



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

**BOARD OF DIRECTORS
19th SPECIAL MEETING
MONDAY, SEPTEMBER 21, 2020**

MINUTES

Present Directors

Tommy Wells, Chairperson, District of Columbia
Joe Leonard, Alternate to Krystal Brumfield, District of Columbia
Floyd Holt, Prince George's County
Anthony Giancola, Alternate to Vacant Principle, District of Columbia
Adam Ortiz, Montgomery County
Rachna Bhatt, District of Columbia
Sarah Motsch Alternate to Randy Bartlett, Fairfax County
David Franco, District of Columbia
Lavinia Baxter, Alternate to Major Riddick, Prince George's County
Emile Thompson, District of Columbia
Adrianna Hochberg Alternate to Fariba Kassiri, Montgomery County

Present Alternate Directors

Howard C. Gibbs, District of Columbia
Rev. Kendrick Curry, District of Columbia
Jed Ross, District of Columbia
Anthony Giancola, District of Columbia
Ivan Frishberg, District of Columbia

DC Water Staff

David Gadis, CEO and General Manager
Matthew Brown, Chief Financial Officer, Executive
President for Finance and Procurement
Marc Battle, Chief Legal Officer and Executive Vice President, Government and Legal Affairs
Kishia Powell, Chief Operating Officer and Executive Vice President
Linda R. Manley, Secretary to the Board

Chairperson Wells called the 19th Special Meeting of the District of Columbia Water and Sewer Authority's Board of Directors to order at 3:02 p.m. He stated that the meeting was being held electronically via Microsoft Teams. Ms. Manley called the roll and a quorum was established.

Chairperson Wells reported that there would be an executive session and that special instructions on how to sign out and sign back in would be provided.

Chairperson Wells called on General Manager Gadis and Chief Financial Officer Matthew Brown to make an Emergency Clean Up presentation. General Manager Gadis stated that the clean-up relief D.C. Water is providing to customers impacted by the rainy weather experienced on September 10, 2020. They are requesting Board approval of the clean-up assistance in the amount of \$1.5 million. Mr. Gadis reported that the weather event was one of the worse storms seen during such a short duration and it left a lot of water. He stated that they kept in constant communication with Board members, especially the Board Chairperson to keep them informed of the events. Mr. Gadis also kept in contact with the Mayor's Office and the council members of the two impacted wards and even walked the neighborhoods on two or three occasions. Customers are facing many hardships as a result of the weather, along with COVID 19, heightened unemployment, and other concerns. Low income residents are greatly impacted. Many are renters, not owners. They do not have flood insurance or a rider in their insurance policies to cover such an event. It is standard for customers to file claims with D.C. Water. It was determined that a lot of the residents needed assistance badly immediately due to the storm and not from a malfunction in D.C. Water's system.

CFO Brown then briefed the Board on the claims process, and the reasons for the request of the amount of money staff is seeking for assistance. Customers usually work with D.C. Water's Third Party Administrator (TPA) for damages. The customer is contacted by the TPA within 24 business hours after the claim is filed. The TPA reviews the claim, validates it, and makes a recommendation to D.C. Water for payment or denial. They usually make a recommendation for payment when D.C. Water was negligent and resulted in harm to the customer. CFO Brown stated that this was an extraordinary incident and they wanted to help residents and make the process easier. If the resident has already brought in an emergency clean-up contractor, there may be additional work required and according to CFO Brown they can file a claim for this assistance to relieve some of the hardships.

CFO Brown reported that an estimated 300 customers were impacted by this flooding event. They looked at the Call Center activity to see how many people have requested assistance and set up for the back-water valves. This may have to be revisited later to have a clearer number. There is assistance available up to \$5,000 on a one time basis and they are asking the Board to approve \$1.5 million in total. CFO Brown reported that if it is more than the amount requested, they will come back to the Board. They have selected two firms to provide the services because it was the quickest way to make the services available. This will ensure that the damages were caused by the flooding and not by something else by taking before and after pictures. An emergency clean-up relief hotline was also set up to respond to customers' concerns quickly. A minority business entrepreneur was selected to respond. ServPro and Service Masters will provide the clean-up services.

Chairperson Wells asked for questions. Mr. Giancola asked about the length of time it takes for the claim process. He was concerned about the oversight of the contractors to ensure they are providing the services. Mr. Gadis replied that there are two issues here—the provision of clean-up services and the claim process. Mr. Giancola was interested in the claim process. Mr. Gadis stated that there is a Third Party Administrator for the claim process to contact the

resident within 24 hours of the receipt of the claim, investigate the claim, and make a payment recommendation to D.C. Water. It is difficult to estimate how long the process takes because often it is rental property and the owner must be involved. The clean-up process is immediate because they need immediate assistance and will ensure that they immediately take all the required steps. As of the Friday, a total of 85 calls have been received. Nine jobs have been completed already, with six additional appointments confirmed. It will take a few more days to get through all of the service requests. They made sure that the two firms have the capacity to respond immediately.

Mr. Ivan Frishberg asked about the long-term liability. D.C. Water is not responsible for the damage. He stated that with the tunnel projects, how many similar emergencies may occur in the future. Mr. Frishberg does not want a precedent to be set for all large event emergencies. Chairperson Wells informed the Board that the General Manager had his team meet with him about the decision-making and he was going to inform the Board. He decided that they could not wait because residents needed immediate assistance but that he agreed that D.C. Water could not be the flood insurance in the District. Maryland and Virginia require flood insurance but the District does not. This was a highly unusual event and residents needed immediate assistance. They considered getting HCMA to address this but HCMA is overwhelmed with COVID and the protests. They considered the Department of Energy and Environment with support from D.C. Water and DOEE would contract for the services. However, being a government agency, contracting could take months. Chairperson Wells stated that D.C. Water recognized the unusual situation and decided that they had the ability to respond immediately. This was added to the special meeting. Mr. Frishberg said that he was glad to support this action since a precedent will not be set. He asked what will mitigate this and what about climate control and DCWater need to double down in partnership with DOEE in the future.

Chairperson Wells said that DOEE is considering asking the Mayor to convene a task force on these issues that considers flood modeling in the District. DDOT is modeling for Buzzard Point, the Office of Planning is doing its own modeling work on this. The task force should include D.C. Water to come up with a set of recommendations that might be where you need to build and where you need flood insurance.

Chairperson Wells move to Agenda Item 4 which is execute non-joint use, Contract 20-PR-CFO-48, ServPro and Service Master, Resolution No. 20-70. He asked for a motion and second that the resolution be approved by the District members of the Board. He asked for those in favor to say "aye." There were no opposed. The administrative item was approved. Chairperson Wells thanked the great team in D.C. Water.

General Manager Gadis thanked the Board members for their support and their confidence. He also thanked the D.C. team, the Legal team, Procurement team, Engineering and Operations team, Field Operations team, Customer Services team for working around the clock for six or seven days straight in making sure that the residents were taken care of. Also, employees were flexible and nimble. Mr. Gadis stated that he appreciated their efforts that were professional and took care of many, many residents. He announced that he received a lot of notes of thank you for employees and the Board.

Chairperson Wells moved to Agenda Item 5 in Executive Session which is related to a personnel action. He asked for a motion to move into Executive Session pursuant to the Open Meetings Amendment Act of 2010, to discuss legal, confidential, or privileged matters under Section 2-575(b) 4 and 10 of the D.C. Official Code. It was so moved and seconded and unanimously passed with a roll call. The Board went into Executive Session. Board Secretary

Manley provided instructions on how to sign out and then sign back in. Chairperson stated that he was asking Mark Battle, Legal Executive Vice President to be the only person joining the Board from the Executive Team to assist through the process.

Chairperson Wells asked that a resolution to approve the continued employment for David Gadis as CEO and General Manager be moved by Rachna Bhatt, seconded, and read into the record. The resolution was unanimously moved. Chairperson Wells stated that this was a vote of confidence in the General Manager David Gadis for extending his contract for three more years. Every year his performance will be appraised. The Board recognized his professionalism and leadership. Chairperson Wells thanked him for keeping D.C. Water the premier water and sewer utility in America. Due to the COVID pandemic, economic depression, and the fact that the Board wants to be sensitive to this, they publicly wanted to say that under normal circumstances the General Manager would have done better with the compensation package based on his performance. It is a tough time and it is not time for bonuses even though General Manager Gadis met all performance criteria and surpassed it due to the pandemic and climate change that has occurred. Mr. Gadis moved the entity forward and maintained its strength. He also managed the largest infrastructure project in the region, the tunnel project worth \$2 billion.

Chairperson Wells thanked the Board and said that it was the highest performing board he has served on. He then called for a roll call on the passage of Mr. Gadis' resolution and it passed. General Manager Gadis thanked the Board for their confidence in him and thanked his team for their outstanding job done. He stated that he is up for everything that might be in the future.

There being no other business, Chairperson Wells adjourned the meeting at 5:13 p.m.


Linda Manley, Board Secretary