cb; padding: 2px;"> </span>	Original target date has not yet come due

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# CEO Report Dashboard

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**Interpretation of Charts ..... A**

**Color Key**

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




## ORGANIZATIONAL PERFORMANCE DASHBOARD (Feb 2021)


### Financial Highlights

Net Operating Cash (\$tho)		Operating Revenue (\$m)		Operating Expenses (\$m)		Capital Disbursement (\$m)		Operating Cash Bal (\$m)	
Actual	70,993.00	Actual	295.10	Actual	228.50	Actual	141.50	Actual	222.20
Target	47,936.00	Target	319.80	Target	249.90	Target	211.10	Target	180.00

Core Invest Yield (%)		Short Term Invest Yield (%)		Delinquent Acct Receivables (%)		On-time Vendor Payments (%)	
Actual	0.90	Actual	0.14	Actual	4.26	Actual	90.00
Target	0.18	Target	0.04	Target	3.00	Target	97.00

### Operations and Engineering Highlights



Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production (wet tons)	Total Nitrogen (lbs/yr mil)
		Actual    319	

Plant Effluent Flow (gal mil)	Excess Flow (gal mil)	Water Main Leaks	Water Valve Leaks
	0	82	7

Fire Hydrants Insps. And Maint.	Fire Hydrants out of Service	Fire Hydrants Replaced (YTD)
651	36	10

Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO	Permits Processed within SLA (%)	Electricity Usage (Kwh)
4	112	0	86	17277

### Customer Experience Highlights

Call Center Performance		Command Center Performance		Emergency Response Time	
Actual	97%	Actual	75%	Actual	100%
Target	85% 	Target	85% 	Target	90%  (% of calls Received)

### Low Income Assistance Program Highlights

SPLASH Contributions (\$tho)		Customer Assist. Program (\$tho)	
Actual	30.21	Current	163.72
Target	33.35	Previous	110.45

### People and Talents Highlights

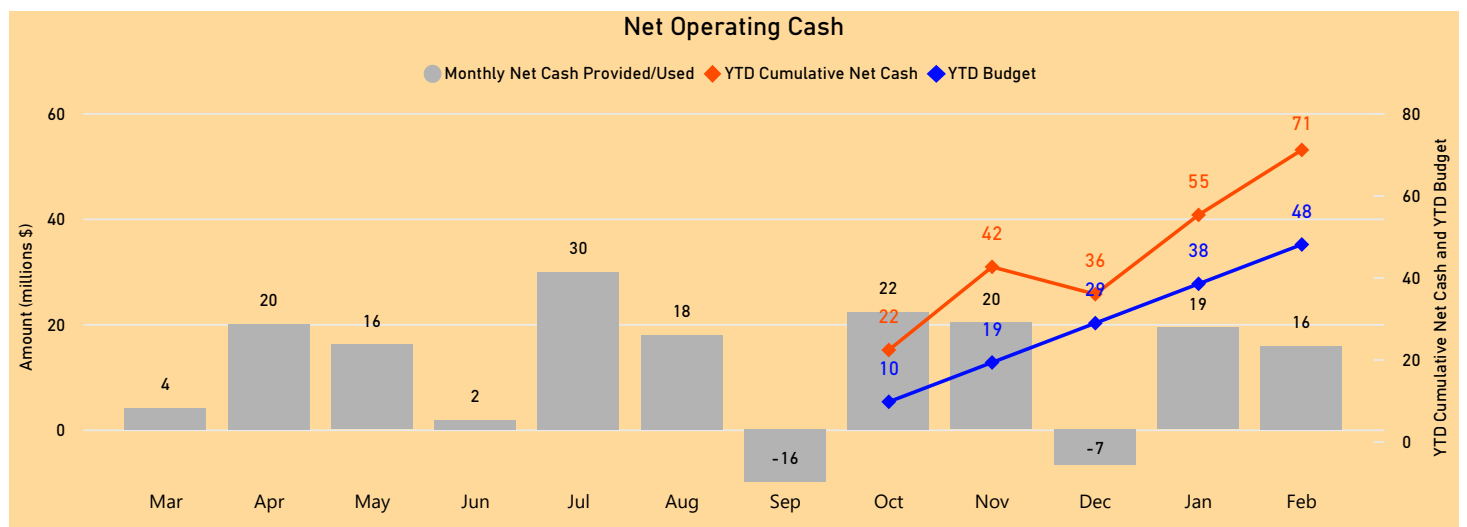
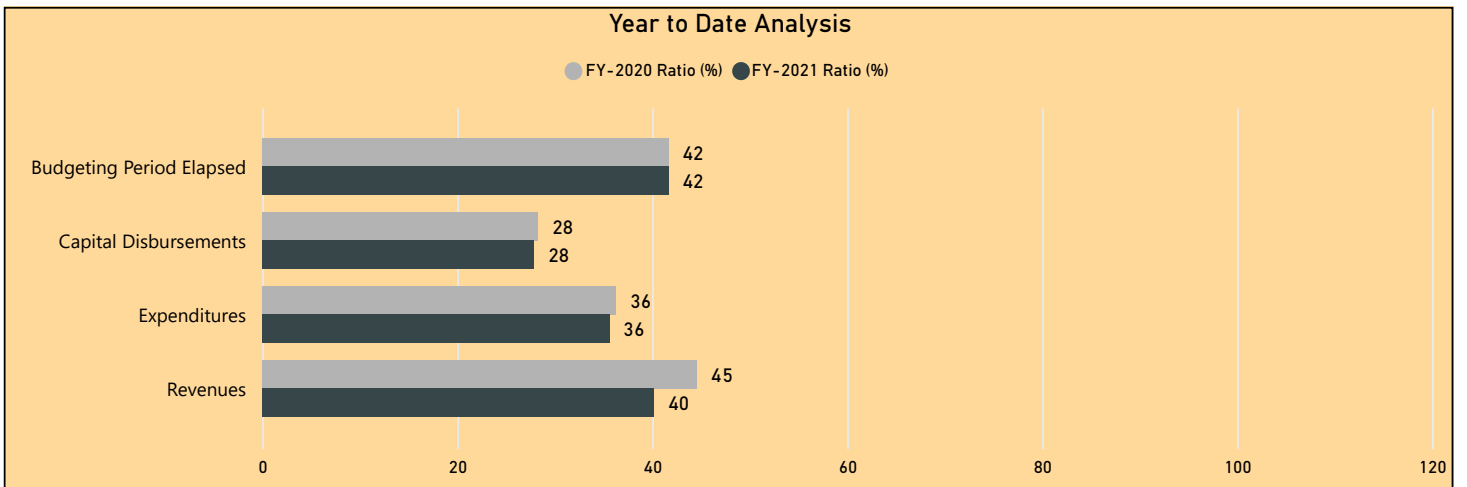
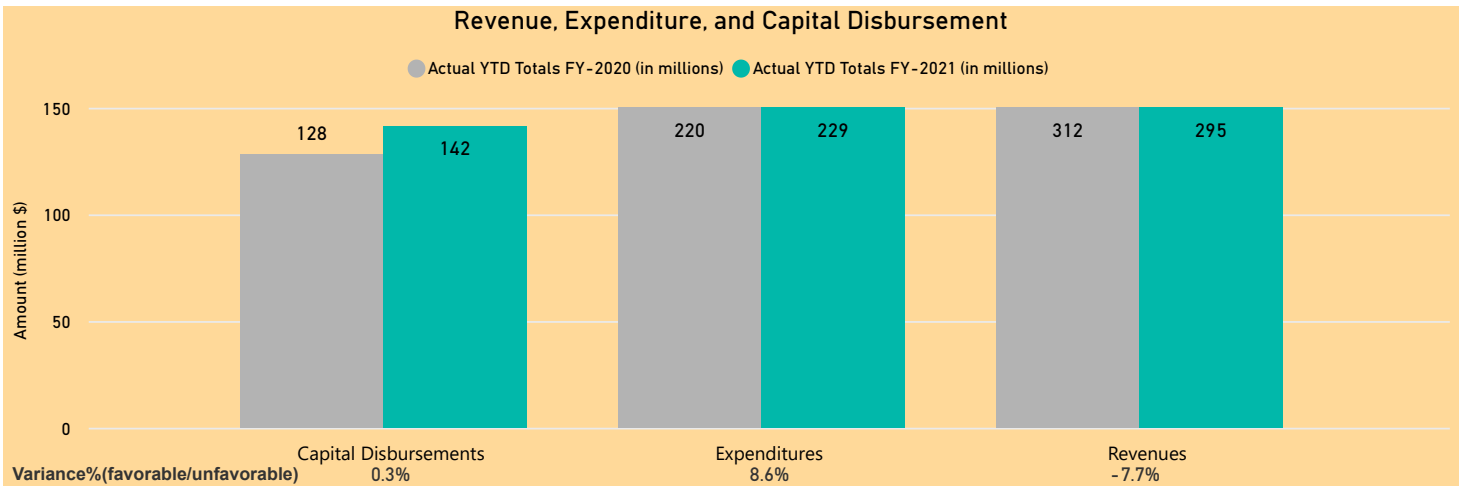
Recruitment Activity	
Filled	9
Open	36

### Administration Highlights

Employee Lost Time Incidence Rate	
	2.60%

## FINANCIAL HIGHLIGHTS

### Financial Performance Summary

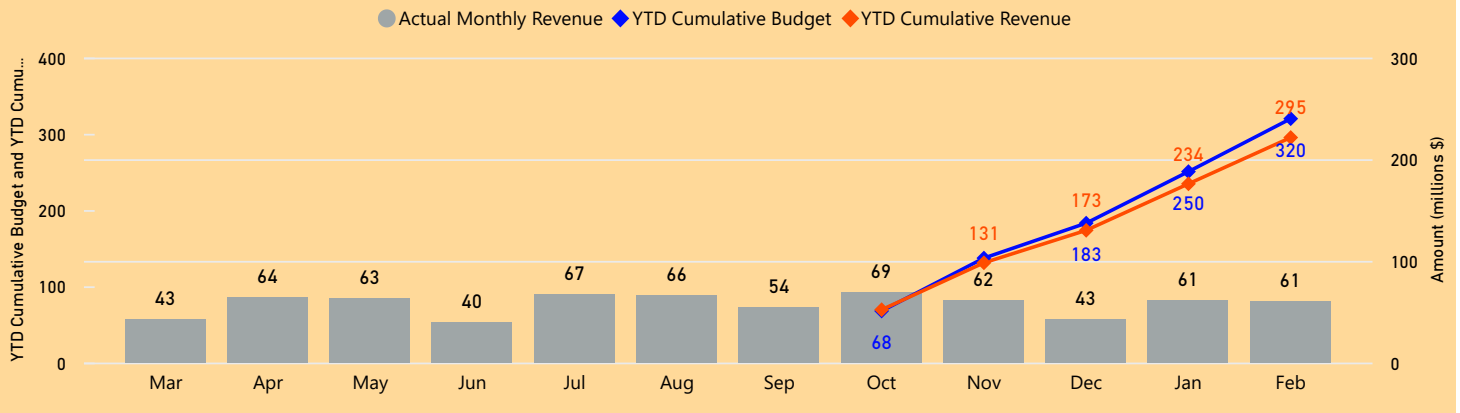


**Net cash to date for February was above budget by \$23.1 Million**

## FINANCIAL HIGHLIGHTS

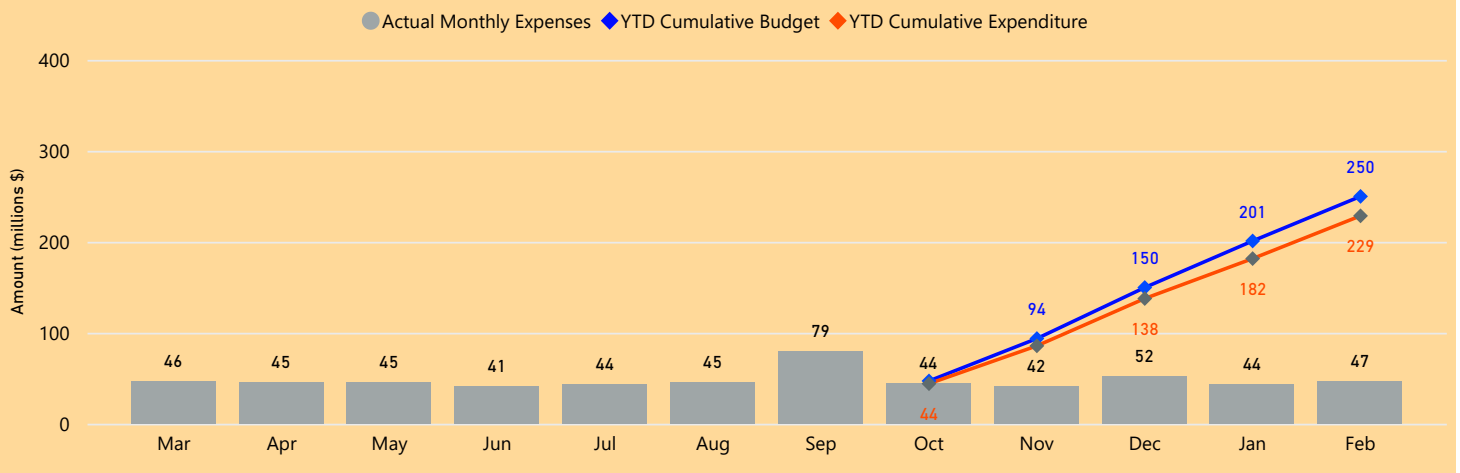
### Revenues & Operating Expenses

#### Operating Revenues



Revenue to date for February was below budget by \$24.7 Million

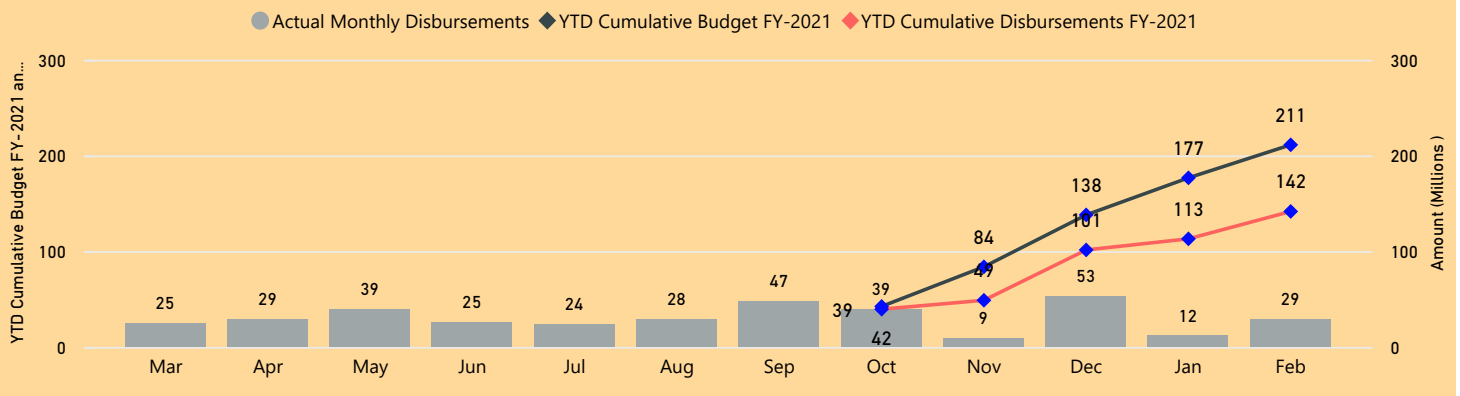
#### Operating Expenses



Expenditure to date for February was below budget by \$21.4 Million

### Capital Spending

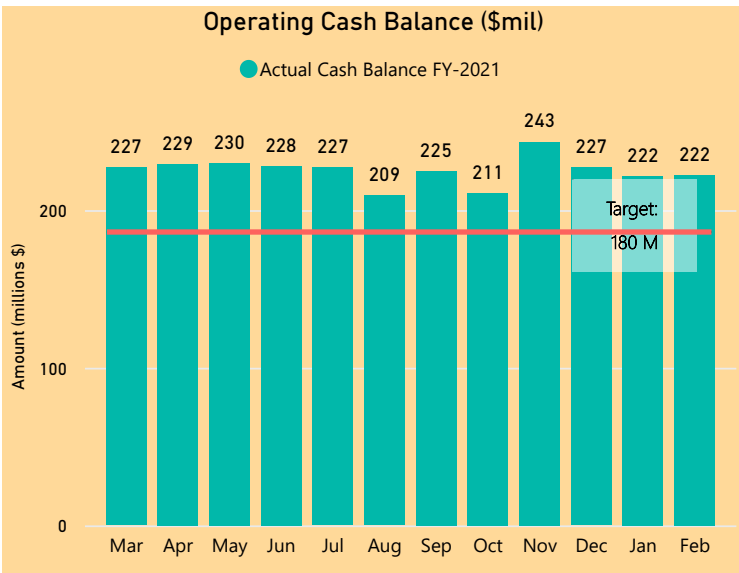
#### Capital Disbursement



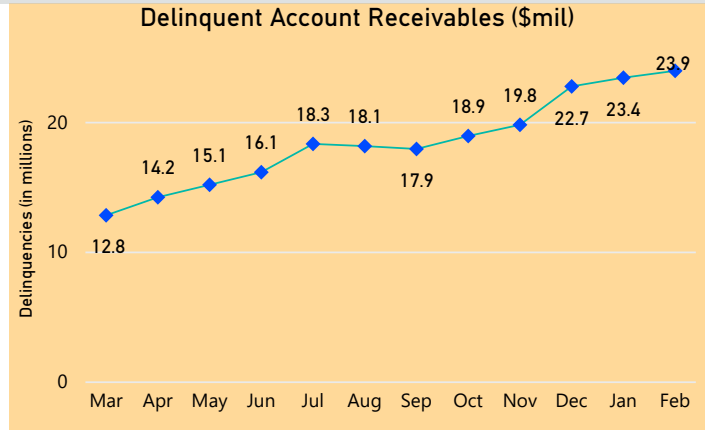
Disbursements to date for February was below budget by \$69.6 Million. YTD spending reflects comparison to the revised budget.

## FINANCIAL HIGHLIGHTS

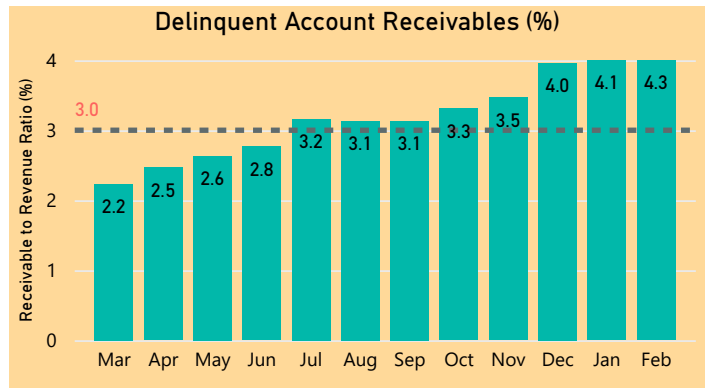
### Operating Cash & Receivables



Cash Balance for February was above target by \$42.2 million

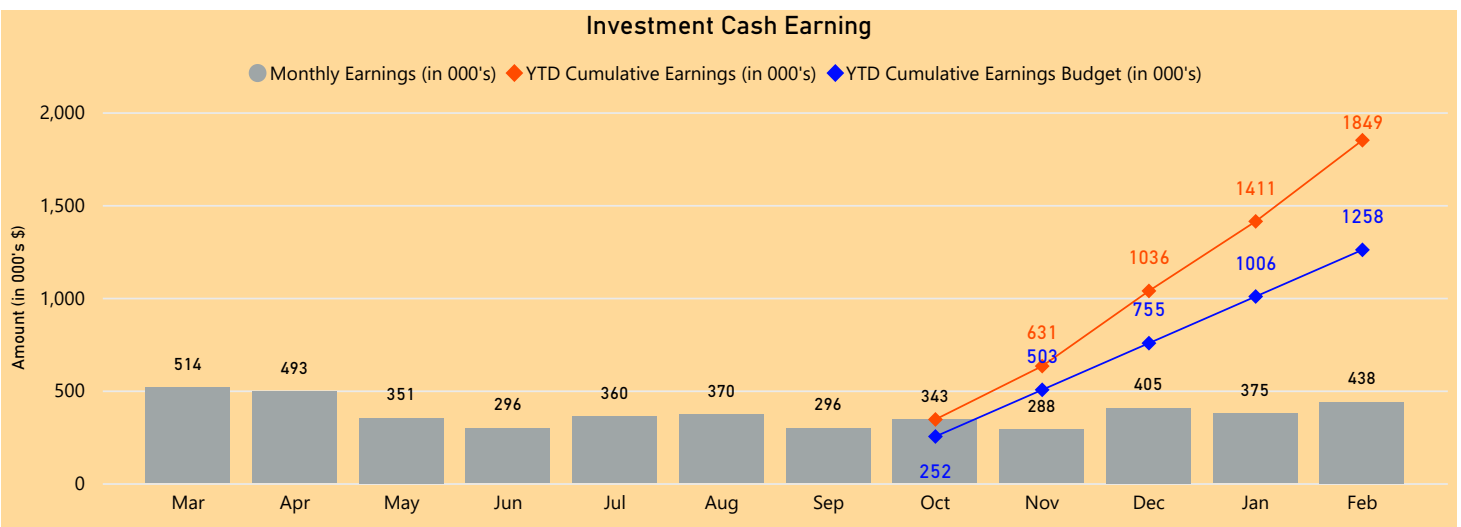


Starting March, the increase is primarily due to increased delinquencies and deferred payments resulting from the COVID-19 pandemic



February Receivables to Revenue Ratio is 4.26, Delinquency is \$23.92 million.

### Investment Earnings

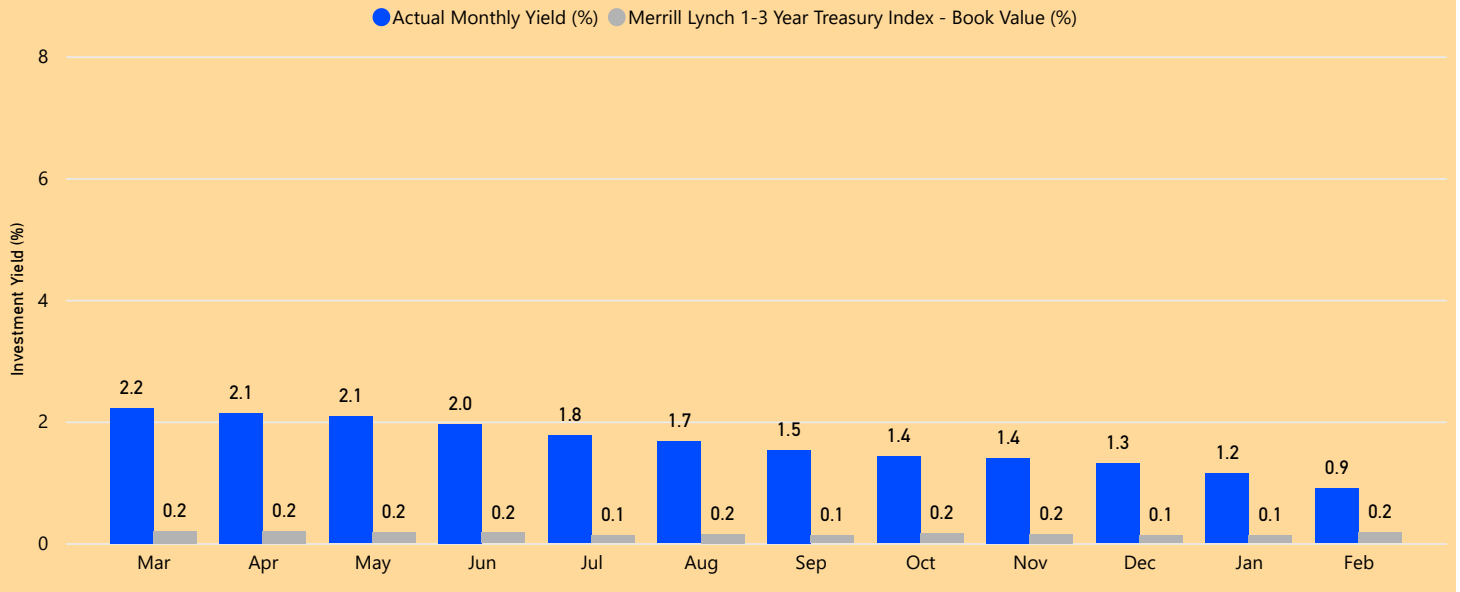


Earnings to date for February were above Projected Budget by \$591,063.

## FINANCIAL HIGHLIGHTS

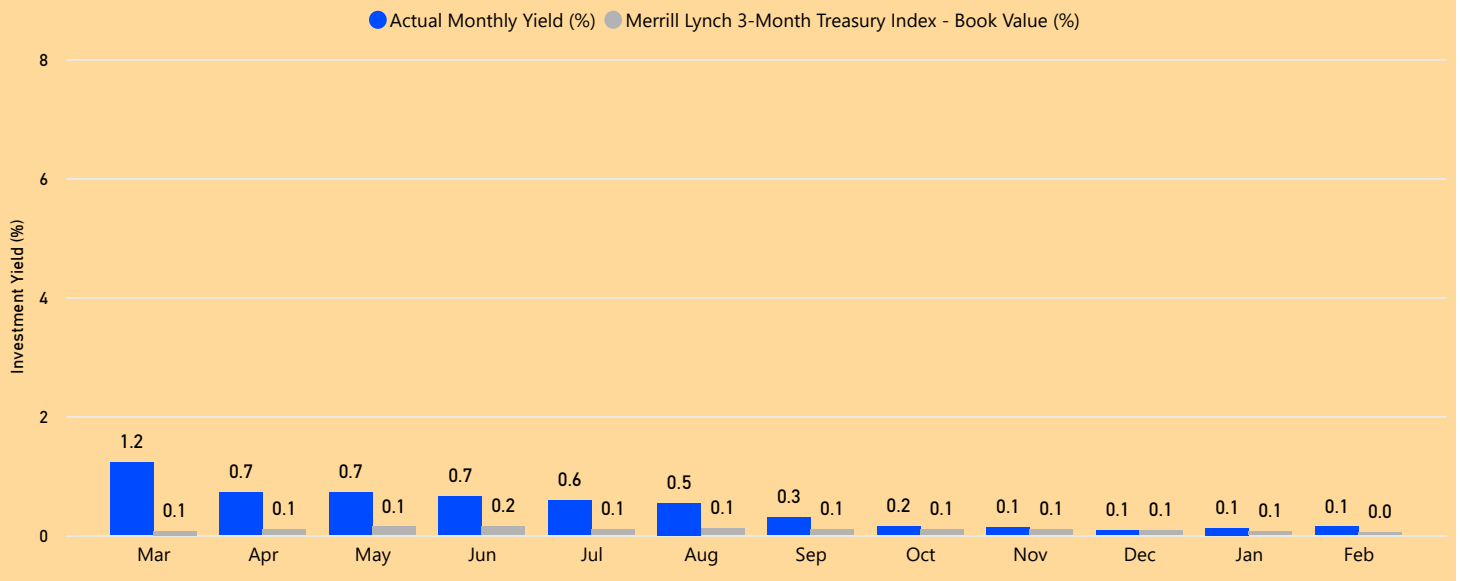
### Investment Yields

#### Core Investment Yield



Yield for February was more than the treasury index by 1.40%

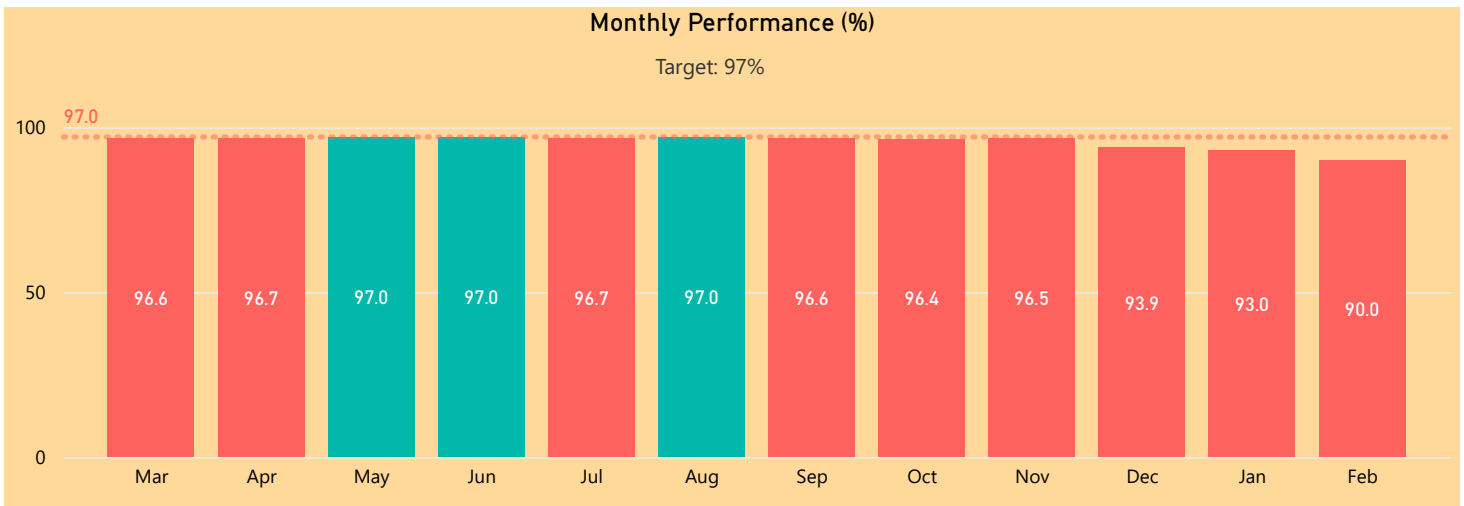
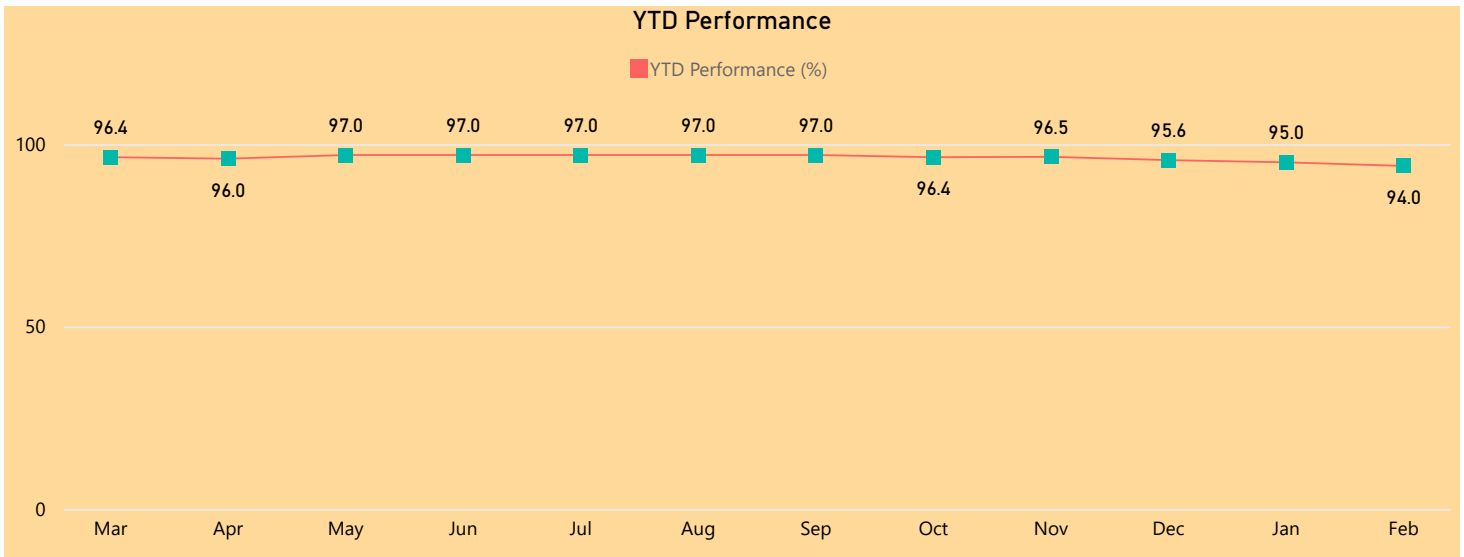
#### Short Term Investment Yield



Short Term Yield for December was more than the Merrill Lynch yield by 0.06%

## FINANCIAL HIGHLIGHTS

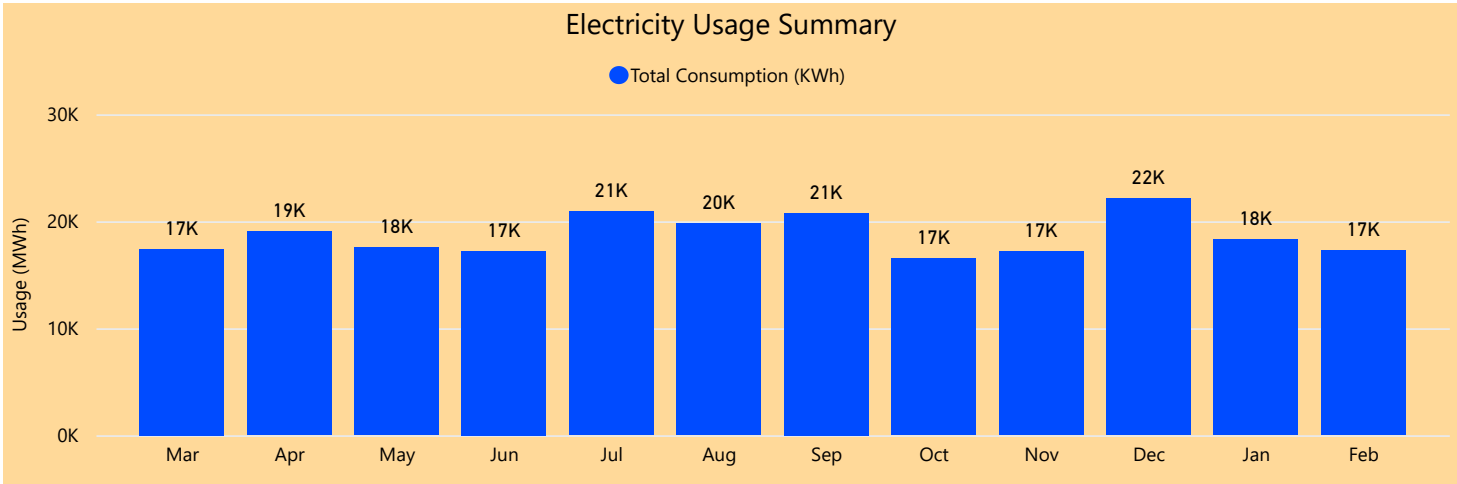
### Vendor Payments



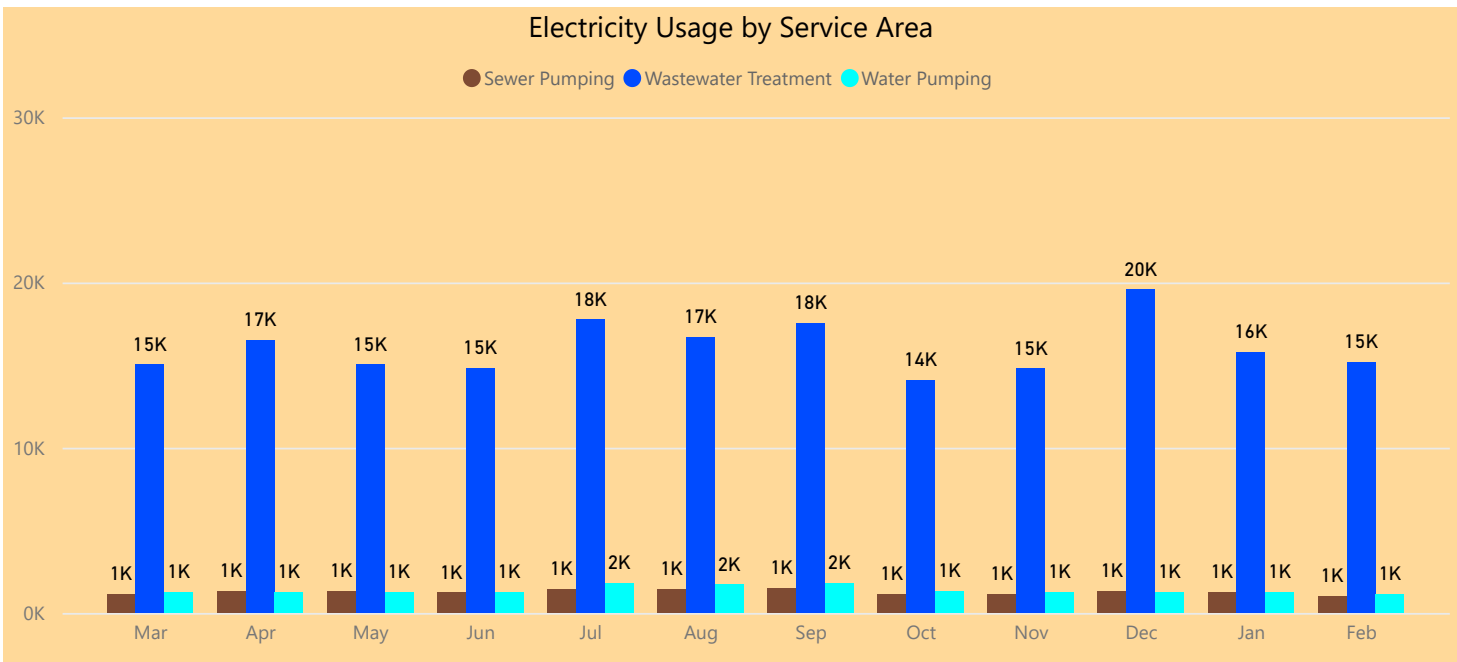
Performance for February was 7.0% below the monthly target of 97.0%

**OPERATIONS AND ENGINEERING**

**Energy Consumption**



Electricity consumption in Feb 2021 was 17277 KWh.

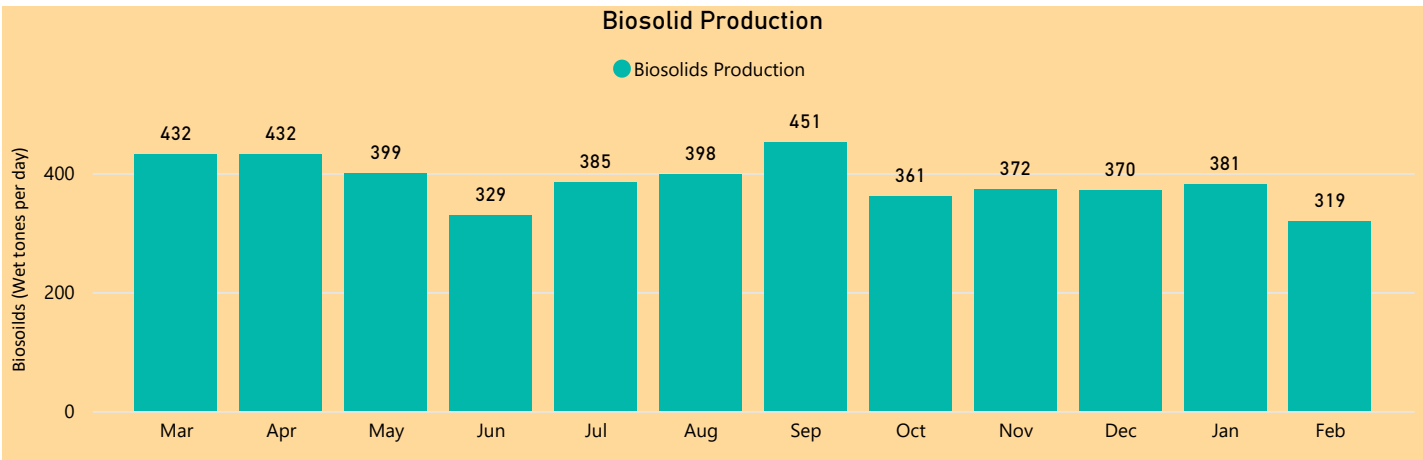


Wastewater treatment has the highest electricity consumption in Feb 2021 at 15151 KWh.

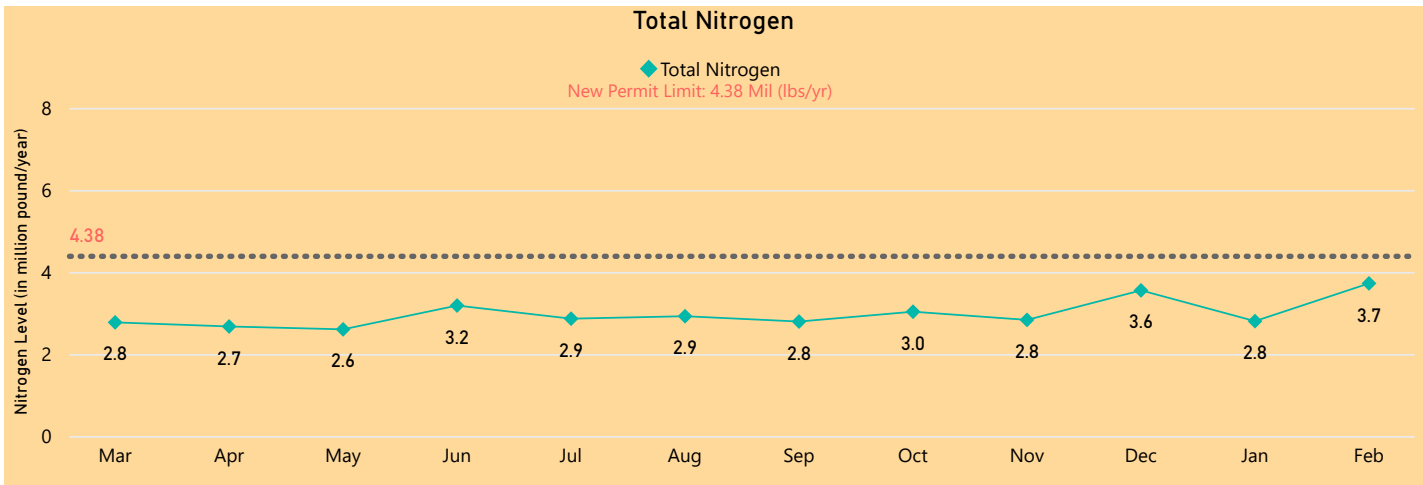


**OPERATIONS AND ENGINEERING**

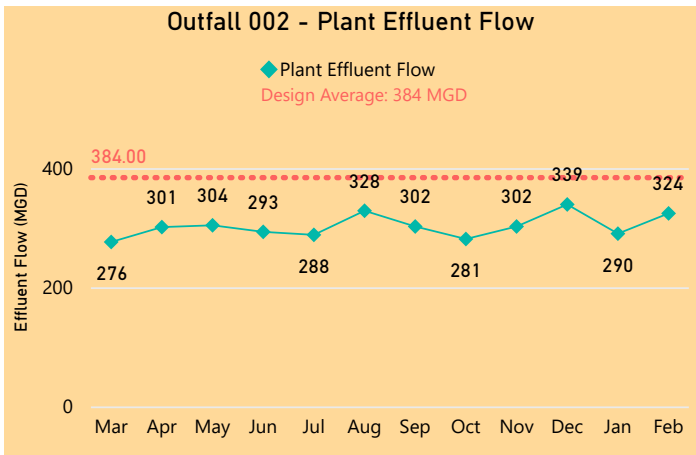
**Wastewater Treatment**



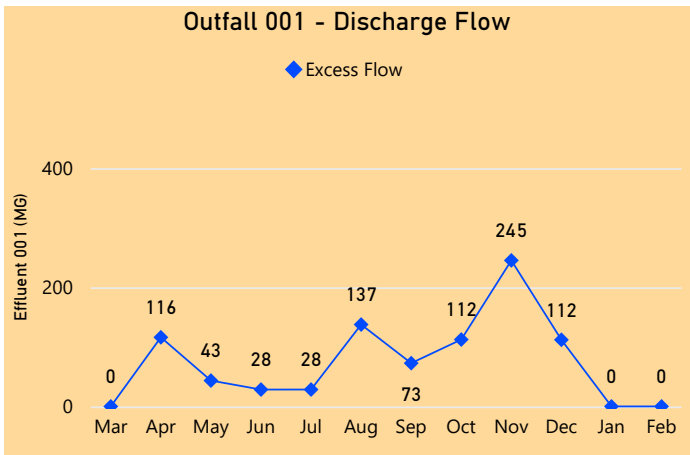
Biosolids daily production for Feb 2021 was 319.1 wet ton per day.



Nitrogen level for Feb 2021 was below permit by 0.66 million lbs/yr.



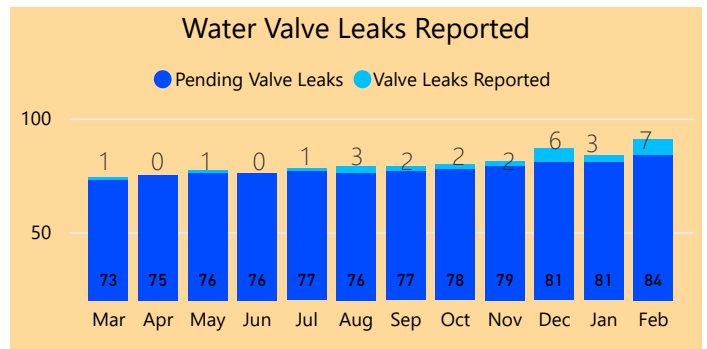
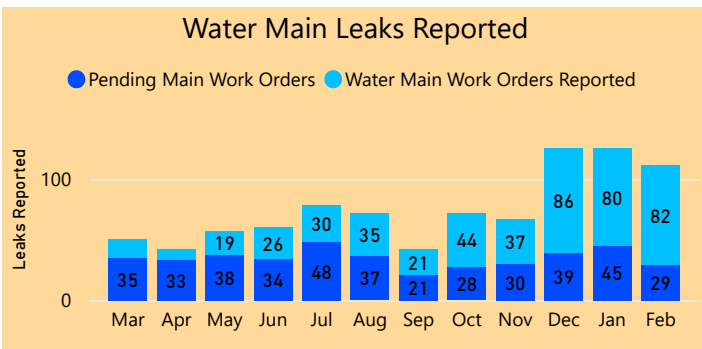
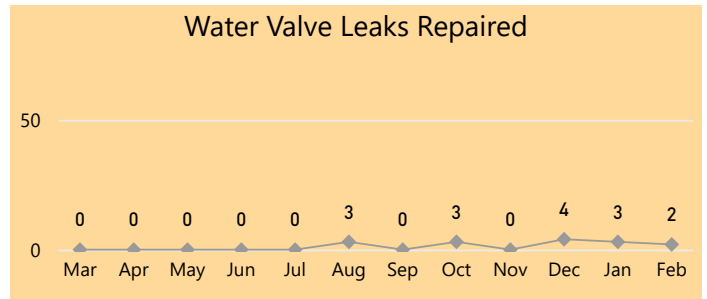
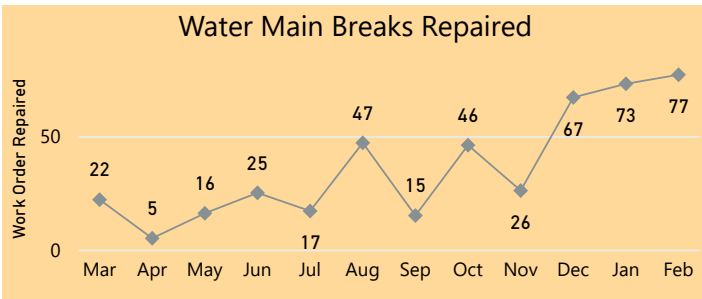
In Feb 2021 effluent flow was below permit by 60 MGD.



Excess flow events were recorded at 0 MG in Feb 2021.

**OPERATIONS AND ENGINEERING**

**Water Distribution Operations**



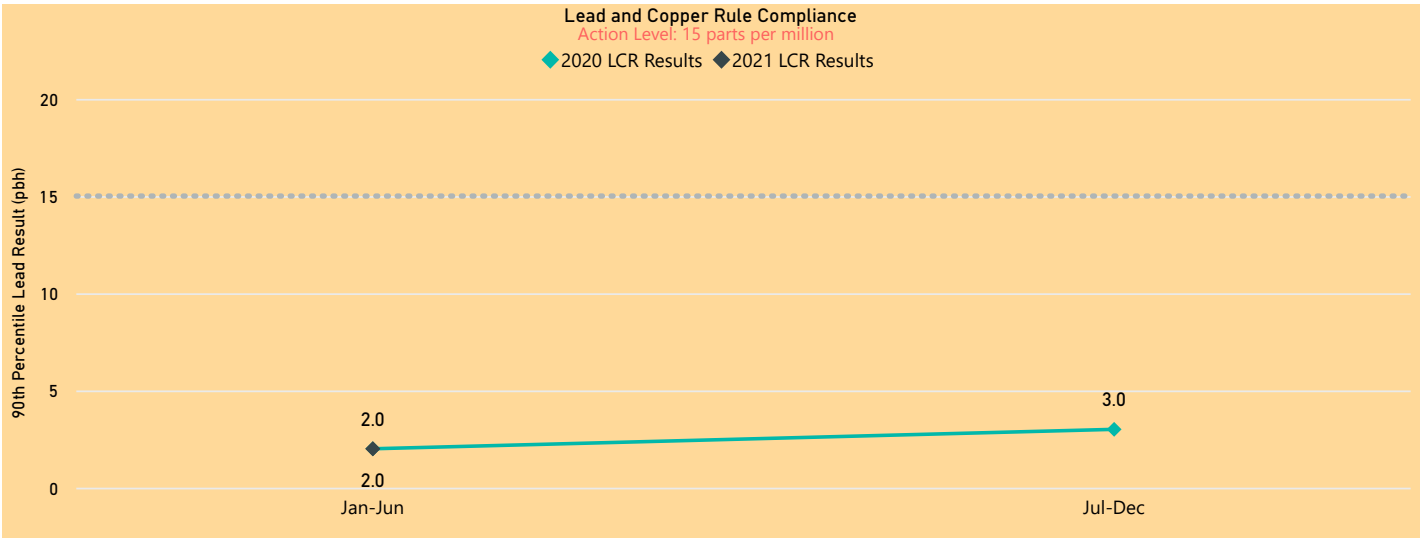
There were 80 Water Main Work Orders reported in February.

7 leaks were reported in February.

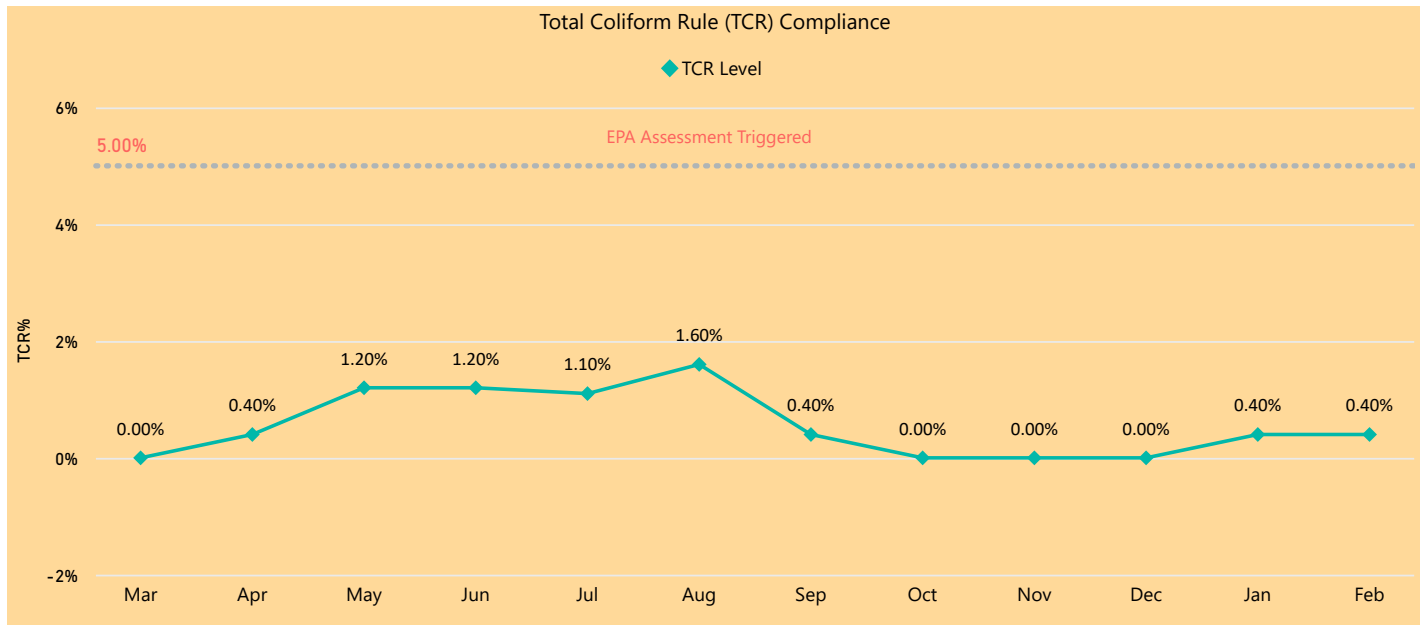
**Water Balance**

**OPERATIONS AND ENGINEERING**

**Drinking Water Quality**



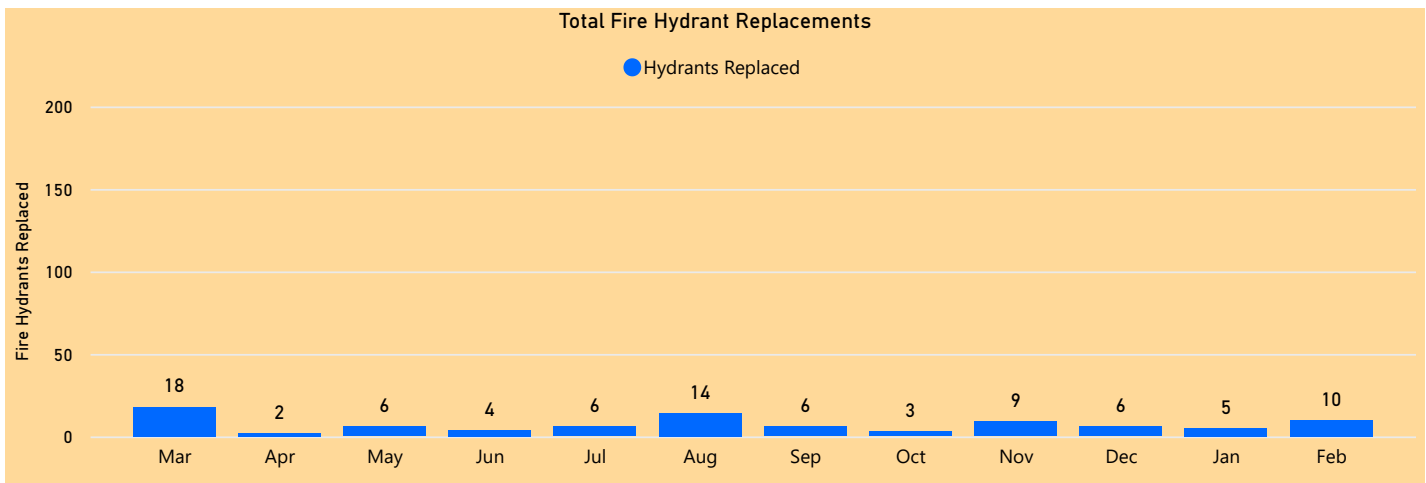
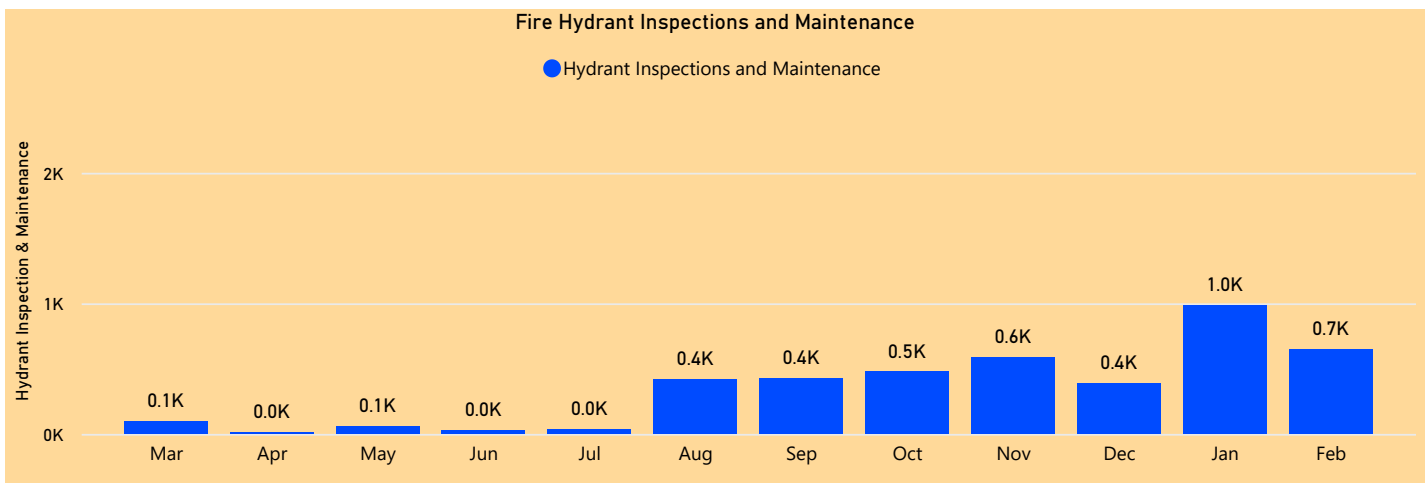
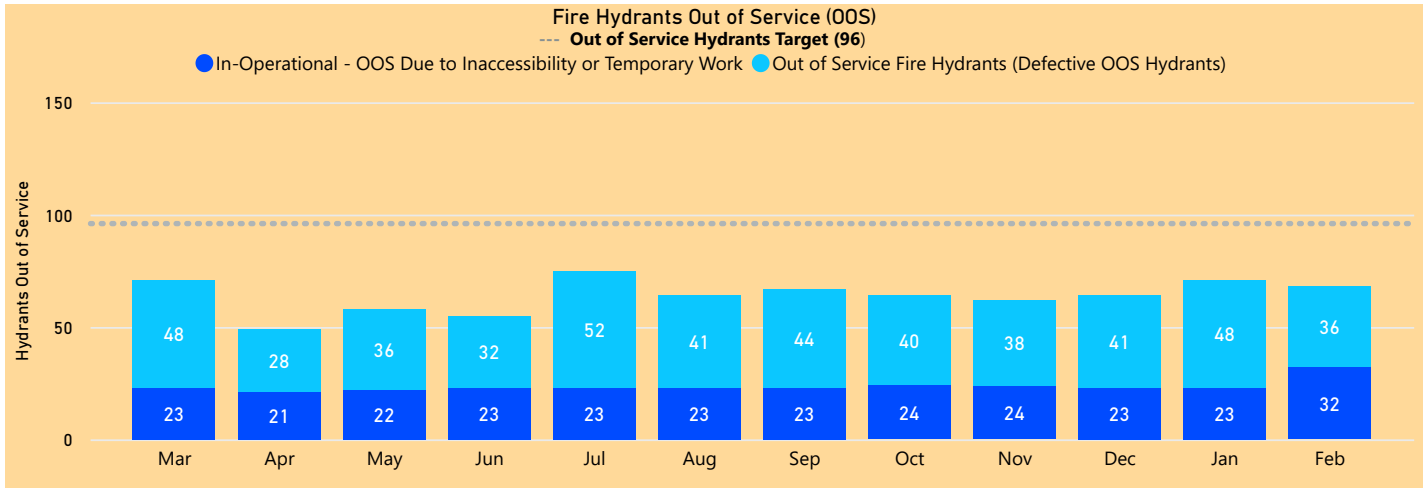
90th percentile of lead results for 1st semester 2021 is 2.5 ppb



Coliform Positive was recorded at 0.004% for Feb 2021

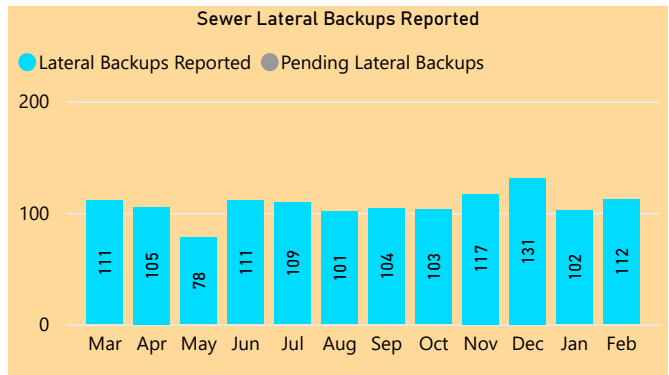
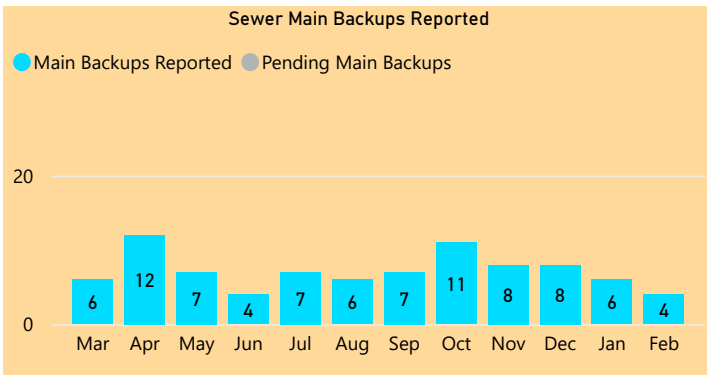
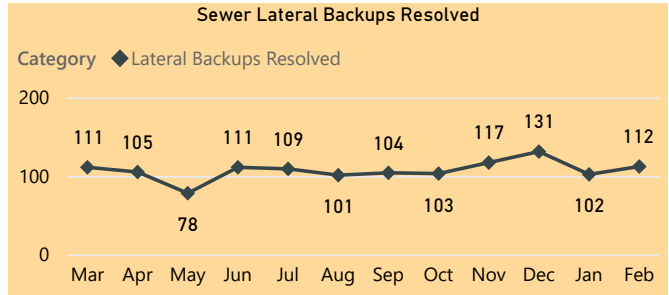
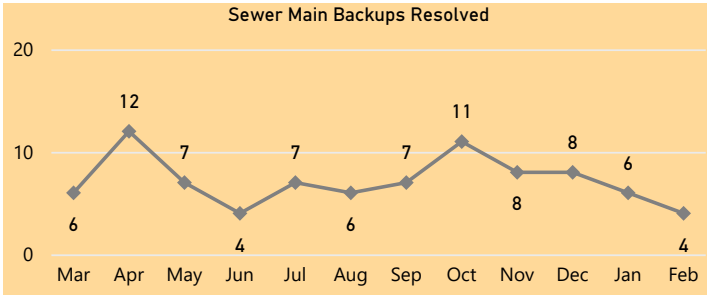
## OPERATIONS AND ENGINEERING

### Fire Hydrants



## OPERATIONS AND ENGINEERING

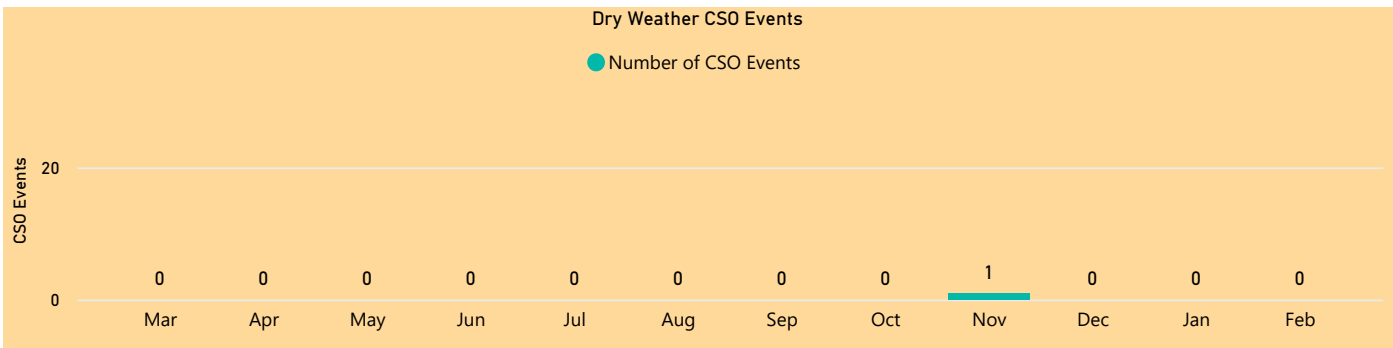
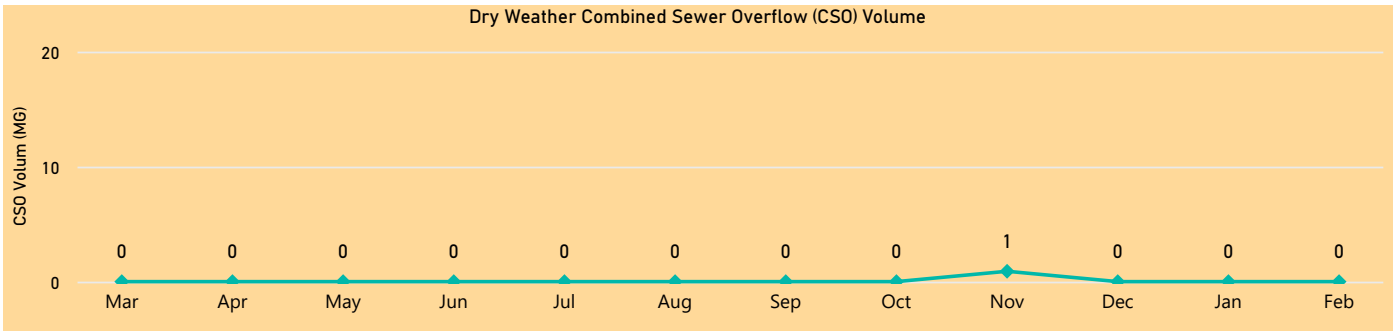
### Sewer System Operations



0 pending main backup(s) reported

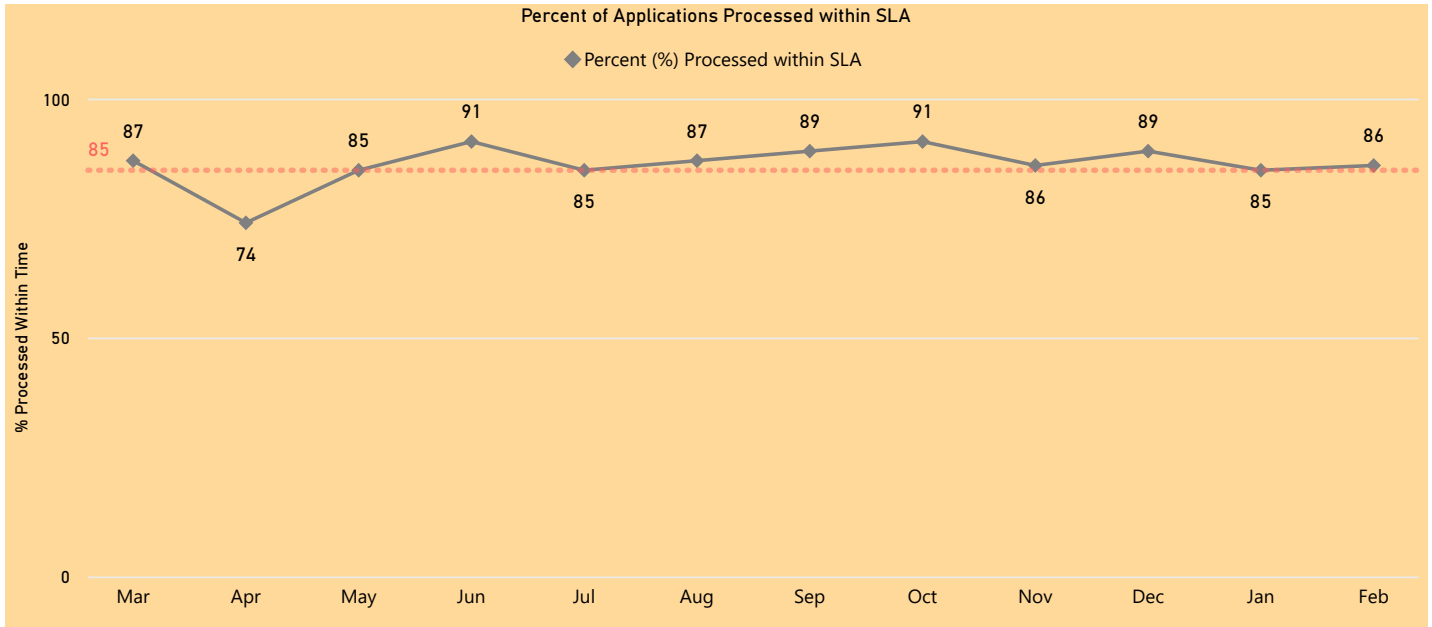
0 pending lateral backup(s) reported

### Combined Sewer System

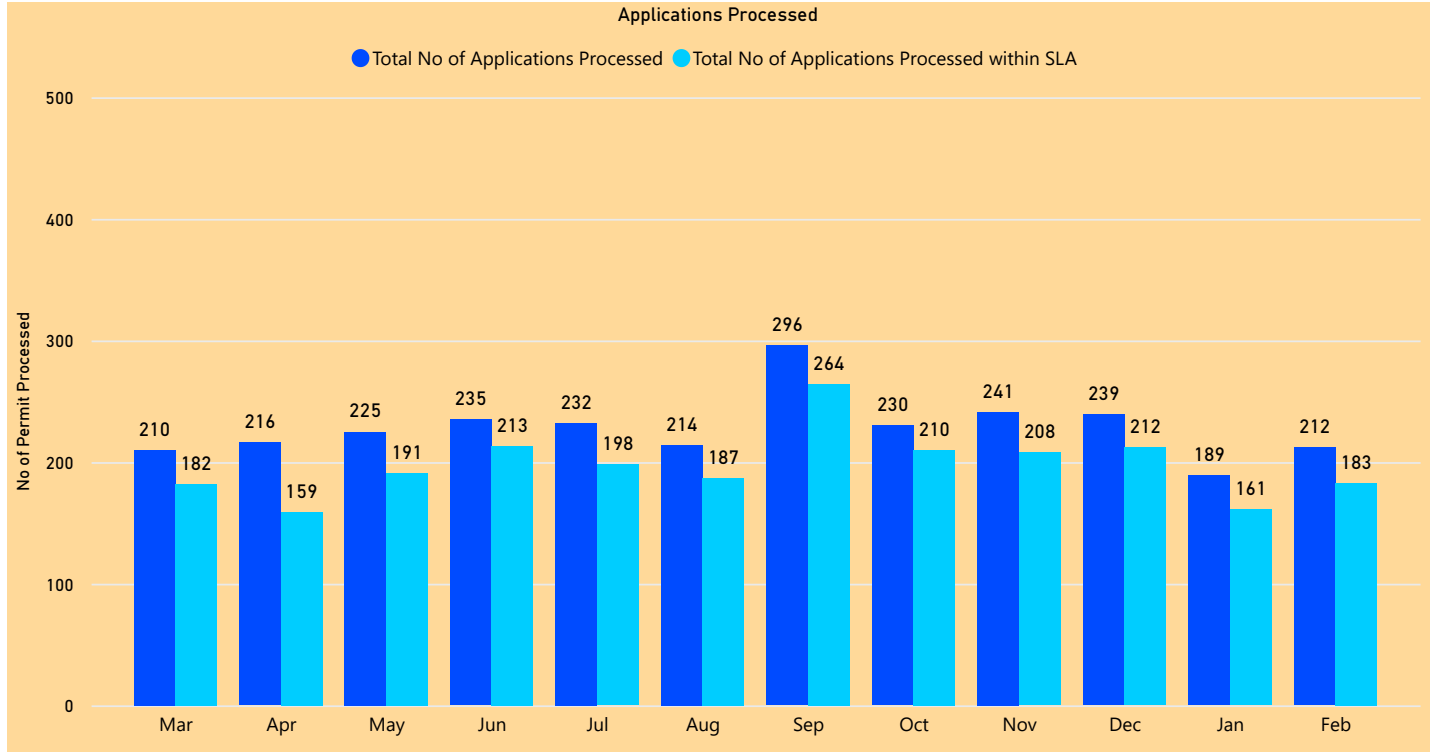


## OPERATIONS AND ENGINEERING

### Permit Processing

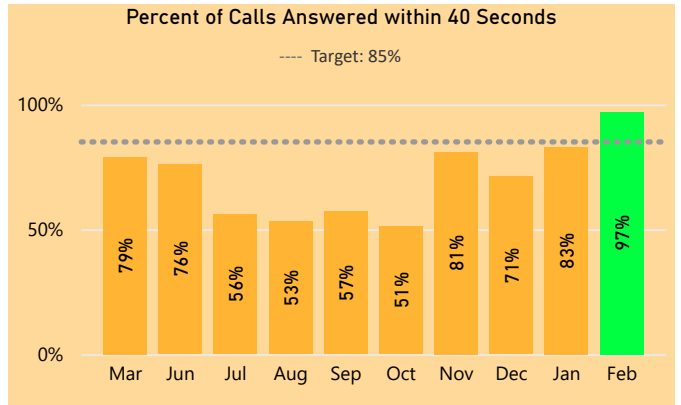
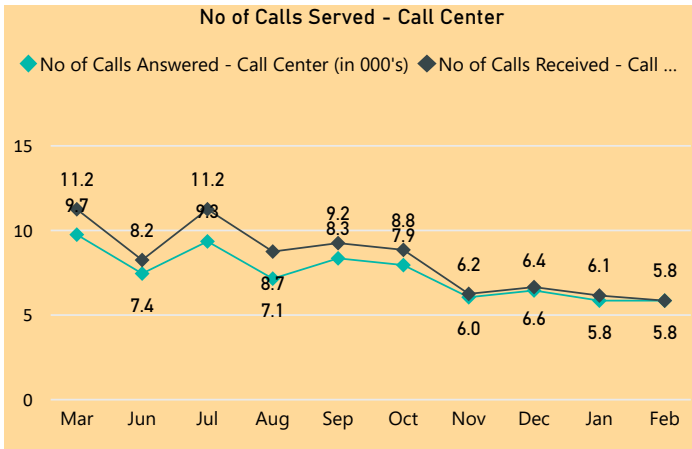


Permits processed in Feb 2021 were 1% above the SLA target 85%



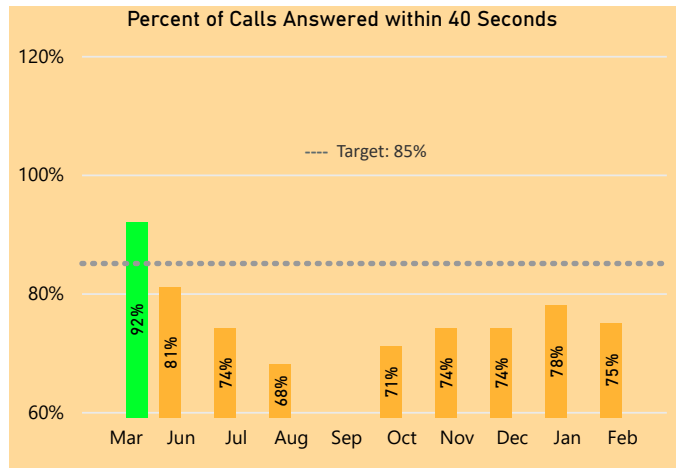
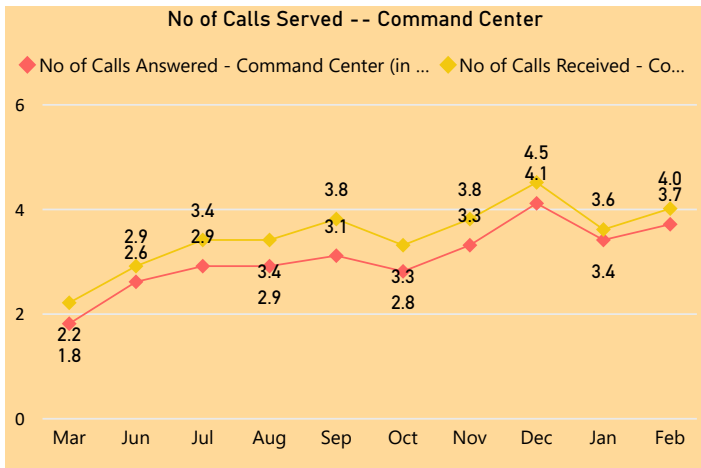
## CUSTOMER EXPERIENCE

### Customer Care - Call Center Performance



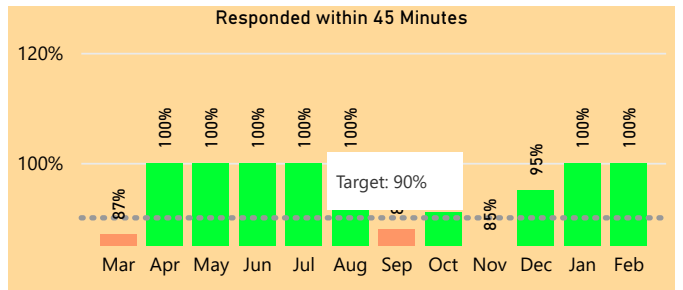
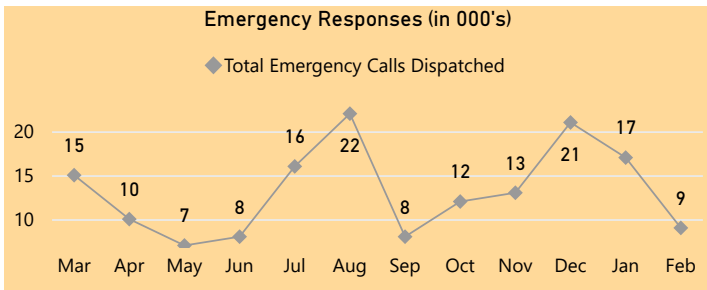
**Call Center was above target by 12%.**

### Customer Care - Command Center Performance



**Command Center was below target by 10% due water main breaks an...**

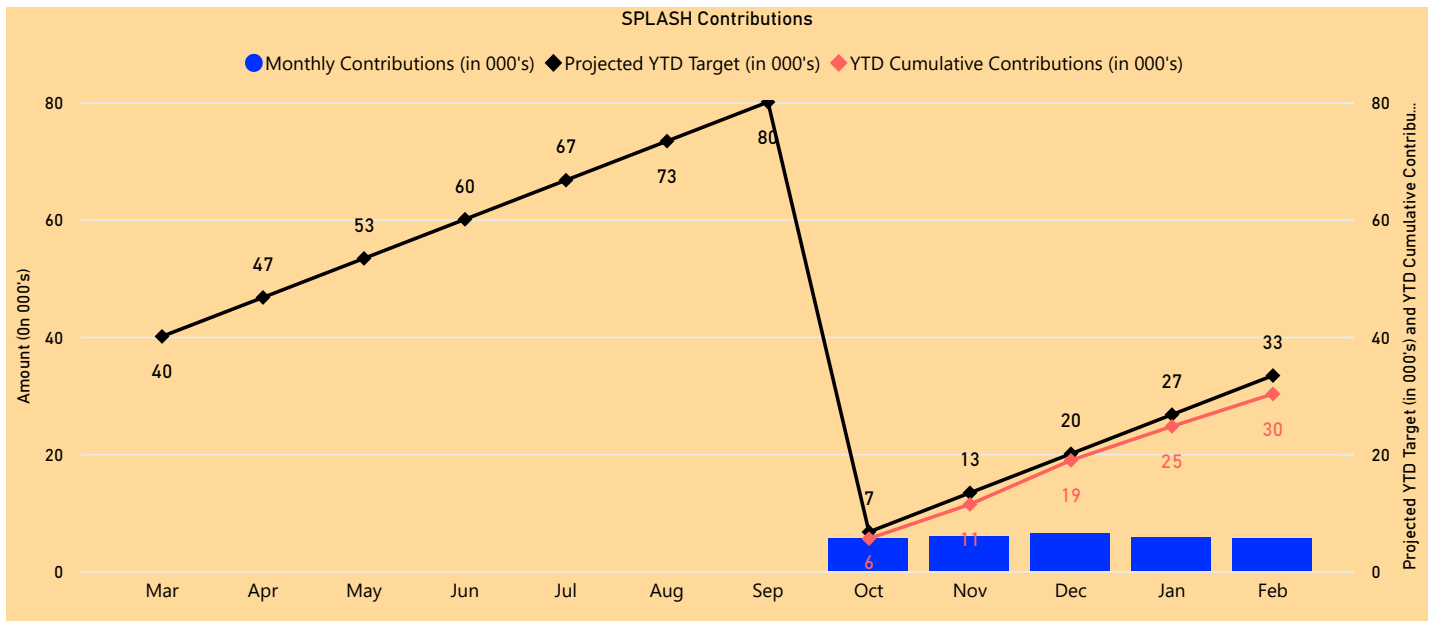
### Customer Care - Emergency Response Time



**Performance for Feb 2021 was above target by 10%.**

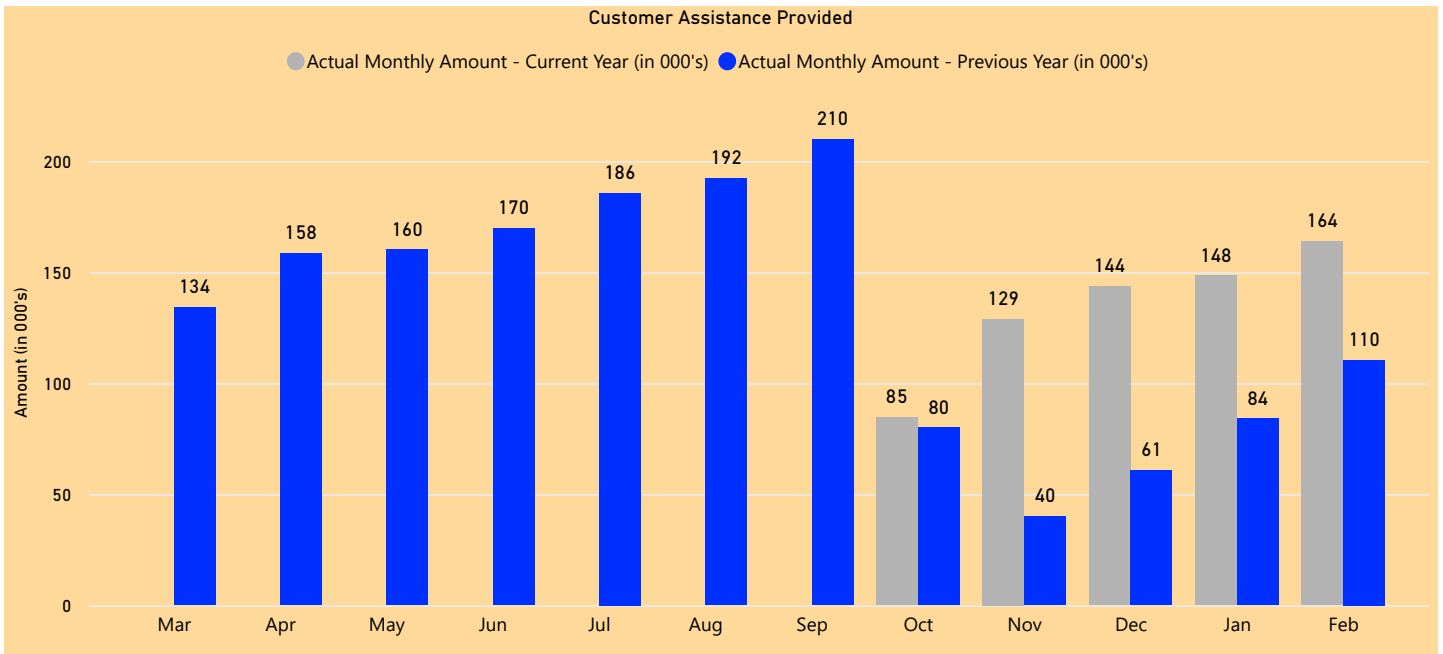
## LOW INCOME ASSISTANCE PROGRAM

### SPLASH Program



**Total SPASH contribution to date for Feb 2021 was under target by \$3140.**

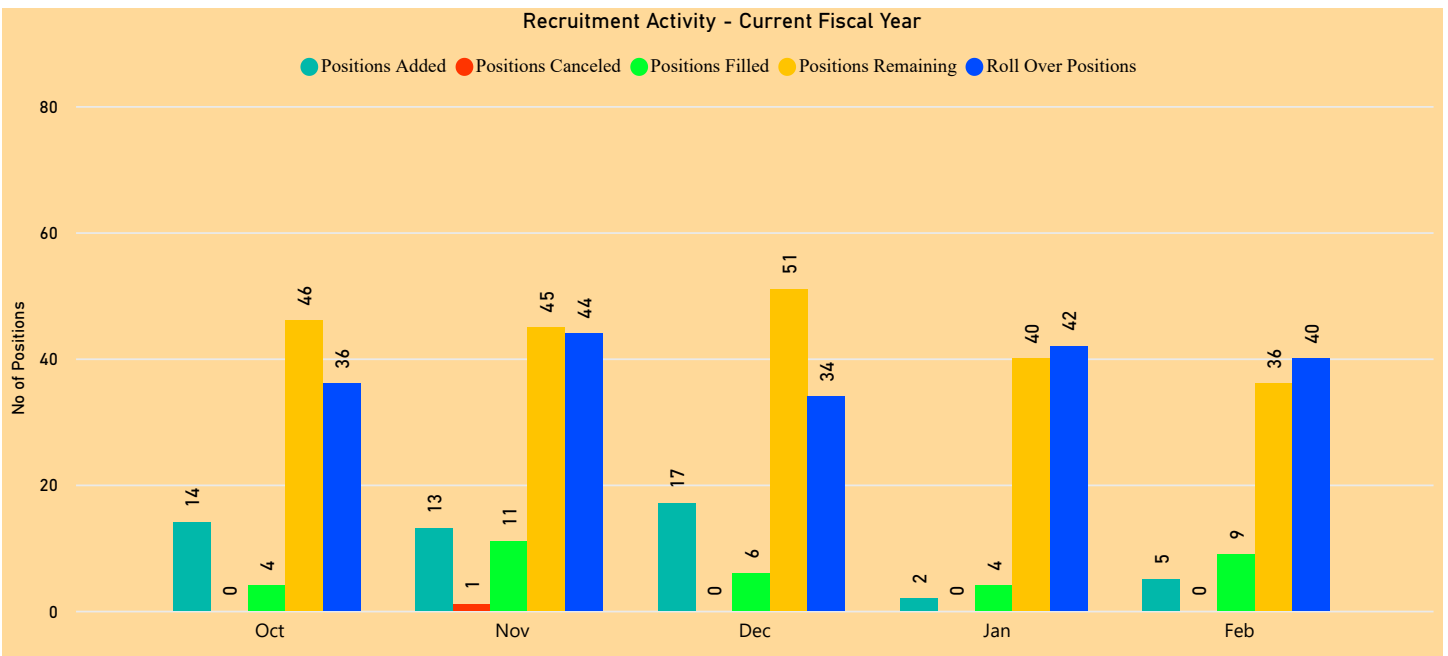
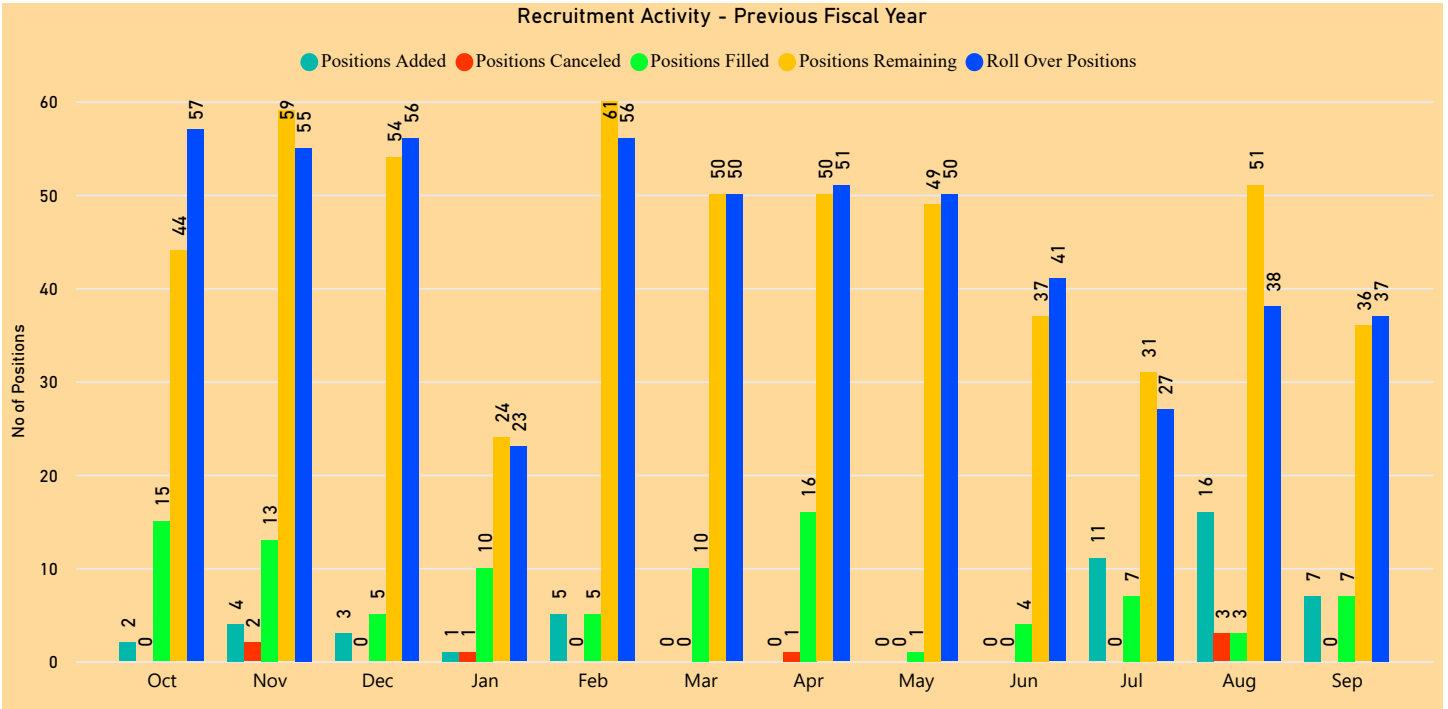
### Customer Assistance Program (CAP)





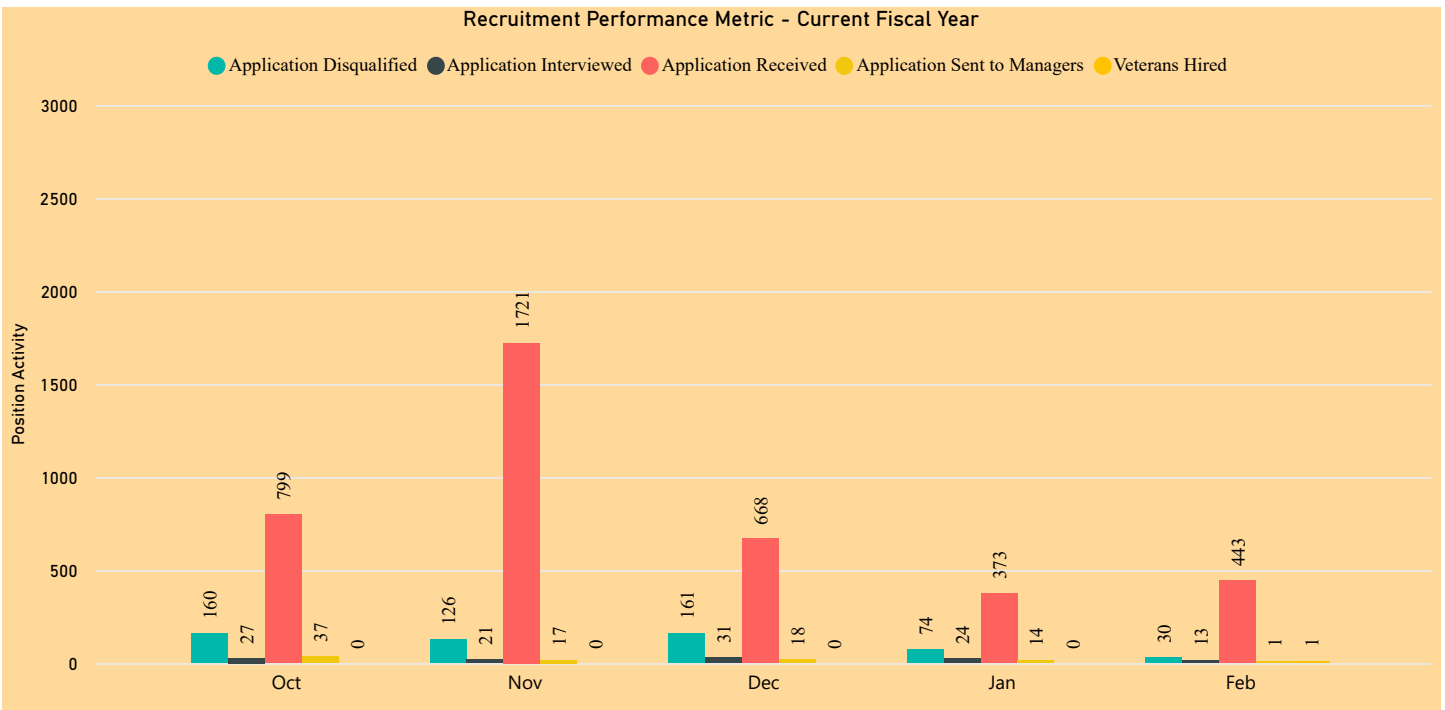
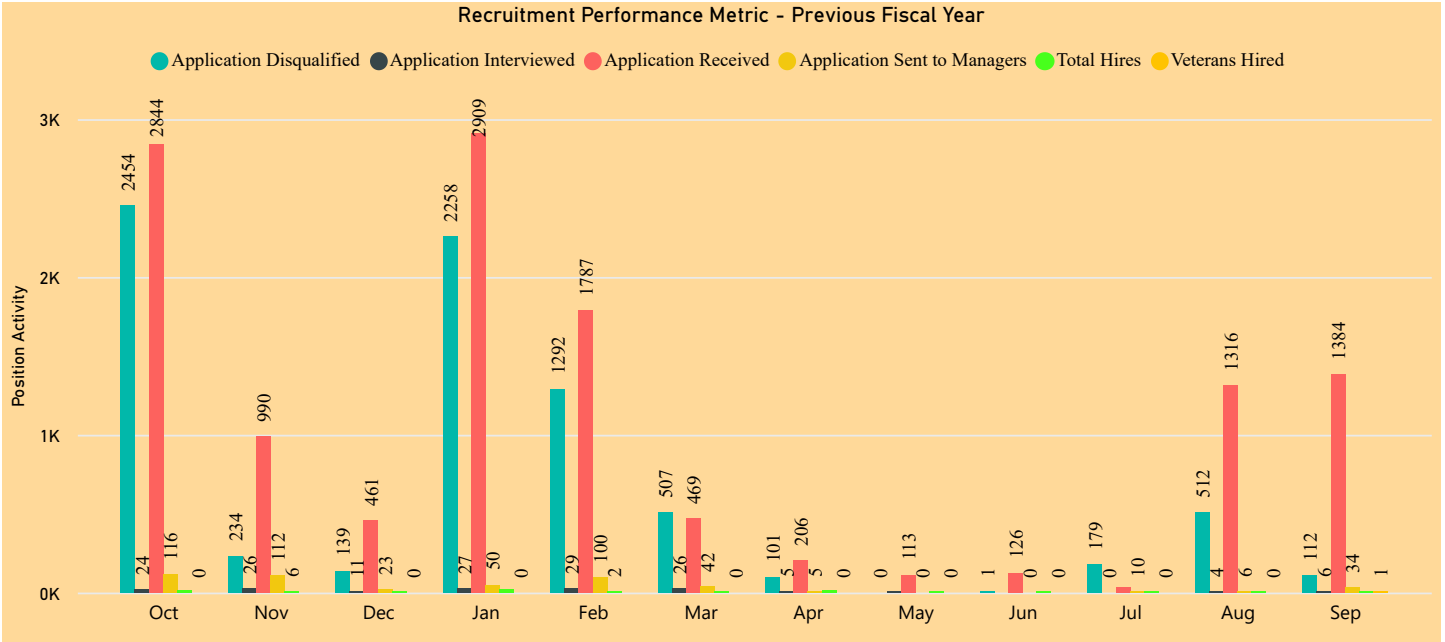
**PEOPLE AND TALENT**

**Human Resources**



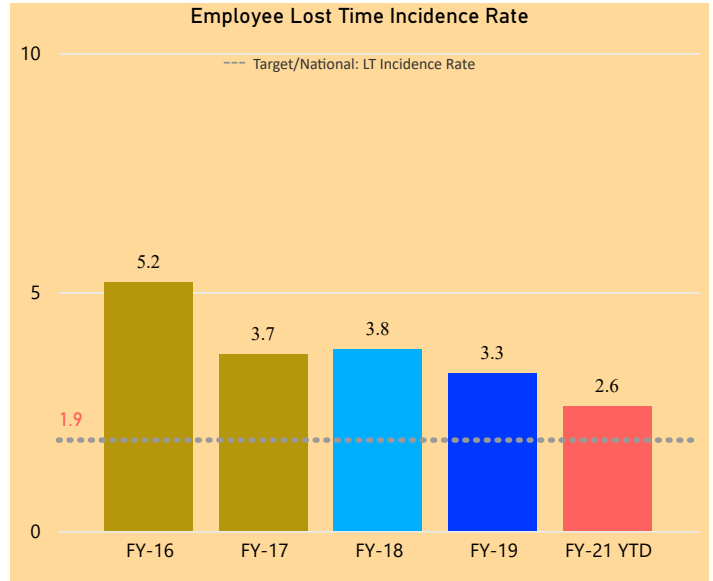
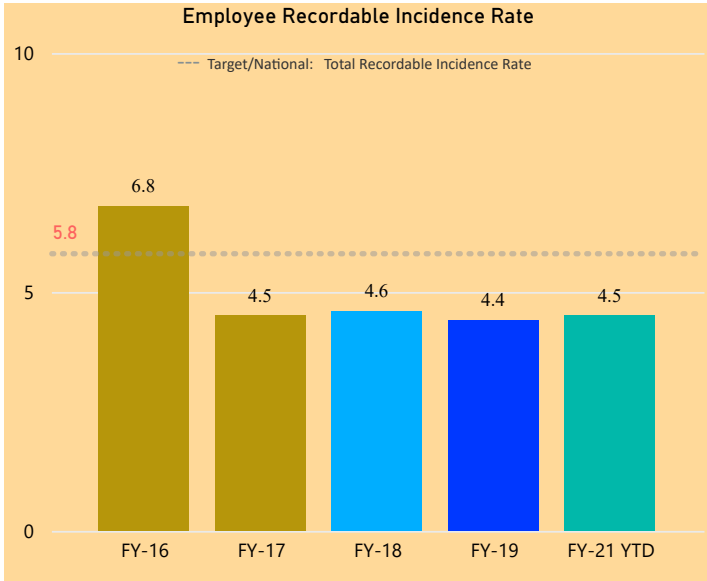
**PEOPLE AND TALENT**

**Human Resources**



**ADMINISTRATION**

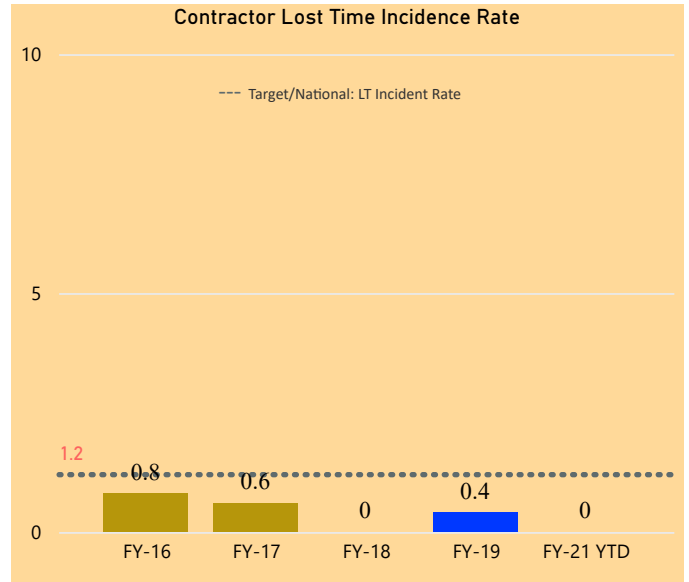
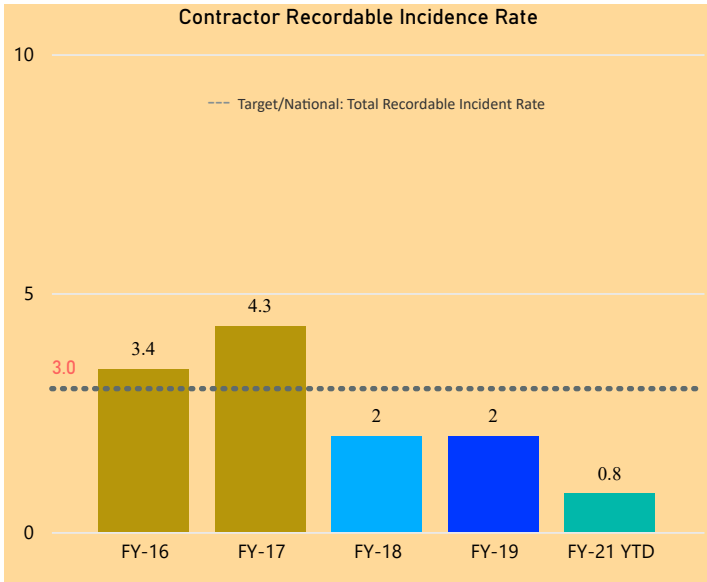
**Safety**



**There have been 12 lost time incidents in FY 2021 YTD.**

**ADMINISTRATION**

**Safety**



**There have been 0 lost time incidents in FY 2021 YTD.**

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

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

A

**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 %.

**OPERATIONS & ENGINEERING**

---

**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

**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

**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

**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\*\*\*\*

**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

Dynamic Color Coding Legend

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

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

- 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

**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 Per Month**

- 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\*\*\*

**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

**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

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

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

**CUSTOMER EXPERIENCE**

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**CUSTOMER CARE**

**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

**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\*\*\*

**PEOPLE AND TALENT**

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**HUMAN RESOURCES**

**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.

Dynamic Color Coding Legend

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

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



ADMINISTRATION

---

**SAFETY**

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

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



**Summary of Contracts on Consent Agenda  
274th Meeting of the DC Water Board of Directors  
Thursday, April 1, 2021**

**Joint-Use Contracts**

**Resolution No. 21-25** – execute Option Year Two (2) of Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the option is to continue the supply and delivery of belt press dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$2,101,000. (Recommended by Environmental Quality and Operations Committee 03/18/21)

**Resolution No. 21-26** – execute Option Year Two (2) of Contract No. 19-PR-DWT-15, Polydyne, Inc. The purpose of the option is to continue the supply and delivery of centrifuge pre-dewatering polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$1,800,000. (Recommended by Environmental Quality and Operations Committee 03/18/21)

**Non Joint-Use Contracts**

**Resolution No. 21-32** – execute Contract No. 170080, Capitol Paving of DC. The purpose of the contract is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues across various locations within the District of Columbia. The contract amount is \$8,003,916.00 (Recommended by Environmental Quality and Operations Committee 03/18/21)

**Resolution No. 21-33** –participate in DDOT’s Florida Avenue, N.E., from 2<sup>nd</sup> Street N.E., to H Street N. E. Project under the Terms of the 2002 MOA between DDOT and DC Water. The purpose of DC Water’s participation is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia. The contract not-to-exceed amount is \$5,600,000. (Recommended by Environmental Quality and Operations Committee 03/18/21)

**Presented and Approved: April 1, 2021**

**SUBJECT: Approval to Execute Option Year Two (2) of Contract No. 19-PR-DWT-14, Polydyne, Inc.**

**#21-25  
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 April 1, 2021 upon consideration of a joint use matter, decided by a vote of \_\_\_() in favor and \_\_\_() opposed to execute Option Year Two (2) of Contract No. 19-PR-DWT-14, Polydyne, Inc.

**Be it resolved that:**

The Board of Directors hereby authorizes the CEO/General Manager to execute Option Year Two (2) of Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the option is to continue the supply and delivery of belt press dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$2,101,000.

\_\_\_\_\_  
Secretary to the Board of Directors



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**PROCUREMENT INFORMATION**

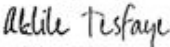
<b>Contract Type:</b>	Good and Services	<b>Award Based On:</b>	Best Value
<b>Commodity:</b>	Dewatering Polymer	<b>Contract Number:</b>	19-PR-DWT-14
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		


**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Wastewater Treatment
<b>Project Area:</b>	Blue Plains	<b>Department Head:</b>	Aklile Tesfaye

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	43.44%	\$912,674.40
Washington Suburban Sanitary Commission	41.95%	\$881,369.50
Fairfax County	9.79%	\$205,687.90
Loudoun Water	4.23%	\$88,872.30
Other (PI)	0.59%	\$12,395.90
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$2,101,000.00</b>

DocuSigned by:  
  
 Aklile Tesfaye 3/4/2021  
 VP of Wastewater Operations

  
 Digitally signed by Dan Bae  
 DN: C=US,  
 E=Dan.Bae@dcwater.com, O=District  
 of Columbia Water and Sewer  
 Authority, OU=VP of Procurement &  
 Compliance, CN=Dan Bae  
 Date: 2021.03.05,12:24:31-05'00'  
 Dan Bae Date  
 VP of Procurement and compliance

**Matthew T. Brown**  
 Digitally signed by  
 Matthew T. Brown  
 Date: 2021.03.11  
 09:38:23 -05'00'  
 Matthew T. Brown Date  
 CFO and EVP of Finance and Procurement

\_\_\_\_\_  
 David L. Gadis Date  
 CEO and General Manager

**Presented and Approved: April 1, 2021**

**SUBJECT: Approval to Execute Option Year Two (2) of Contract No. 19-PR-DWT-15, Polydyne, Inc.**

**#21-26  
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 April 1, 2021 upon consideration of a joint use matter, decided by a vote of \_\_\_() in favor and \_\_\_() opposed to execute Option Year Two (2) of Contract No. 19-PR-DWT-15, Polydyne, Inc.

**Be it resolved that:**

The Board of Directors hereby authorizes the CEO/General Manager to execute Option Year Two (2) of Contract No. 19-PR-DWT-15, Polydyne, Inc. The purpose of the option is to continue the supply and delivery of centrifuge pre-dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The option amount is \$1,800,000.

\_\_\_\_\_  
Secretary to the Board of Directors







**Presented and Adopted: April 1, 2021**

**SUBJECT: Approval of Appointment of the Officers of the Board for First Vice-Chairperson and Vice-Chairperson for Prince George's County**

**#21-27  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority" or "DC Water") at the Board meeting held on April 1, 2021 upon consideration of a joint use matter, decided by a vote of \_\_\_ () in favor and \_\_\_() opposed, to take the following action to appoint the Officers of the Board for First Vice-Chairperson and Vice-Chairperson for Prince George's County.

**WHEREAS**, on September 5, 2019, the Board through Resolution #19-47, adopted amendments to the Board of Directors By-Laws, revising the positions of the Officers of the Board to include: Chairperson, First Vice-Chairperson, Second Vice-Chairperson, and Vice Chairpersons for each of the participating jurisdictions of Fairfax County, VA, Montgomery and Prince Georges Counties; and

**WHEREAS**, pursuant to Section 4.03 of the By-Laws, except for the Chairperson, the Officers of the Board shall serve a one (1) year term commencing upon approval of the Board and terminating on December 31st of each calendar year or until a successor assumed office, unless the Officer resigns or is removed; and

**WHEREAS**, on November 19, 2020, the Executive Committee met to consider the nominations for the Officers of the Board effective January 1, 2021; and

**WHEREAS**, the Executive Committee after discussion and consideration, nominated Krystal Brumfield for First Vice-Chairperson and Farriba Kassiri for Second Vice-Chairperson, the Board members for Fairfax County, VA nominated Randy Bartlett for Vice-Chairperson and Sarah Motsch as the Alternate Vice-Chairperson for Fairfax County, and the Board members for Prince Georges County nominated Floyd Holt as the Alternate Vice-Chairperson for Prince George's County, and the Board members of Montgomery County nominated Fariba Kassiri as the Vice-Chairperson and Adam Ortiz as the Alternate Vice-Chairperson for Montgomery County; and

**WHEREAS**, the Executive Committee did not nominate the Vice-Chairperson for Prince George's County pending the nomination of the replacement of the retiring Major Riddick, Jr.; and

**WHEREAS**, on December 4, 2020, Prince George’s County Executive Angela Alsobrooks appointed Tara Jackson as the Acting Chief Administrative Officer, replacing Major Riddick Jr, who was acting in that position and effectively resigned as Board member and Vice-Chairperson for Prince George’s County; and

**WHEREAS**, on January 7, 2021, the Board through Resolution #21-03, approved the Officers to the Board nominated by the Executive Committee and the Board members of the participating jurisdictions as follows:

First Vice-Chairperson:	Kyrstal Brumfield
Second Vice-Chairperson	Fariba Kassiri
Vice-Chairperson Prince Georges County	
Alternate Vice-Chairperson Prince Georges County	<hr/> Floyd Holt
Vice-Chairperson Montgomery County	Fariba Kassiri
Alternate Vice-Chairperson Montgomery County	Adam Ortiz
Vice-Chairperson Fairfax County	Randy Bartlett
Alternate Vice-Chairperson Fairfax County	Sarah Motsch

**WHEREAS**, on January 20, 2021, President Biden appointed Krystal Brumfield as Associate Administrator of the Office of Government-Wide Policy for the General Services Administration, and effectively resigned as Board member and First Vice-Chairperson; and

**WHEREAS**, on March 2, 2021, Tara Jackson was confirmed as the Chief Administrative Officer for Prince George’s County and automatically appointed the Vice-Chairperson for Prince George’s County; and

**WHEREAS**, pursuant to sections 4.01(b) of the By-Laws, the First Vice-Chairperson is nominated by the Executive Committee and, by resolution, approved by the Board; and

**WHEREAS**, pursuant to section 4.01(c) of the By-Laws, the Board members of their respective jurisdictions nominate the Vice-Chairperson for their jurisdiction, however, a Board member that holds an executive position in their jurisdiction (i.e. Chief Administrative Officer) is automatically appointed the Vice-Chairperson for that jurisdiction; and

**WHEREAS**, on March 24, 2021, the Executive Committee met and after consideration and discussion, nominated Rachna Bhatt for First Vice-Chairperson; and

**WHEREAS**, after consideration of the automatic appointment of Vice-Chairperson for Prince George’s County and the nomination for First Vice-Chairperson offered by the Executive Committee, the Board approves the appointment of Officers of the Board.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board approves the nominees offered by the Executive Committee to fill the Board Officer positions of the First Vice-Chairperson and Vice-Chairperson for Prince George's County as follows:

First Vice-Chairperson:  
Vice-Chairperson Prince Georges County

Rachna Bhatt  
Tara Jackson

This resolution is effective immediately.

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Secretary to the Board of Directors

**Presented and Adopted: April 1, 2021**

**SUBJECT: Approval of Fiscal Year 2021 - 2030 Ten-Year Financial Plan**

**#21-28  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on April 1, 2021, upon consideration of a joint-use matter decided by a vote of \_\_\_ () in favor and \_\_\_ () opposed, to take the following action with respect to the Fiscal Year 2021 - 2030 Ten Year Financial Plan.

**WHEREAS**, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

**WHEREAS**, the Board, in Resolutions #11-10, dated January 6, 2011 and #13-57, dated May 2, 2013, adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

**WHEREAS**, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

**WHEREAS**, on March 5, 2020, through Resolution #20-16, the Board approved the Proposed Fiscal Year 2020 - 2029 Ten-Year Financial Plan; and

**WHEREAS**, consistent with the Board policies and management financial targets, the General Manager prepared the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan consistent with the proposed FY 2022 Operating and Capital Budgets; and

**WHEREAS**, the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan is based on assumptions detailed in the proposed Fiscal Year 2022 Operating and Capital Budgets; and

**WHEREAS**, the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan presented in Schedule A and reflected in Schedule B FY 2021 - FY 2030 Average Residential Customer Monthly Bill, and the FY 2021 and 2022 Rates, Charges and Fees provided in Schedule C; and

**WHEREAS**, during the FY 2022 Budget Workshop on February 4, 2021, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance and Procurement, and Chief Operating Officer and Executive Vice President, briefed Board members on the Fiscal Year 2021 - 2030 Ten Year Financial Plan and Fiscal Year 2022 Budget; and

**WHEREAS**, the COVID-19 pandemic has had an impact on revenues, in response the Chief Executive Officer and General Manager has prioritized operating expenditures and capital projects, and proposed reducing the Net Revenues After Debt Services of \$115,456,000 for Fiscal Year 2021 in the approved Fiscal Year 2020 - 2029 Financial Plan Budget by \$16,992,000 resulting in a proposed revised Net Revenues After Debt Services to \$98,464,000 for Fiscal Year 2021 in the proposed Fiscal Year 2021 – 2030 Ten Year Financial Plan; and

**WHEREAS**, on February 23, 2021, the DC Retail Water and Sewer Rates Committee and Finance and Budget Committee, jointly met and reviewed the proposed Fiscal Year 2020-2030 Ten-Year Financial Plan; and

**WHEREAS**, on March 23, 2021, the DC Retail Water and Sewer Rates Committee met and reviewed the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan, and recommended that the Board adopt the plan as recommended by the General Manager; and

**WHEREAS**, on March 25, 2021, the Finance and Budget Committee met and reviewed the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan, and recommended that the Board adopt the plan as recommended by the General Manager.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board hereby approves and adopts the proposed Fiscal Year 2021 - 2030 Ten Year Financial Plan as presented in Schedule A and reflected in Schedule B FY 2021 - FY 2030 Average Residential Customer Monthly Bill and the FY 2021 and 2022 Rates, Charges and Fees provided in Schedule C and consistent with the proposed Fiscal Year 2022 Operating and Capital Budgets.

This resolution is effective immediately.

\_\_\_\_\_  
Secretary to the Board of Directors

**District of Columbia Water & Sewer Authority  
FY 2021 - FY 2030 Financial Plan  
(In 000's)**

OPERATING	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Retail*	\$ 570,055	\$ 620,781	\$ 648,304	\$ 700,728	\$ 727,823	\$ 766,019	\$ 805,865	\$ 850,203	\$ 896,819	\$ 924,823
Wholesale*	81,709	84,669	87,209	89,825	92,520	95,295	98,154	101,099	104,132	107,256
Other	37,997	40,435	41,136	44,580	47,256	52,054	54,209	56,710	58,977	59,700
RSF	2,500	10,500	-	-	-	-	-	-	-	-
Operating Receipts <sup>(1)</sup>	\$ 692,262	\$ 756,385	\$ 776,649	\$ 835,133	\$ 867,599	\$ 913,369	\$ 958,228	\$ 1,008,012	\$ 1,059,928	\$ 1,091,778
Operating Expenses	(345,498)	(364,345)	(375,219)	(386,427)	(397,980)	(409,886)	(422,159)	(434,809)	(447,847)	(461,287)
Debt Service	(217,944)	(231,164)	(240,459)	(250,382)	(270,935)	(285,552)	(303,384)	(322,075)	(339,858)	(352,409)
Cash Financed Capital Improvement	\$ (30,355)	\$ (37,830)	\$ (45,381)	\$ (49,051)	\$ (58,226)	\$ (68,942)	\$ (72,528)	\$ (76,518)	\$ (80,714)	\$ (83,234)
Net Revenues After Debt Service	\$ 98,464	\$ 123,046	\$ 115,589	\$ 149,273	\$ 140,458	\$ 148,988	\$ 160,158	\$ 174,610	\$ 191,509	\$ 194,848
Operating Reserve-Beg Balance	186,827	185,000	194,000	201,000	205,000	215,000	220,000	230,000	240,000	250,000
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	918	(2,854)	(3,761)	(6,742)	-	-	-	-	-	-
Project Billing Refunds	(4,000)	-	-	-	-	-	-	-	-	-
Transfers To RSF	-	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(97,209)	(111,192)	(104,828)	(138,532)	(130,458)	(143,988)	(150,158)	(164,610)	(181,509)	(189,848)
Operating Reserve - Ending Balance	\$ 185,000	\$ 194,000	\$ 201,000	\$ 205,000	\$ 215,000	\$ 220,000	\$ 230,000	\$ 240,000	\$ 250,000	\$ 255,000
Rate Stabilization Fund Balance RSF <sup>(2)</sup>	\$ (87,744)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)	\$ (77,244)
Senior Debt Service Coverage	477%	532%	489%	587%	620%	594%	572%	589%	642%	641%
Combined Debt Service Coverage	168%	178%	175%	186%	182%	185%	185%	186%	188%	186%
Actual/Projected Water/Sewer Rate Increases	9.9%	7.8%	8.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
*Operating Receipts \$ Increase/Decrease										
Retail	(2,680)	50,727	27,523	52,425	27,094	38,196	39,846	44,337	46,617	28,004
Wholesale	2,553	2,959	2,540	2,616	2,695	2,776	2,859	2,945	3,033	3,124
*Operating Receipts % Increase/Decrease										
Retail	-0.5%	8.9%	4.4%	8.1%	3.9%	5.2%	5.2%	5.5%	5.5%	3.1%
Wholesale	3.2%	3.6%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

<sup>(1)</sup> Includes interest earnings on senior lien revenue bonds' debt service reserve fund

<sup>(2)</sup> FY 2022 planned transfers of \$0.0 million to Rate Stabilization Fund and \$10.5 million utilization will bring the total fund balance to \$77.2 million

## Schedule B

**District of Columbia Water & Sewer Authority**  
**FY 2021 - FY 2030 Average Residential Customer Monthly Bill**

	Units	Current		Approved								
		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	
DC Water Water and Sewer Retail Rates <sup>(1)</sup>	Ccf	\$ 73.30	\$ 78.92	\$ 85.61	\$ 92.07	\$ 98.98	\$ 106.40	\$ 114.41	\$ 123.04	\$ 132.26	\$ 142.14	
DC Water Clean Rivers IAC <sup>(2)</sup>	ERU	19.52	18.40	19.58	24.07	23.07	23.82	24.56	25.64	26.78	23.45	
DC Water Customer Metering Fee	5/8"	4.96	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	
DC Water Water System Replacement Fee <sup>(4)</sup>	5/8"	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	
<b>Subtotal DC Water Rates &amp; Charges</b>		<b>\$ 104.08</b>	<b>\$ 111.37</b>	<b>\$ 119.24</b>	<b>\$ 130.19</b>	<b>\$ 136.10</b>	<b>\$ 144.27</b>	<b>\$ 153.02</b>	<b>\$ 162.73</b>	<b>\$ 173.09</b>	<b>\$ 179.64</b>	
Increase / Decrease		\$ 6.73	\$ 7.29	\$ 7.87	\$ 10.95	\$ 5.91	\$ 8.17	\$ 8.75	\$ 9.71	\$ 10.36	\$ 6.55	
District of Columbia PILOT Fee <sup>(1)</sup>	Ccf	\$ 2.93	\$ 3.04	\$ 3.09	\$ 3.14	\$ 3.20	\$ 3.25	\$ 3.31	\$ 3.36	\$ 3.41	\$ 3.47	
District of Columbia Right-of-Way Fee <sup>(1)</sup>	Ccf	1.03	1.03	1.03	1.08	1.08	1.08	1.08	1.08	1.14	1.19	
District of Columbia Stormwater Fee <sup>(3)</sup>	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	
<b>Subtotal District of Columbia Charges</b>		<b>\$ 6.63</b>	<b>\$ 6.74</b>	<b>\$ 6.79</b>	<b>\$ 6.89</b>	<b>\$ 6.95</b>	<b>\$ 7.00</b>	<b>\$ 7.06</b>	<b>\$ 7.11</b>	<b>\$ 7.22</b>	<b>\$ 7.33</b>	
<b>Total Amount Appearing on DC Water Bill</b>		<b>\$ 110.71</b>	<b>\$ 118.11</b>	<b>\$ 126.03</b>	<b>\$ 137.08</b>	<b>\$ 143.05</b>	<b>\$ 151.27</b>	<b>\$ 160.08</b>	<b>\$ 169.84</b>	<b>\$ 180.31</b>	<b>\$ 186.97</b>	
Increase / Decrease Over Prior Year		\$ 6.90	\$ 7.40	\$ 7.92	\$ 11.05	\$ 5.97	\$ 8.22	\$ 8.81	\$ 9.76	\$ 10.47	\$ 6.66	
<b>Percent Increase in Total Bill</b>		<b>6.6%</b>	<b>6.7%</b>	<b>6.7%</b>	<b>8.8%</b>	<b>4.4%</b>	<b>5.7%</b>	<b>5.8%</b>	<b>6.1%</b>	<b>6.2%</b>	<b>3.7%</b>	

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

## Schedule C

***District of Columbia Water & Sewer Authority***  
**Retail Rates, Charges and Fees**  
**FY 2021 – FY 2022**

	<b>Units</b>		<b>Current FY 2021</b>	<b>Approved FY 2022</b>
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	\$	3.49	\$ 3.63
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	\$	4.50	\$ 4.74
DC Water Retail Rates Water (Multi-Family)	Ccf	\$	3.96	\$ 4.15
DC Water Retail Rates Water (Non-Residential)	Ccf	\$	4.65	\$ 4.91
DC Water Retail Rates Sewer	Ccf	\$	9.77	\$ 10.64
DC Water Clean Rivers IAC	ERU	\$	19.52	\$ 18.40
DC Water Customer Metering Fee	5/8"	\$	4.96	\$ 7.75
DC Water Water System Replacement Fee	5/8"	\$	6.30	\$ 6.30
District of Columbia PILOT Fee	Ccf	\$	0.54	\$ 0.56
District of Columbia Right-of-Way Fee	Ccf	\$	0.19	\$ 0.19
District of Columbia Stormwater Fee	ERU	\$	2.67	\$ 2.67



**Presented and Adopted: April 1, 2021**  
**Subject: Approval of Proposed Fiscal Year 2021 - 2030 Capital Improvement Program**

**#21-29**  
**RESOLUTION**  
**OF THE**  
**BOARD OF DIRECTORS**  
**OF THE**  
**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at its meeting on April 1, 2021 upon consideration of a joint-use matter, decided by a vote of \_\_\_\_ ( ) in favor and \_\_\_\_ ( ) opposed, to take the following action with respect to the Fiscal Year 2021 - 2030 Capital Improvement Program.

**WHEREAS**, pursuant to Resolution #10-76, dated July 1, 2010, the Board’s Rate Stabilization Fund Policy requires an annually updated 10-Year Financial Plan, which includes a 10-Year Capital Disbursement Plan; and

**WHEREAS**, on March 5, 2020, through Resolution #20-15, the Board approved the Proposed Fiscal Year (FY) 2020 - 2029 Capital Improvement Program, which includes the FY 2020 - 2029 Capital Disbursement Plan and related Lifetime Budget; and

**WHEREAS**, during the FY 2022 Budget Workshop on February 4, 2021, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance and Procurement, and Chief Operating Officer and Executive Vice President, briefed Board members on the FY 2021 - 2030 Capital Improvement Program, which includes the proposed Revised FY 2021 CIP Disbursement Budget of \$471,267,000, the proposed 10-Year Disbursement Plan totaling \$5,432,489,000 and the proposed Lifetime Budget of \$12,133,115,000; and

**WHEREAS**, the COVID-19 pandemic has had an impact on revenues, in response the Chief Executive Officer and General Manager has prioritized operating expenditures and capital projects, and proposed reducing the Approved FY 2021 CIP Disbursement Budget of \$507,590,000 by \$36,323,000 resulting in a proposed Revised FY 2021 CIP Disbursement Budget of \$471,267,000; and

**WHEREAS**, on February 18, 2021, the Environmental Quality and Operations Committee reviewed the budget proposals and discussed in detail the budget scenarios, budget drivers, strategic budget decisions, budget assumptions and risks; and

**WHEREAS**, on February 23, 2021, the Finance & Budget Committee and the DC Retail Water and Sewer Rates Committee, in a joint meeting, reviewed the budget proposals

and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks, and customer impacts; and

**WHEREAS**, on March 18, 2021, the Environmental Quality and Operations Committee, reviewed the budget proposals and discussed in detail the budget drivers, budget assumptions, and risks, and recommended that the Board adopt the FY 2021 - 2030 Capital Improvement Program, which includes the proposed Revised FY 2021 CIP Disbursement Budget of \$471,267,000, proposed 10-Year Capital Disbursement Plan totaling \$5,432,489,000, and related Lifetime Budget, totaling \$12,133,115,000; and

**WHEREAS**, on March 23, 2021, the DC Retail Water and Sewer Rates Committee reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks, and customer impacts; and

**WHEREAS**, on March 25, 2021, the Finance & Budget Committee, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, and customer impacts, and recommended that the Board adopt the FY 2021 - 2030 Capital Improvement Program, which includes the proposed Revised FY 2021 CIP Disbursement Budget of \$471,267,000, proposed 10-Year Capital Disbursement Plan totaling \$5,432,489,000, and related Lifetime Budget, totaling \$12,133,115,000.

**NOW THEREFORE, BE IT RESOLVED THAT:**

The Board hereby approves and adopts DC Water's FY 2021 - 2030 Capital Improvement Program, which includes the Revised FY 2021 CIP Disbursement Budget of \$471,267,000, Fiscal Year 2021 – 2030 Capital Improvement Program Disbursement Plan totaling \$5,432,489,000, and related Lifetime Budget totaling \$12,133,115,000 provided in Attachment A-1 and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2022 Budget, presented on February 4, 2021 and accompanying materials.

This resolution is effective immediately.

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Secretary to the Board of Directors

274th Meeting of the Board of Directors - IX. Consent Items (Joint Use)

Capital Improvement Program

\$ in thousands

Attachment A-1

	Approved Budget	FY 2021 - FY 2030 CIP Disbursement Plan											Lifetime Budget
		Revised Budget											
		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	Total	
<b>NON PROCESS FACILITIES</b>													
Facility Land Use	\$ 31,849	\$ 38,004	\$ 12,725	\$ 21,321	\$ 22,204	\$ 6,350	\$ 5,262	\$ 3,066	\$ 844	\$ -	\$ -	\$ 109,776	\$ 210,031
<b>Subtotal</b>	<b>31,849</b>	<b>38,004</b>	<b>12,725</b>	<b>21,321</b>	<b>22,204</b>	<b>6,350</b>	<b>5,262</b>	<b>3,066</b>	<b>844</b>	<b>-</b>	<b>-</b>	<b>109,776</b>	<b>210,031</b>
<b>WASTEWATER TREATMENT</b>													
Liquid Processing	42,496	27,817	32,187	43,326	57,315	49,011	72,645	95,707	98,920	84,012	82,419	643,359	1,250,842
Plantwide	32,784	18,011	13,638	27,701	28,147	38,830	50,636	29,432	16,268	25,231	21,468	269,362	491,232
Solids Processing	27,314	25,763	17,255	24,181	33,068	19,981	16,672	6,487	10,504	12,838	28,595	195,344	929,651
Enhanced Nitrogen Removal Facilities	382	7,401	842	2,529	1,129	-	-	2,206	1,861	11,665	23,293	50,926	803,410
<b>Subtotal</b>	<b>102,976</b>	<b>78,992</b>	<b>63,922</b>	<b>97,737</b>	<b>119,659</b>	<b>107,822</b>	<b>139,953</b>	<b>133,832</b>	<b>127,553</b>	<b>133,746</b>	<b>155,775</b>	<b>1,158,991</b>	<b>3,475,135</b>
<b>COMBINED SEWER OVERFLOW</b>													
DC Clean Rivers Program	147,565	165,435	160,582	118,360	66,803	58,231	147,834	99,877	86,036	113,315	11,436	1,027,910	2,760,365
Combined Sewer Overflow Program	7,701	5,407	4,694	8,238	11,158	18,986	9,787	4,931	5,378	11,278	15,209	95,066	218,708
<b>Subtotal</b>	<b>155,266</b>	<b>170,842</b>	<b>165,276</b>	<b>126,598</b>	<b>77,962</b>	<b>77,216</b>	<b>157,621</b>	<b>104,808</b>	<b>91,414</b>	<b>124,593</b>	<b>26,645</b>	<b>1,122,976</b>	<b>2,979,072</b>
<b>STORMWATER</b>													
Storm Local Drainage Program	22	-	33	188	1,511	2,773	1,191	1,792	1,970	1,709	260	11,427	18,025
Storm On-Going Program	631	649	1,315	837	866	526	875	843	1,084	1,287	935	9,217	10,788
Storm Pumping Facilities	8,392	5,023	7,314	5,535	1,877	2,400	2,627	2,136	4,279	1,755	5,497	38,443	62,809
Stormwater Program Management	445	164	429	591	653	506	604	318	385	306	236	4,192	14,179
Stormwater Trunk/Force Sewers	141	95	137	58	202	123	-	-	-	-	-	615	15,510
<b>Subtotal</b>	<b>9,631</b>	<b>5,931</b>	<b>9,228</b>	<b>7,209</b>	<b>5,109</b>	<b>6,328</b>	<b>5,297</b>	<b>5,089</b>	<b>7,718</b>	<b>5,057</b>	<b>6,928</b>	<b>63,894</b>	<b>121,310</b>
<b>SANITARY SEWER</b>													
Sanitary Collection System	8,134	2,914	694	16,374	29,071	33,030	58,298	64,514	37,628	30,750	32,132	305,405	512,171
Sanitary On-Going Projects	12,327	13,267	13,381	12,358	14,453	13,200	13,576	13,988	14,395	14,850	15,289	138,757	198,935
Sanitary Pumping Facilities	5,995	2,076	4,358	6,831	10,669	8,852	12,329	13,824	25,188	30,468	31,299	145,894	251,721
Sanitary Program Management	7,256	7,728	8,099	9,132	8,070	7,451	10,519	9,589	8,680	6,311	5,783	81,361	196,108
Interceptor/Trunk Force Sewers	32,006	24,562	48,905	49,421	64,121	68,019	88,169	112,328	80,843	55,668	49,521	641,557	936,759
<b>Subtotal</b>	<b>65,718</b>	<b>50,547</b>	<b>75,437</b>	<b>94,116</b>	<b>126,383</b>	<b>130,552</b>	<b>182,891</b>	<b>214,243</b>	<b>166,734</b>	<b>138,047</b>	<b>134,024</b>	<b>1,312,973</b>	<b>2,095,695</b>
<b>WATER</b>													
Water Distribution Systems	60,464	46,643	68,528	82,740	71,899	89,272	82,322	85,853	87,095	87,109	84,434	785,895	1,502,345
Lead Free DC Program	5,408	6,179	6,075	5,908	5,869	5,963	5,396	5,428	5,666	5,739	5,390	57,613	243,956
Water On-Going Projects	11,075	12,126	12,480	13,457	15,287	14,274	14,390	16,670	17,818	18,000	19,000	153,502	212,590
Water Pumping Facilities	2,650	1,328	5,045	10,281	6,736	3,947	5,814	2,395	4,495	215	2,571	42,827	72,646
DDOT Water Projects	10	1,016	152	13	-	-	-	-	-	-	-	1,181	33,933
Water Storage Facilities	4,318	4,521	3,056	2,498	9,565	4,724	9,333	7,967	6,841	2,611	3,602	54,718	155,760
Water Service Program Management	4,752	3,550	4,873	4,193	2,762	4,354	5,689	8,380	7,866	5,157	5,157	51,981	125,733
<b>Subtotal</b>	<b>88,677</b>	<b>75,362</b>	<b>100,209</b>	<b>119,090</b>	<b>112,118</b>	<b>122,534</b>	<b>122,944</b>	<b>126,693</b>	<b>129,781</b>	<b>118,831</b>	<b>120,155</b>	<b>1,147,717</b>	<b>2,346,963</b>
<b>CAPITAL PROJECTS</b>	<b>454,118</b>	<b>419,678</b>	<b>426,797</b>	<b>466,072</b>	<b>463,435</b>	<b>450,803</b>	<b>613,968</b>	<b>587,731</b>	<b>524,044</b>	<b>520,274</b>	<b>443,526</b>	<b>4,916,327</b>	<b>11,228,206</b>
<b>CAPITAL EQUIPMENT</b>													
WASHINGTON AQUEDUCT	16,266	15,382	13,324	37,903	8,414	16,012	34,208	11,240	10,919	18,885	13,838	180,125	180,125
<b>ADDITIONAL CAPITAL PROGRAMS</b>	<b>53,473</b>	<b>51,589</b>	<b>49,343</b>	<b>74,513</b>	<b>36,992</b>	<b>49,115</b>	<b>67,312</b>	<b>44,344</b>	<b>44,023</b>	<b>51,988</b>	<b>46,942</b>	<b>516,161</b>	<b>516,161</b>
<b>LABOR</b>													
													388,747
<b>TOTAL CAPITAL BUDGETS</b>	<b>\$ 507,590</b>	<b>\$ 471,267</b>	<b>\$ 476,140</b>	<b>\$ 540,585</b>	<b>\$ 500,427</b>	<b>\$ 499,918</b>	<b>\$ 681,280</b>	<b>\$ 632,075</b>	<b>\$ 568,067</b>	<b>\$ 572,262</b>	<b>\$ 490,468</b>	<b>\$ 5,432,489</b>	<b>\$ 12,133,115</b>

**Presented and Adopted: April 1, 2021**  
**Subject: Approval of Proposed Fiscal Year 2022 Operating Budget**

**#21-30**  
**RESOLUTION**  
**OF THE**  
**BOARD OF DIRECTORS**  
**OF THE**  
**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at the Board meeting on April 1, 2021, upon consideration of a joint-use matter, decided by a vote of \_\_\_ ( ) in favor and \_\_\_ ( ) opposed, to take the following action with respect to the Fiscal Year 2022 Proposed Operating Budget.

**WHEREAS**, during the Fiscal Year 2022 Budget Workshop on February 4, 2021, the Chief Executive Officer and General Manager, and Chief Financial Officer and Executive Vice President, Finance and Procurement, briefed Board members on the Proposed FY 2022 Operating Budget that totaled \$658,423,000; and

**WHEREAS**, on February 23, 2021, the Finance and Budget Committee in a joint session with the DC Retail Water and Sewer and Rates Committee and reviewed the budget proposals and discussed in detail, the budget drivers, strategic budget decisions, budget assumptions, risks and customer impact; and

**WHEREAS**, on March 25, 2021, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks and customer impact, and recommended that the Board adopt the FY 2022 Operating Budget that totals \$658,423,000, including \$15,000 for representation and \$10,000 for official meetings.

**NOW THEREFORE BE IT RESOLVED THAT:**

The Board hereby approves and adopts DC Water’s Proposed Fiscal Year 2022 Operating Budget totaling \$658,423,000, including \$15,000 for representation and \$10,000 for official meetings, and as further detailed in the Chief Executive Officer and General Manager’s Proposed Fiscal Year 2022 Budget presented on February 4, 2021 and accompanying materials.

This resolution is effective immediately.

\_\_\_\_\_  
Secretary to the Board of Directors

## Attachment A

<i>\$ in thousands</i>	FY 2021 Approved	FY 2022 Proposed
Total Personnel Services	\$ 177,863	\$ 180,353
Chemical & Supplies	36,081	34,201
Utilities	27,911	27,329
Contractual Services	88,532	88,504
Biosolid		
Water Purchases	36,250	35,217
Small Equipment	1,030	1,108
Total Non-Personnel Services	189,804	186,359
Total Operations & Maintenance	\$ 367,667	\$ 366,711
Debt Service	222,268	231,164
PILOT & ROW	22,372	22,718
Cash Financed Capital Improvements	30,355	37,830
Total Non-O& M	274,995	291,712
<b>Total Operating Expenditure</b>	<b>\$ 642,662</b>	<b>\$ 658,423</b>
Capital Labor Charges	(24,382)	(25,086)
Net Operating Expenditure	\$ 618,280	\$ 633,337

**Presented and Adopted: April 1, 2021**  
**SUBJECT: Fiscal Year 2021-2022 Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing**

**#21-31**  
**RESOLUTION**  
**OF THE**  
**BOARD OF DIRECTORS**  
**OF THE**  
**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at the Board meeting held on April 1, 2021, upon consideration of a joint-use matter, decided by a vote of \_\_\_\_ ( ) in favor and \_\_\_\_ ( ) opposed, to take the following action with respect to the Fiscal Year 2021-2022 Reimbursement of Capital Expenditures with Proceeds of a Borrowing.

**WHEREAS**, DC Water intends to acquire, construct and equip improvements to the “System,” which shall be considered “Costs of the System” as both terms are defined in the Master Indenture of Trust between DC Water and Wells Fargo Bank, N.A., dated April 1, 1998, including, but not limited to the items and projects set forth in Exhibit A hereto (collectively, the “Projects”); and

**WHEREAS**, plans for the Projects have advanced and DC Water expects to advance its own funds to pay expenditures related to the Projects (“Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. DC Water utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the “Bonds”) or other debt in an amount not currently expected to exceed \$400,000,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution #20-89 the Board adopted on December 3, 2020, plus amounts projected to be reimbursed during Fiscal Year 2021 – 2022.
2. DC Water intends to use the proceeds of the Bonds to reimburse itself for Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. DC Water reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of

the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of DC Water so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of DC Water.

4. DC Water makes a reimbursement allocation, which is a written allocation by DC Water that evidences DC Water's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. DC Water recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Board adopts this resolution confirming the "official intent" within the meaning of Treasury Regulations 26 CFR § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

This resolution is effective immediately.

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Secretary to the Board of Directors

**Exhibit A - List of Projects**

Blue Plains Plantwide Projects  
Blue Plains Enhanced Nitrogen Removal Facilities  
Blue Plains Liquid and Solids Processing Projects  
Sanitary Sewer System Projects  
Combined Sewer System Projects  
DC Clean Rivers Project  
Stormwater Sewer System Projects  
Water Pumping, Distribution and Storage Projects  
Metering and Capital Equipment  
Washington Aqueduct Projects



**Presented and Approved: April 1, 2021**

**SUBJECT: Approval to Execute Contract No. 170080, Capitol Paving  
of DC**

**#21-32  
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 April 1, 2021 upon consideration of a non-joint use matter, decided by a vote of \_\_\_() in favor and \_\_\_() opposed to execute Contract No. 170080, Capitol Paving of DC.

**Be it resolved that:**

The Board of Directors hereby authorizes the CEO/General Manager to execute Contract No. 170080, Capitol Paving of DC. The purpose of the contract is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues across various locations within the District of Columbia. The contract amount is \$8,003,916.00

\_\_\_\_\_  
Secretary to the Board of Directors.

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

**ACTION REQUESTED**

**CONSTRUCTION CONTRACT:  
Small Diameter Water Main Replacement 14B  
(Non-Joint Use)**

Approval to execute a construction contract for \$8,003,916.00

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b>	<b>SUBS:</b>	<b>PARTICIPATION:</b>
Capitol Paving of D.C., Inc. 2211 Channing Street, N.E P.O. Box 21248 Washington, DC 20018	Amerigal Construction CO, Inc Glen Dale, Maryland DBE	32.0%
	Royal Construction Materials McLean, VA WBE	6.0%

**DESCRIPTION AND PURPOSE**

Contract Value, Not-To-Exceed:	\$8,003,916.00
Contract Time:	385 Days (1 Year 1 Month)
Anticipated Contract Start Date (NTP):	06-01-2021
Anticipated Contract Completion Date:	06-21-2022
Bid Opening Date:	01-15-2021
Bids Received:	9
Other Bids Received	
Sagres Construction Corporation	\$8,847,263.00
Fort Myer Construction Corporation	\$8,937,726.70
Metro Paving Corporation	\$9,802,066.00
Anchor Construction Corporation, Inc	\$9,864,222.00
Garney Construction	\$9,898,458.00
Civil Construction LLC	\$10,127,256.00
Old Line Construction, Inc	\$10,447,797.00
Spiniello Companies	\$10,973,300.00

**Purpose of the Contract:**

Replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues across various locations within the District of Columbia.

**Contract Scope:**

- Replace 2.76 miles of water mains ranging from four (4) inch to twelve (12) inches and associated valves and appurtenances
- Replace water services 2" and smaller in public and private space as needed
- Replace curb stop / curb stop box, meter box and penetration through building wall and connection to first fitting inside the building including installation of a shut-off valve and pressure reducing valve
- Provide permanent pavement and surface restoration

**Federal Grant Status:**

- Construction contract is funded in part by Federal grant.

PROCUREMENT INFORMATION			
Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	170080
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Craig Fricke
Project:	F2,BW		

ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	24.31%	\$1,945,751.98
Federal Funds	75.69%	\$6,058,164.02
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun County & Potomac Interceptor	0.00%	\$0.00
<b>Total Estimated Dollar Amount</b>	<b>100.00%</b>	<b>\$8,003,916.00</b>

*Leonard R. Benson* \_\_\_\_\_  
 Leonard R. Benson  
 SVP, CIP Project Delivery

March 11, 2021  
 Date

*Dan Bae* \_\_\_\_\_  
 Dan Bae, VP  
 Procurement and Compliance

March 11, 2021  
 Date

*Matthew T. Brown* \_\_\_\_\_  
 Matthew T. Brown  
 CFO and EVP  
 Finance and Procurement

March 11, 2021  
 Date

\_\_\_\_\_  
 David L. Gadis  
 CEO and General Manager

Date

**Presented and Approved: April 1, 2021**

**SUBJECT: Approval to Participate in District's Department of  
Transporations Florida Avenue, N.E., from 2<sup>nd</sup> Street N.E.,  
to H Street N. E. Project under the Terms of the 2002 MOA  
between DDOT and DC Water.**

**#21-33  
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 April 1, 2021 upon consideration of a non-joint use matter, decided by a vote of \_\_() in favor and \_\_() opposed to participate in DDOT's Florida Avenue, N.E., from 2<sup>nd</sup> Street N.E., to H Street N. E. Project under the Terms of the 2002 MOA between DDOT and DC Water.

**Be it resolved that:**

The Board of Directors hereby authorizes the CEO/General Manager to participate in DDOT's Florida Avenue, N.E., from 2<sup>nd</sup> Street N.E., to H Street N. E. Project under the Terms of the 2002 MOA between DDOT and DC Water. The purpose of DC Water's participation is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia. The contract not-to-exceed amount is \$5,600,000.

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Secretary to the Board of Directors

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

**ACTION REQUESTED**

**PARTICIPATION IN DDOT PROJECT:**

**DDOT - Florida Avenue NE  
From 2<sup>nd</sup> Street NE to H Street NE**

**(Non-Joint Use)**

Approval to participate in DDOT's project to reconstruct Florida Avenue NE from 2<sup>nd</sup> Street NE to H Street NE under the terms of the 2002 Memorandum of Agreement (MOA) between the District of Columbia Department of Transportation (DDOT) and DC Water for an amount up to \$5,600,000. This amount exceeds the General Manager's approval authority.

**PARTY INFORMATION**

<b>PARTY:</b> District Department of Transportation 55 M Street, SE, Suite 400, Washington, DC 20003	<b>SUBS:</b> MBE and WBE fair share objectives will follow DDOT goals.	<b>PARTICIPATION:</b>
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**DESCRIPTION AND PURPOSE**

Value, Not-To-Exceed: \$5,600,000.00  
 Time: 913 Days (2 Year, 6 Months)  
 Anticipated Start Date: July 2021  
 Anticipated Completion Date: January 2024

**Purpose of DC Water's Participation:**

Replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia.

**Scope of DC Water's Participation:**

- Replace 2.2 miles of water mains ranging from four (4) inches to twelve (12) inches diameter and associated valves and appurtenances.
- Replace water services 2-inch diameter and smaller in public and private space as needed.
- Replace curb stop/curb stop box, meter box and penetration through building wall and connection to first fitting inside the building including installation of a shut-off valve and pressure reducing valve.

**Federal Grant Status:**

- Work is not eligible for Federal grant funding assistance.

**AGREEMENT INFORMATION**

<b>Contract Type:</b>	MOU	<b>Award Based On:</b>	N/A
<b>Commodity:</b>	Design and Construction	<b>Contract Number:</b>	N/A

**BUDGET INFORMATION**

<b>Funding:</b>	Capital	<b>Department:</b>	Engineering and Technical Services
<b>Service Area:</b>	Water	<b>Department Head:</b>	Craig Fricke
<b>Project:</b>	HX		

**ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 5,600,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
<b>Total Estimated Dollar Amount</b>	<b>100.00%</b>	<b>\$ 5,600,000.00</b>

Leonard Benson  
 Digitally signed by Leonard Benson  
 DN: cn=Leonard Benson, o=Engineering, ou=Leonard Benson, email=Leonard.Benson@dowater.com, Date: 2021.03.09 16:00:21 -05'00'  
 \_\_\_\_\_  
 Leonard R. Benson Date  
 SVP, CIP Project Delivery

  
 Digitally signed by Dan Bae  
 DN: CN=US, E=dan.bae@dowater.com, O=District of Columbia Water and Sewer Authority, OU=VP of Procurement & Compliance, CN=Dan Bae, Date: 2021.03.10 09:06:45 -05'00'  
 \_\_\_\_\_  
 Dan Bae, VP Date  
 Procurement & Compliance

Matthew T. Brown  
 Digitally signed by Matthew T. Brown  
 Date: 2021.03.10 13:43:18 -05'00'  
 \_\_\_\_\_  
 Matthew T. Brown Date  
 CFO and EVP  
 Finance & Procurement

\_\_\_\_\_  
 David L. Gadis Date  
 CEO & General Manager

**Presented and Adopted: April 1, 2021**

**Subject: Approval for Notice of Proposed Rulemaking to Amend the Fire Protection Service Fee**

**#21-34  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the DC Water”) at the Board meeting held on April 1, 2021 decided, in a non-joint use matter, by a vote of \_\_\_\_ ( ) in favor and \_\_\_\_ ( ) opposed, to take the following action with respect to the proposed Fire Protection Service Fee.

**WHEREAS**, DC Water establishes rates, fees and charges in accordance with the Board’s Rate Setting Policy adopted in Resolution #11-10, dated January 6, 2011, including the recovery of current costs to provide service; and

**WHEREAS**, DC Water provides fire protection services to the District, including but not limited to the delivery of water for firefighting, inspection, maintenance and upgrading of public fire hydrants in the District of Columbia pursuant to a Memorandum of Understanding (MOU) between the DC Water and District of Columbia Fire Emergency Medical Services (FEMS) Department, effective May 3, 2013; and

**WHEREAS**, pursuant to Section 3.0 of the MOU, DC Water is required to establish the Fire Protection Service Fee “through the DC Rate Making process that applies to all DC Water rates and fees and is outlined in the DC Municipal Regulations”; and

**WHEREAS**, the MOU also requires the Fire Protection Service Fee to be “reviewed and revisions proposed every three years through an independent Cost of Services study”; and

**WHEREAS**, DC Water prepared a Cost of Services Study entitled, “Report Regarding Fire Services Charges,” dated March 10, 2021, which, based on the escalation of costs and past underpayments, DC Water recommends maintaining the Fire Protection Service Fee at Twelve Million Five Hundred Twenty Seven Thousand Dollars (\$12,527,000) per fiscal year (FY) for FY 2021, and decreasing the Fire Protection Service Fee to Eleven Million Five Hundred Thirty Five Thousand Dollars (\$11,535,000) for FY 2022, FY 2023, and FY 2024; and

**WHEREAS**, the DC Retail Water and Sewer Rates Committee met on March 23, 2021 to consider the proposed Fire Protection Service Fee adjustments; and

**WHEREAS**, the DC Retail Water and Sewer Rates Committee recommended the Board authorize the General Manager to publish the proposed decrease in the Fire Protection Service Fee, effective October 1, 2021 for public comment; and

**WHEREAS**, the Board considered the recommendation from the DC Retail Water and Sewer Rates Committee, and the proposed Fire Protection Service Fee and approved publishing the proposed amendments to 21 DCMR Section 4103. (Fire Protection Service Fee).

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board finds that DC Water's cost of service study justifies maintaining the Fire protection Service Fee in FY 2021 and decreasing it for FY 2022, 2023 and 2024 codified at 21 DCMR 4103 (Fire Protection Service Fee) as provided below:

**4103 FIRE PROTECTION SERVICE FEE**

4103.1 Effective October 1, 2021, the District of Columbia shall be charged the Fire Protection Service Fee of Eleven Million Five Hundred Thirty Five Thousand Dollars (\$11,535,000) each fiscal year for fire protection service, including, but not limited to the delivery of water flows for firefighting as well as maintaining and upgrading public fire hydrants in the District of Columbia, plus the cost of fire hydrant inspections performed by the DC Fire and Emergency Medical Services.

4103.2 The fee may be examined every three years to determine if the fee is sufficient to recoup the actual costs for providing this service.

4103.3 In the event the actual costs are not being recouped, the District of Columbia shall pay the difference and the fee will be appropriately adjusted pursuant to the rulemaking process.

4103.4 In the event the costs paid by the District of Columbia exceed DC Water's actual costs, the fee shall be adjusted pursuant to the rulemaking process.

2. The General Manager is authorized to take all steps necessary in his judgement and as otherwise required, to publish the Notice of Proposed Rulemaking in the *D.C. Register* and receive comments in the manner provided by the District of Columbia Administrative Procedure Act.

3. This resolution shall be effective immediately.

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Secretary to the Board of Directors