

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America


**#19-12
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 4, 2019 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to approve Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. 15-PR-DFS-05, Canon Solutions America. The purpose of the option is to provide additional funds to service DC Water's New Headquarters building mail room as well as new software for copiers. The option amount is \$407,500.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.

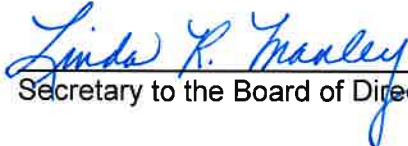
**#19-13
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on April 4, 2019 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to approve Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 18-PR-WWT-04, Mobile Dredging & Video Pipe, Inc. The purpose of the option is to continue providing high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water's Blue Plains Plant. The option amount is \$666,250.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: April 4, 2019

SUBJECT: Approval to Execute Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc.

**#19-14
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 4, 2019 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to approve Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year One of Contract No. 18-PR-DWT-13, PVS Chemical Solutions, Inc. The purpose of the option is to continue to supply and deliver sodium bisulfite to the Department of Wastewater Treatment at DC Water. The option amount is \$757,500.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: April 4, 2019
SUBJECT: Approval to Execute Contract No. 19-PR-DWT-14, Polydyne, Inc.

#19-15
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 4, 2019 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to approve Contract No. 19-PR-DWT-14, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the contract is to supply and deliver belt press dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,781,700.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Approved: April 4, 2019
SUBJECT: Approval to Execute Contract No. 19-PR-DWT-15, Polydyne, Inc.

#19-16
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 4, 2019 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to approve Contract No. 19-PR-DWT-15, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 19-PR-DWT-14, Polydyne, Inc. The purpose of the contract is to supply and deliver dry pre-dewatering polymer to DC Water's Blue Plains Advanced Wastewater Treatment Facility. The contract amount is \$1,384,900.

This Resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 4, 2019
**SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing**

#19-17
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 4, 2019, upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the reimbursement of capital expenditure with proceeds of borrowing.

WHEREAS, DC Water intends to acquire, construct and equip improvements to the System, which shall be considered "Costs of the System" as defined in the Master Indenture of Trust between DC Water and Wells Fargo Bank, N.A., dated as of April 1, 1998, potentially 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 \$340,716,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 19-05 of the Board adopted on February 7, 2019, plus amounts projected to be reimbursed during Fiscal Year 2019 – 2020.
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. The 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 C.F.R. § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

This resolution is effective immediately.


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 Adopted: April 4, 2019
SUBJECT: Approval of Fiscal Year 2019 - 2028 Ten-Year Financial Plan

#19-18
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 4, 2019 upon consideration of a joint-use matter decided by a vote of eleven (11) in favor and zero (0) opposed, to take the following action with respect to the Fiscal Year 2019 - 2028 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 and 13-57, 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, consistent with the Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2020 operating and capital budgets; and

WHEREAS, the ten-year financial plan is based on assumptions detailed in the proposed Fiscal Year 2020 Operating and Capital Budgets; and

WHEREAS, the ten-year financial plan is consistent with projections appearing in the attached Schedules A, B and C of this resolution; and

WHEREAS, on February 28, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed the proposed ten-year financial plan, and did not recommend the plan to the Board but asked staff to review the proposed \$5.0 billion modified baseline Capital Investment Plan (CIP) and alternative CIP scenarios; and

WHEREAS, on March 26, 2019, and March 28, 2019, the DC Retail Water and Sewer Rates Committee and Finance and Budget Committee, respectively, met and reviewed the proposed 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 accepts and approves the proposed Fiscal Year 2019 - 2028 Financial Plan that is supported by the attached Schedule A, B and C and the proposed Fiscal Year 2020 Operating and Capital Budgets.

This resolution is effective immediately.


Secretary to the Board of Directors

District of Columbia Water & Sewer Authority

FY 2019 - FY 2028 Financial Plan

(In 000's)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
OPERATING										
Retail*	\$ 543,327	\$ 571,666	\$ 618,152	\$ 659,845	\$ 704,304	\$ 756,859	\$ 780,566	\$ 810,514	\$ 841,471	\$ 879,686
Wholesale*	82,992	82,539	85,015	87,566	90,193	92,898	95,685	98,556	101,513	104,558
Other	33,331	39,774	46,805	51,271	53,758	53,445	54,361	57,081	57,391	58,349
RSF	6,000	-	-	-	-	-	-	-	-	-
Operating Receipts (1)	\$ 665,650	\$ 693,979	\$ 749,972	\$ 798,682	\$ 848,255	\$ 903,202	\$ 930,612	\$ 966,151	\$ 1,000,375	\$ 1,042,593
Operating Expenses	(338,499)	(347,881)	(358,264)	(368,967)	(379,998)	(391,369)	(403,089)	(415,169)	(427,622)	(440,458)
Debt Service	(198,754)	(215,340)	(235,421)	(254,235)	(272,838)	(285,693)	(295,505)	(306,629)	(318,969)	(331,609)
Cash Financed Capital Improvement	\$ (26,999)	\$ (28,556)	\$ (30,907)	\$ (39,591)	\$ (49,301)	\$ (52,980)	\$ (62,445)	\$ (72,946)	\$ (75,732)	\$ (79,172)
Net Revenues After Debt Service	\$ 101,398	\$ 102,202	\$ 125,380	\$ 135,889	\$ 148,118	\$ 173,160	\$ 169,573	\$ 171,407	\$ 178,052	\$ 191,354
Operating Reserve-Beg Balance	166,796	165,000	180,000	185,000	194,000	201,000	205,000	215,000	220,000	230,000
Other Misc (Disbursements)/Receipts	(16,803)	(2,131)	-	-	-	-	-	-	-	-
Wholesale/Federal True Up	(11,000)	(4,000)	(4,000)	-	-	-	-	-	-	-
Project Billing Refunds	-	-	-	-	-	-	-	-	-	-
Transfers To RSF	-	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(75,391)	(81,071)	(116,380)	(126,890)	(139,118)	(169,161)	(159,573)	(166,407)	(168,052)	(181,356)
Operating Reserve - Ending Balance	\$ 165,000	\$ 180,000	\$ 185,000	\$ 194,000	\$ 201,000	\$ 205,000	\$ 215,000	\$ 220,000	\$ 230,000	\$ 240,000
Rate Stabilization Fund Balance RSF (2)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)	\$ (55,450)
Senior Debt Service Coverage	425%	438%	461%	508%	505%	593%	611%	598%	585%	614%
Combined Debt Service Coverage	162%	168%	174%	178%	180%	187%	187%	188%	187%	189%
Actual/Projected Water/Sewer Rate Increases	13.0%	11.5%	12.5%	11.5%	8.5%	7.5%	6.0%	5.5%	5.5%	4.5%
*Operating Receipts \$ Increase/Decrease	23,697	28,339	46,486	41,693	44,459	52,555	23,707	29,948	30,957	38,215
Retail	1,970	(453)	2,476	2,551	2,627	2,705	2,787	2,871	2,957	3,045
Wholesale	4.6%	5.2%	8.1%	6.7%	6.7%	7.5%	3.1%	3.8%	3.8%	4.5%
*Operating Receipts % Increase/Decrease	2.4%	-0.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Retail										
Wholesale										

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund
(2) FY 2020 planned transfers of \$0.0 million to Rate Stabilization Fund will maintain the total fund balance at \$55.45 million

Schedule B

District of Columbia Water & Sewer Authority
FY 2019 - FY 2028 Average Residential Customer Monthly Bill

Units	Proposed										
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
DC Water Water and Sewer Retail Rates ⁽¹⁾	\$ 68.27	\$ 76.38	\$ 86.00	\$ 96.08	\$ 104.23	\$ 112.02	\$ 118.73	\$ 125.25	\$ 132.14	\$ 138.08	
DC Water Clean Rivers IAC ⁽²⁾	23.00	20.94	20.95	19.85	21.45	25.28	24.35	25.06	25.73	29.31	
DC Water Customer Metering Fee	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	
DC Water Water System Replacement Fee ⁽⁴⁾	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	
Subtotal DC Water Rates & Charges	\$ 101.43	\$ 107.48	\$ 117.11	\$ 126.09	\$ 135.84	\$ 147.46	\$ 153.24	\$ 160.47	\$ 168.03	\$ 177.55	
Increase / Decrease	\$ 5.9%	\$ 6.0%	\$ 9.0%	\$ 7.7%	\$ 7.7%	\$ 8.6%	\$ 3.9%	\$ 4.7%	\$ 4.7%	\$ 5.7%	
Percent Increase in DC Water Portion of Bill	6.2%	6.0%	9.0%	7.7%	7.7%	8.6%	3.9%	4.7%	4.7%	5.7%	
District of Columbia PILOT Fee ⁽¹⁾	\$ 3.10	\$ 3.16	\$ 3.22	\$ 3.29	\$ 3.35	\$ 3.41	\$ 3.47	\$ 3.53	\$ 3.60	\$ 3.66	
District of Columbia Right-of-Way Fee ⁽¹⁾	1.12	1.18	1.18	1.18	1.18	1.24	1.24	1.24	1.24	1.24	
District of Columbia Stormwater Fee ⁽³⁾	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	
Subtotal District of Columbia Charges	\$ 6.89	\$ 7.01	\$ 7.07	\$ 7.14	\$ 7.20	\$ 7.32	\$ 7.38	\$ 7.44	\$ 7.51	\$ 7.57	
Total Amount Appearing on DC Water Bill	\$ 108.32	\$ 114.49	\$ 124.18	\$ 133.23	\$ 143.04	\$ 154.78	\$ 160.62	\$ 167.91	\$ 175.54	\$ 185.12	
Increase / Decrease Over Prior Year	\$ 6.02	\$ 6.17	\$ 9.69	\$ 9.05	\$ 9.81	\$ 11.74	\$ 5.84	\$ 7.29	\$ 7.63	\$ 9.58	
Percent Increase in Total Bill	5.9%	5.7%	8.5%	7.3%	7.4%	8.2%	3.8%	4.5%	4.5%	5.5%	

(1) Assumes average monthly consumption of 6.2 Ccf, or (4,638 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

District of Columbia Water & Sewer Authority
Retail Rates, Charges and Fees
FY 2020

	Units	FY 2019	Proposed FY 2020
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	2.91 \$	3.06
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	3.90 \$	4.10
DC Water Retail Rates Water (Multi-Family)	Ccf	3.37 \$	3.54
DC Water Retail Rates Water (Non-Residential)	Ccf	4.05 \$	4.25
DC Water Retail Rates Sewer	Ccf	7.75 \$	8.89
DC Water Clean Rivers IAC	ERU	23.00 \$	20.94
DC Water Customer Metering Fee	5/8"	3.86 \$	3.86
DC Water Water System Replacement Fee	5/8"	6.30 \$	6.30
District of Columbia PILOT Fee	Ccf	0.50 \$	0.51
District of Columbia Right-of-Way Fee	Ccf	0.18 \$	0.19
District of Columbia Stormwater Fee	ERU	2.67 \$	2.67

Presented and Adopted: April 4, 2019
Subject: Approval of Proposed Fiscal Year 2020 Operating Budget

#19-19
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 4, 2019, upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2020 Proposed Operating Budget.

WHEREAS, on February 7, 2019, the Chief Executive Officer and General Manager, Chief Financial Officer and Chief Engineer at the budget workshop briefed Board members on the Proposed FY 2020 Operating Budget that totaled \$614,523,000; and

WHEREAS, on February 28, 2019, the Finance and 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 impact; and

WHEREAS, on March 28, 2019, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions and risks, and recommended that the Board adopt the FY 2020 Operating Budget that totals \$614,523,000 including \$253,000 for representation, official meetings, employment events, and engagement, of which \$143,000 is for refreshments.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's Proposed Fiscal Year 2020 Operating Budget totaling \$614,523,000 including \$253,000 for representation, official meetings, employment events, and engagement and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2020 Budget presented on February 7, 2019 and March 28, 2019 and accompanying materials.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: April 4, 2019

**SUBJECT: Proposal to Amend District of Columbia Clean Rivers
Impervious Area Charge Incentive Program Discount from
4% to 20% Maximum Incentive Discount**

**#19-20
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 (“DC Water”) at the Board meeting held on April 4, 2019 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed, to approve the following action with respect to amending Title 21 of the District of Columbia Municipal Regulations (DCMR), Chapter 41, Retail Water and Sewer Rate, in order to amend District of Columbia Clean Rivers Impervious Area Charge Incentive Discount Program (the “CRIAC Incentive Discount Program) from 4% to 20% maximum incentive discount.

WHEREAS, on March 6, 2008, the Board adopted Resolution # 08-34, which authorized the General Manager to consider developing a credit and incentive policy for certain eligible stormwater management practices that reduce the amount of stormwater runoff generated from a property; and

WHEREAS, the “Water and Sewer Authority Equitable Ratemaking Act of 2008” effective March 25, 2009 (D.C. Law 17-370; D.C. Official Code § 34-2202.16a. (2012 Repl.)), required DC Water to establish, together with the District Department of Environment (now Department of Energy and Environment (“DOEE”), an low-impact design incentive program to provide discounts to customers that install certain eligible stormwater management practices that reduce the amount of stormwater runoff generated from a property; and

WHEREAS, on July 3, 2013, Resolution 13-80, authorized the General Manager to publish final regulations for the CRIAC Incentive Discount Program in the *D.C. Register*, effective October 1, 2013, which provided a 4% maximum incentive discount off the chargeable CRIAC; and

WHEREAS, the regulations for the District of Columbia Clean Rivers Impervious Surface Area Charge Incentive Discount Program also included a provision in 21 DCMR § 4106.9(d) that terminated the CRIAC Incentive Discount Program three (3) years after the effective date; and

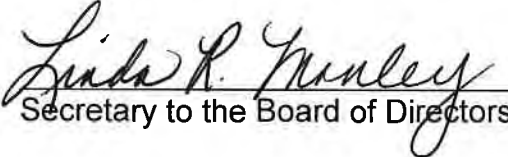
WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee met to review and consider an amendment to increase the CRIAC Incentive Discount Program discount from 4% to 20% maximum incentive discount; and

WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee recommended that the Board take action on the proposal to increase the maximum CRIAC incentive discount from 4% to 20%, effective October 1, 2019.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board proposes to amend 21 DCMR § 4107.1 for public comment, revising the maximum incentive discount for the DC Clean Rivers IAC Incentive Discount Program as provided in the Attachment and as follows:
 - Amend the DC Clean Rivers IAC incentive discount from 4% to 20% maximum incentive discount (actual discount amount will be calculated based upon the DOEE formula) not to exceed an annual, established budget allowance. The cost for the discounts will be applied to the CRIAC charged. The effective date for this amendment shall be October 1, 2019.
 - Eligibility will continue to be determined by DOEE's Stormwater Management Division based upon its published eligibility guidelines and criteria. Any eligibility appeals will be addressed by DOEE in accordance with their published procedures.
2. The Board proposes to amend 21 DCMR § 4106.9(d), deleting the three (3) year expiration provision as provided in the Attachment.
3. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and provide notice of the proposed amendments in the manner provided by the District of Columbia's Administrative Procedure Act.

This resolution is effective immediately.


Secretary to the Board of Directors

Attachment

- 4106.9** The IAC Incentive Discount shall expire on the first of:
- (a) The expiration of DDOE's approved stormwater fee discount period provided in Chapter 5 of this title;
 - (b) DDOE's revocation of the stormwater fee discount; or
 - (c) The sale or transfer of the property to a new owner

4107 DISTRICT OF COLUMBIA CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE INCENTIVE DISCOUNT PROGRAM: DISCOUNT CALCULATION

- 4107.1** The IAC Incentive Discount shall not exceed the maximum allowable IAC Incentive Discount percentage, which shall be twenty percent (20%) of the otherwise chargeable Clean Rivers Impervious Area Charge in the first year of the IAC Discount program, which may change in subsequent years subject to DC Water's budget appropriations.

Presented and Adopted: April 4, 2019
SUBJECT: Proposed Revised Fiscal Year 2020 Retail Sewer Service Rates and Clean Rivers Impervious Area Charge

#19-21
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 (“DC Water”) at the Board meeting held on April 4, 2019 upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed, to approve the following action with respect to the proposed revised Fiscal Year 2020 Retail Sewer Service Rate and the Clean Rivers Impervious Area Charge.

WHEREAS, the Board has adopted a revised rate setting policy that calls for rates, charges and fees that, together with other revenue sources, yield a reliable and predictable stream of revenues that will generate sufficient revenues to pay for DC Water’s projected operating and capital expenses; and

WHEREAS, the Board has adopted various financial policies that require revenues to ensure compliance with Board policies regarding maintenance of senior debt coverage and cash reserves; and

WHEREAS, on July 5, 2018, the Board through Resolution 18-56, adopted the FY 2019 and 2020 retail water and sewer service rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT), and Clean Rivers Impervious Area Charge (CRIAC), and authorized the General Manager to publish a Notice of Final Rulemaking, effective October 1, 2018; and

WHEREAS, Resolution 18-56, set the FY 2019 and FY 2020 retail sewer service rate at \$7.75 per one hundred cubic feet (“Ccf”) (\$10.36 per 1,000 gallons) and \$8.14 per Ccf (\$10.88 per 1,000 gallons), respectively; and

WHEREAS, Resolution 18-56, set the FY 2019 and FY 2020 monthly billed CRIAC charge at \$23.00 per Equivalent Residential Unit (ERU) and \$25.58 per ERU, respectively; and

WHEREAS, in September 2018, DC Water formed the 19-member Stakeholder Alliance (DCWSA) to provide independent advice and a diversity of viewpoints to DC Water Management on a variety of programs and policies; increase customer education by providing DC Water with new opportunities for outreach; and propose to DC Water ways

to continue effective and efficient long-term public involvement with improved communication tools; and

WHEREAS, beginning in September 2018 through January 2019, the DCWSA held four meetings to discuss infrastructure investments and CRIAC charges, customer assistance programs, science and mathematical calculations behind the CRIAC charge and CRIAC volumetric options, and DCWSA advocacy plan; and

WHEREAS, on February 28, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed: proposed shift in the CRIAC charge to sewer volumetric retail rate based on the pollutant concentrations in sanitary wastewater method or the volume of sanitary wastewater method; proposed amendment of the Clean Rivers Impervious Surface Area Incentive Discount Program incentive discount from 4% to 20%; and the proposed \$5.0 billion modified baseline Capital Improvement Plan (CIP); and

WHEREAS, on March 26, 2019, the DC Retail Water and Sewer Rates Committee met and reviewed: the proposed shift in the CRIAC charge to sewer volumetric retail rate based on pollutant concentrations in sanitary wastewater method or volume of sanitary wastewater method; the impact of the CRIAC shift on various customer types, including customer's eligible for CAP; proposed amendment of the Clean Rivers Impervious Surface Area Incentive Discount Program incentive discount from 4% to 20%; and the proposed \$5.0 billion modified baseline Capital Improvement Plan (CIP); and

WHEREAS, on March 26, 2019, the DC Retail Water and sewer Rates Committee also reviewed the detailed presentation on the DC Water's methods and results to estimate the percentage of wastewater in the CSO, including the pollutant concentration method at 18%; and volumetric method at 37%; and

WHEREAS, based on the method and results presented, the General Manager recommend the volumetric method as the best reasonable, explained, and supported method to estimate the percentage of wastewater in the CSO managed by the Clean Rivers tunnel system; and recommended to phase-in the 37% shift in the CRIAC charge to the sewer volumetric retail rate: 18% in FY 2020, 28% in FY 2021 and 37% in FY 2022; and

WHEREAS, the General Manager recommended decreasing the monthly billed CRIAC charge from the current (FY 2019) charge at \$23.00 per (ERU) to \$20.94 per ERU; and increasing the metered retail sewer service rate from the current (FY 2019) rate of \$7.75 per Ccf (\$10.36 per 1,000 gallons) to \$8.89 per Ccf (\$11.89 per 1,000 gallons), effective October 1, 2019; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a decrease of the annual CRIAC charge from \$276.00 per ERU to \$251.28 per ERU; a decrease of \$2.06 per ERU per month to \$20.94 per ERU to recover the \$2.7 billion costs of the Combined Sewer Overflow Long-Term Control Plan (CSO-LTCP); and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the retail sewer service rate of \$1.14 to \$8.89 per Ccf (\$11.89 per 1,000 gallons) for FY 2020, effective October 1, 2019; and

WHEREAS, the increase in the retail sewer service rate for FY 2020 for a Residential customer's first 4 Ccf of water usage (Lifeline) will result in a combined retail water and sewer rate increase of \$1.29 per Ccf (\$1.72 per 1,000 gallons) or a combined water and sewer rate of \$11.95 per Ccf (\$15.98 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the increase in the retail sewer service rate for FY 2020 for a Residential customer's water usage greater than 4 Ccf will result in a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) or a combined water and sewer rate of \$12.99 per Ccf (\$17.37 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the increase in the retail sewer service rate for a Multi-family customer will result in a combined retail water and sewer rate increase of \$1.31 per Ccf (\$1.75 per 1,000 gallons) or combined water and sewer rate of \$12.43 per Ccf (\$16.62 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, the increase in the metered retail sewer service rate for a Non-Residential customer will result in a combined retail water and sewer rate increase of \$1.34 per Ccf (\$1.79 per 1,000 gallons) or a combined water and sewer rate of \$13.14 per Ccf (\$17.57 per 1,000 gallons) of metered water and sewer use for FY 2020; and

WHEREAS, adoption of these rates and fee changes would increase the monthly bill of the average Residential customer using 6.20 Ccf (or 4,638 gallons) by approximately \$6.17 per month or \$74.04 per year for FY 2020; and

WHEREAS, DC Water's retail revenue projections for Fiscal Year 2020 reflect an approximate \$26.4 million increase due to the proposed \$43.8 million increase in retail water and sewer rates, an approximate \$0.4 million increase due to the PILOT fee increase, and an approximate \$17.8 million decrease due to the proposed Clean Rivers IAC decrease; and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended that the Board take final action on the proposed rate and fee increases at the conclusion of the public notice and comment period and Public Hearing, which will occur over the next several months.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds DC Water's recommended volumetric method is the best reasonable, explained, and supported method to estimate the percentage of wastewater in the CSO managed by the Clean Rivers tunnel system; and finds

that the phase-in of the 37% shift in the CRIAC charge to the sewer volumetric retail rate: 18% in FY 2020, 28% in FY 2021 and 37% in FY 2022, will help minimize the impact of customer increases as a result of the shift.

2. The Board authorizes the General Manager to propose for public comment, a decrease in the CRIAC charge and an increase in the metered retail sewer service rate as described below:

**Retail Sewer Service Rate
(Metered and Unmetered)**

- a. Increase in the rate for retail sewer services:

Metered Sewer Services

	FY 2019		FY 2020		FY 2020 vs. FY 2019 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53
Multi-Family customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53
Non-Residential customers	\$7.75	\$10.36	\$8.89	\$11.89	\$1.14	\$1.53

- b. Decrease the annual Clean Rivers Impervious Area Charge (CRIAC) from \$276.00 to \$251.28 per Equivalent Residential Unit (ERU) in FY 2020.

The charge per ERU will be billed monthly at:

Clean Rivers Impervious Area Charge (CRIAC)

	FY 2019	FY 2020	FY 2020 vs. FY 2019 Incr. / (Decr.)
	ERU	ERU	ERU
Residential customers	\$23.00	\$20.94	(\$2.06)
Multi-Family customers	\$23.00	\$20.94	(\$2.06)
Non-Residential customers	\$23.00	\$20.94	(\$2.06)

3. The Board authorizes the General Manager to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and provide notice of the proposed rate and fee adjustments and a Public Hearing in the manner provided by the District of Columbia's Administrative Procedure Act and 21 DCMR Chapter 40.

This resolution is effective immediately.

Linda R. Manley
Secretary to the Board of Directors

Attachment

Chapter 41, RETAIL WATER AND SEWER RATES AND CHARGES, is amended as follows:

Paragraph 4101.1(a) and Subsection 4101.3, RATES FOR SEWER SERVICE, are amended as follows:

4101 RATES AND CHARGES FOR SEWER SERVICE

Paragraph 4101.1(a) is amended to read as follows:

4101.1 (a) The retail rates for sanitary sewer service for each one hundred cubic feet (1 Ccf) of water use shall be:

Customer	Effective October 1, 2019	
	Per Ccf of water use	Per 1,000 Gals. of water use
Residential	\$8.89	\$11.89
Multi-Family	\$8.89	\$11.89
Non-Residential	\$8.89	\$11.89

Subsection 4101.3 is amended to read as follows:

4101.3 The annual Clean Rivers Impervious Area Charge (CRIAC) per Equivalent Residential Unit (ERU) shall be:

Customer	Effective October 1, 2019	
	Annual CRIAC per ERU	Monthly CRIAC per ERU
Residential	\$251.28	\$20.94
Multi-Family	\$251.28	\$20.94
Non-Residential	\$251.28	\$20.94

Presented and Adopted: April 4, 2019
Subject: Approval of Proposed Fiscal Year 2019 - 2028 Capital Improvement Program

#19-22
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 4, 2019 upon consideration of a joint-use matter, decided by a vote of eleven (11) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2019 - 2028 Capital Improvement Program (10-Year Disbursement Plan and Lifetime Budget).

WHEREAS, the Board's financial policies require an annually updated 10-Year Financial Plan, which includes a 10-Year Capital Disbursement Plan; and

WHEREAS, on February 7, 2019, the Chief Executive Officer and General Manager, Chief Financial Officer, and Chief Engineer, at the budget workshop briefed Board members on the Proposed 10-Year Disbursement Plan totaling \$4,956,780,000; and

WHEREAS, on February 21, 2019, the Environmental Quality and Operations Committee, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions and risks; and

WHEREAS, on February 28, 2019, 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

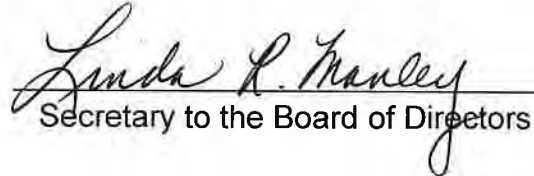
WHEREAS, on March 21, 2019, the Environmental Quality and Operations Committee, reviewed the budget proposals and discussed in detail the alternate budget scenarios, budget drivers, strategic budget decisions, budget assumptions, risks and customer impacts and recommended that the Board adopt the Proposed 10-Year Disbursement Plan totaling \$4,956,780,000, related Lifetime Budget, which totals \$12,127,945,000; and

WHEREAS, on March 28, 2019, the Finance & Budget Committee, reviewed the budget proposals and discussed in detail the alternative budget scenarios, budget drivers, strategic budget decisions, budget assumptions, and customer impacts, and recommended that the Board adopt the Proposed 10-Year Disbursement Plan totaling \$4,956,780,000 and related Lifetime Budget, which totals \$12,127,945,000.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's Fiscal Year 2019 – 2028 Capital Improvement Program with the 10-Year Disbursement Plan totaling \$4,956,780,000, related Lifetime Budget which totals \$12,127,945,000 (Attachment A-1), and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2020 Budget, presented on February 7, 2019 and accompanying materials.

This resolution is effective immediately.


Secretary to the Board of Directors

Capital Improvement Program

10-Year Disbursement Plan - projected annual cash disbursements, \$ in thousands

Attachment A-1

	FY 2019 - FY 2028 Proposed Disbursement Plan											Lifetime Budget			
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	10-Yr Total				
NON PROCESS FACILITIES															
Facility Land Use	15,309	36,002	26,793	20,665	6,831	11,058	10,396	3,901	3,553	3,560				138,067	\$212,833
Subtotal: Facility Land Use	15,309	36,002	26,793	20,665	6,831	11,058	10,396	3,901	3,553	3,560				138,067	212,833
WASTEWATER TREATMENT															
Liquid Processing	21,488	30,915	37,087	48,495	36,646	38,979	41,124	84,082	107,253	107,354				533,422	1,166,818
Plantwide	15,777	20,223	18,885	25,882	39,576	24,810	17,052	25,410	20,726	7,341				215,681	494,048
Solids Processing	6,672	10,511	19,988	22,645	30,530	15,286	12,862	3,999	1,186	8,304				131,883	906,481
Enhanced Nitrogen Removal Facilities	26,042	4,972	549	614	3,295	3,359	10,211	19,947	8,411	351				77,731	998,714
Subtotal	69,979	66,620	76,510	97,635	110,047	82,434	82,338	137,575	173,351	123,351				978,739	3,566,060
COMBINED SEWER OVERFLOW															
DC Clean Rivers	187,859	147,208	139,786	191,573	151,411	64,415	55,689	144,295	97,067	83,286				1,262,589	2,764,255
Program Management	1,685	1,241	743	1,482	2,653	4,046	4,310	2,871	1,745	2,718				23,494	77,756
Combined Sewer	5,805	2,978	8,701	6,533	5,994	4,542	2,930	3,848	3,848	4,880				55,684	191,538
Subtotal	195,350	151,427	149,230	199,588	160,057	77,935	64,541	150,095	107,660	90,884				1,341,767	3,033,549
STORMWATER															
Local Drainage	8	17	244	822	770	768	1,410	769	156	3,084				8,048	20,225
On-Going	1,056	511	598	929	706	742	451	735	713	919				7,360	10,511
Pumping Facilities	1,996	7,877	6,966	6,429	1,909	3,218	5,492	5,792	4,100	5,773				49,533	61,204
DDOT	-	-	-	-	-	-	-	-	-	-				-	3,237
Research and Program Management	1,078	84	223	319	341	260	212	198	269	326				3,310	12,889
Trunk/Force Sewers	82	82	87	86	-	-	-	-	-	-				337	1,510
Subtotal	4,220	8,571	8,118	8,587	3,725	4,987	7,564	7,494	5,239	10,102				66,608	123,574
SANITARY SEWER															
Collection Sewers	5,434	2,476	10,012	20,547	21,664	24,747	33,310	42,591	44,337	36,594				241,712	498,192
On-Going	13,653	12,842	13,483	13,711	13,667	14,185	15,019	15,253	15,111	15,312				142,239	219,540
Pumping Facilities	2,248	1,619	4,868	6,649	6,495	4,935	9,975	10,882	12,457	29,612				89,739	270,778
Program Management	3,321	4,252	4,868	3,321	5,073	3,942	3,127	3,334	4,126	4,923				41,919	119,035
Interceptor/Trunk Force Sewers	20,270	24,257	24,133	37,813	50,321	50,384	53,579	67,961	58,633	54,174				441,526	963,054
Subtotal	44,927	43,646	57,249	85,588	97,220	98,194	115,011	140,020	134,664	140,615				937,133	2,070,599
WATER															
Distribution Systems	30,729	40,948	63,054	58,127	49,881	61,921	68,714	62,636	60,526	82,102				578,638	1,359,993
Lead Program	4,338	5,928	6,723	6,307	6,715	7,438	6,544	5,830	6,654	6,706				63,182	243,414
On-Going	10,080	10,238	10,126	12,297	13,351	15,199	16,789	18,583	20,447	22,981				150,091	215,064
Pumping Facilities	1,199	2,513	6,282	8,110	2,850	3,947	3,095	3,502	3,523	1,974				36,993	123,911
DDOT	992	76	3	5	-	-	-	-	-	-				1,076	33,933
Storage Facilities	9,384	5,223	2,549	8,940	7,526	3,913	3,770	8,779	7,098	-				57,181	137,364
Program Management	5,163	6,795	7,562	7,255	4,073	4,073	4,414	6,815	7,089	4,614				57,054	90,944
Subtotal	61,884	71,720	96,300	101,039	84,395	96,491	103,325	106,145	105,338	118,377				943,013	2,204,622
CAPITAL PROJECTS	391,669	377,987	414,200	513,102	463,275	371,098	382,087	540,993	489,029	486,890				4,429,330	11,211,236
CAPITAL EQUIPMENT															
ONGOING METER REPLACEMENT	27,400	17,105	30,027	29,656	29,295	33,750	32,610	32,496	31,409	31,349				295,098	28,676
ERP PROJECT (Financial & HCM)	4,500	2,618	2,930	2,930	2,930	2,930	2,930	2,930	2,930	2,930				16,350	-
SUBTOTAL - CAPITAL EQUIPMENT	34,518	26,823	36,907	33,086	32,725	36,680	35,540	35,426	34,339	34,279				340,324	340,324
WASHINGTON AQUEDUCT	12,930	15,532	15,909	15,536	35,006	14,830	32,731	9,034	12,298	23,321				187,127	187,127
ADDITIONAL CAPITAL PROGRAMS	47,448	42,355	52,816	48,622	67,731	51,509	68,272	44,461	46,637	57,600				527,450	527,450
LABOR															
TOTAL CAPITAL BUDGETS	\$439,117	\$420,342	\$467,016	\$561,724	\$530,006	\$422,607	\$450,358	\$585,454	\$535,666	\$544,490				\$4,956,780	\$12,127,945