

Presented and Approved: June 3, 2021

SUBJECT: Approval to Execute Contract No. 17-PR-CFO-20A,20B,20C, Alliant Insurance Services, Aon Risk Solutions of Washington, DC and Willis of Maryland, Inc.

**#21-45
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 June 3, 2021 upon consideration of a joint use matter, decided by a vote of eleven (11) in favor and none (0) opposed to execute Contract No. 17-PR-CFO-20A,20B,20C, Alliant Insurance Services, Aon Risk Solutions of Washington, DC and Willis of Maryland, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the CEO/General Manager to execute Contract No. 17-PR-CFO-20A,20B,20C, Alliant Insurance Services, Aon Risk Solutions of Washington, DC and Willis of Maryland, Inc. The purpose of the contract is to secure and obtain property and casualty insurances for DC Water. The coverages includes Property, Flood, Cyber, Pollution, Excess Liability, Excess Worker's Compensation, Employment Practice, Public Officials, Crime and Fidelity and Fiduciary insurances. The total contract amount is \$4,400,000.


Secretary to the Board of Directors

Presented and Adopted: June 3, 2021

Subject: Approval to Revise the Lead Service Line Replacement Policy to Implement the Lead Free DC Program

**#21-46
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“the Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on June 3, 2021, upon consideration of a non-joint use matter, decided by a vote of six (6) in favor and none (0) opposed, to take the following action with respect to revising the Lead Service Line Replacement Policy to Implement the Lead-Free DC Program.

WHEREAS, on July 1, 2004, the Board through Resolution #04-60, approved the Lead Service Line Replacement (LSLR) Policy to cost effectively remove and replace all known lead service lines (LSL) from public space in conjunction with the replacement of deteriorating water supply infrastructure by the end of FY 2010, replace all unknown service lines that are confirmed lead within 90 days of discovery, and encourage homeowners to replace at DC Water’s actual costs at the same time; and

WHEREAS, on February 1, 2006, the Board through Resolution #06-27, revised the LSLR Policy, maintaining the requirement to replace all know LSLs by the end of FY 2010 and setting the deadline for identifying all unknown service lines by FY 2015, and replacing all unknown service lines that are identified as lead by the end of FY 2016; and

WHEREAS, on September 4, 2008, the Board, through Resolution # 08-75, after extensive public outreach, review of new data showing a temporary spike in lead levels after a partial replacement (only replacing the LSL in public space), the lack of customer participation to pay for the LSLR on private property (resulting in a partial replacement), the effectiveness of the Washington Aqueduct’s optimal corrosion control treatment, and the cost impacts to DC Water budget, revised the LSLR Policy indefinitely suspending Resolutions #04-60 and #06-27, permitting LSLRs in conjunction with water main rehabilitation/ replacement projects and lead service line repairs, DDOT repaving projects, or customer initiated voluntary replacements, subject to Board approved allocation of funds in the budget, and continued identification of unknown service lines without a deadline for completion; and

WHEREAS, on January 8, 2009, the Board through Resolution #09-37, further revised the LSLR Policy, terminating the requirement to identify unknown service lines, but continued the LSLR in conjunction with water main rehabilitation/replacement projects, DDOT repaving projects, or customer initiated voluntary LSLRs, subject expenditure cap of \$2 Million per year; and

WHEREAS, from 2009 to 2019, the Board through Resolutions #09-37, 09-102, 10-111, 16-47, and 19-36, revised the LSLR Policy adjusting the amount of the expenditure cap to its current limit of \$3.5 Million for customers participating in DC Water's Voluntary Full Replacement Program (VFRP) that voluntarily agree to pay to replace their LSL on their private property, and LSLRs in conjunction with water main rehabilitation/replacement projects and DDOT repaving projects; and

WHEREAS, on March 13, 2019, the Council for the District of Columbia enacted D.C. Law 22-0241, the "Lead Water Service Line Replacement and Disclosure Amendment Act of 2018", which established the customer-initiated Lead Pipe Replacement Program (LPRAP) that provides District funds to property owners to pay for the costs to replace the LSL on their private property when the service line in public space is nonlead; supported the Capital Improvement Project and Emergency Repair Replacement (CIPERR) program by providing District funds to pay for the costs to replace the LSL on private property when DC Water conducts work on the service line in public space; and prohibited partial LSLRs with limited exceptions that include where the property owner does not consent to work on their property or where District funds are insufficient and the property owner does not agree to pay the costs of the LSLR on private property; and

WHEREAS, in response to requirements of D.C. Law 22-0241, and subsequent amendments in D.C. Law 23-0229, effective March 16, 2021 that expanded District's financial assistance to pay for the replacement of galvanized iron and brass (brass is not currently funded by the District) service lines and other requirements, and the ongoing risks of potential lead exposure, the General Manager directed staff to develop a Lead Free DC plan to accelerate the replacement of all lead service lines in the District of Columbia within ten years; and

WHEREAS, on May 20, 2021, the Environmental Quality and Operations Committee met to review and consider revising the LSLR Policy to implement the General Manager's Lead Free DC (LFDC) Program – Accelerating Lead Service Line Replacement and replace all lead service lines by 2030; and

WHEREAS, the General Manager summarized the current Board LSLR Policy, and reported the status of the number of replacements completed in FY 2020 at 533 and anticipated in FY 2021 at 800 under the three replacement programs: 1) Lead Pipe Replacement Assistance Program (LPRAP), a customer-initiated replacement program which the District funds 50%, 80%, or 100% of the costs to replace the portion of the lead and galvanized iron and brass (when funded) service line on private property due to a past partial replacement; 2) Capital Improvement Project and Emergency Repair Replacement (CIPERR) program where the District pays 100% of the costs to replace the lead, galvanized and brass (when funded) service line on private property when DC Water replaces the lead, galvanized iron, brass (when funded), or nonlead service lines in public space during a CIP (e.g. small diameter water main replacement) or emergency service line replacement; and 3) Voluntary Full Replacement Program (VFRP), a customer-initiated replacement program that the property owner agrees to pay the cost to replace

the lead service line on private property, and DC Water replaces the portion in public space at the same time; and

WHEREAS, the General Manager presented the LFDC Program, including the current inventory, ten-year replacement schedule, and planning level cost estimates to complete all replacements through the three replacement programs by 2030; and

WHEREAS, the General Manager discussed the DC Water initiated replacements performed under DC Water CIPERR program, which will focus on block-by-block replacement projects in coordination with small diameter water main replacements and during emergency repairs based on system improvements, (water quality and water main integrity), and social impact (equity factors) while prioritizing historically underserved areas and vulnerable populations (e.g. children and pregnant individuals); and

WHEREAS, the General Manager presented a high level planning cost estimate to complete the lead and galvanized iron replacements in public space at \$857 Million to \$997 Million, of which \$632 Million is currently in the capital improvement program (CIP), resulting in a \$225 Million to \$365 Million funding gap; and the estimated costs to complete the replacements in private property range from \$87 Million to \$142 Million, which will need to be funded by the District, property owner or other non DC Water funds; and

WHEREAS, to develop the LFDC Program, the General Manager discussed the stakeholder engagement activities, including engagement with the Stakeholder Alliance and other advisory groups, D.C. Council, including the Council Office of Racial Equity (CORE), District agencies, community organizations, and community partners; and

WHEREAS, the General Manager presented enhancement opportunities to achieve the goal of replacing all lead and galvanized iron service lines by 2030, through enhancing interagency coordination with the Department of Consumer and Regulatory Affairs (DCRA), the Department of Energy and Environment (DOEE), and the District Department of Transportation (DDOT), legislative and policy measures through D.C. Council to implement and incentivize LSLR and other legislative action, and efforts to pursue District and Federal funding opportunities to reduce the funding gap; and

WHEREAS, the Environmental Quality & Operations Committee, after consideration of the planning, financing, coordination activities, and enhancement opportunities, recommended that the Board approve the revision of the LSLR Policy to implement the LFDC Program to replace all lead, galvanized iron and brass (if funded) service lines by 2030.

NOW THEREFORE BE IT RESOLVED THAT:

The Board approves the Lead Free DC Plan as proposed subject to approval of any contracts necessary to implement the program and replace all lead, galvanized iron and

brass (if funded) service lines by 2030. The General Manager is directed to perform the following:

1. Implement the Lead Free DC Plan as proposed to replace all lead, galvanized iron and brass service lines in public space and private property (if funded) by 2030.
2. Replace lead, galvanized iron and brass service lines on private property paid for by funds provided by the property owner, District or federal funds, or from other non-DC Water sources to replace public portion if the owner voluntarily pays for replacement on their property through the Voluntary Full Replacement Program (VFRP).
3. Total Discretionary Funds for the replacement of lead, galvanized iron and brass service line in public space when the property owner voluntarily agrees to pay for the private side replacement through the VFRP, shall not exceed \$10 Million in a budget year without the approval of the Board of Directors.
4. Implement the requirements in the Lead Water Service Line Replacement and Disclosure Amendment Act of 2018, as amended.
5. Seek and advocate for funding to assist property owners to pay for the replacement of lead, galvanized iron and brass service lines on private property.
6. Work with DDOT and private developers (if applicable) to replace lead, galvanized iron, and brass service lines in conjunction with their replacement of small diameter water mains.
7. Implement programs to identify all unknown service lines and replace identified lead service lines.
8. Provide information about the risks related to a partial lead, galvanized iron or brass service line to property owners that have partial lead service lines or do not consent to replace the lead, galvanized iron or brass service lines and the additional mitigation efforts they need to perform to reduce the risks of lead.
9. Report to the Board annually on the status of the lead, galvanized iron and brass service line replacement, funding efforts for private replacements and any identified impediments to replacing all lead, galvanized iron and brass service lines in public space by 2030.

This resolution shall be effective immediately.


Secretary to the Board of Directors