



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
288th MEETING OF THE BOARD OF DIRECTORS**

Thursday, July 7, 2022

9:30 a.m.

via Microsoft Teams

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I. Call to Order (Chairperson Tommy Wells)

II. Roll Call (Linda Manley, Board Secretary)

III. [Approval of the June 2, 2022 Meeting Minutes](#)

IV. Chairman's Overview

V. Committee Reports

1. [Special Meeting of the Human Resources and Labor Relations Committee \(Jed Ross\)](#)
2. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
3. [Finance and Budget Committee \(Anthony Giancola\)](#)
4. [DC Retail Water and Sewer Rates Committee \(Rachna Bhatt\)](#)

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 Adopt Publication of Notice of Final Rulemaking to Amend DC Water's Personnel Regulations to Add Paid Parental Leave to the Types of Un-Accrued Leave - Resolution No. 22-37 \(Recommended by the Human Resource and Labor Relations Committee 06/14/2022\)](#)
2. [Approval to Execute Contract No. 220080A, Arcadis, District of Columbia – Resolution No. 22-38 \(Recommended by the Environmental Quality and Operations Committee 06/16/2022\)](#)
3. [Approval to Execute Contract No. 220080B, Greeley and Hansen, LLC – Resolution No. 22-39 \(Recommended by the Environmental Quality and Operations Committee 06/16/2022\)](#)
4. [Approval to Execute Change Order No. 07 and 08 of Contract No. 170180, Ulliman Schutte Construction, LLC. – Resolution No. 22-40 \(Recommended by the Environmental Quality and Operations Committee 06/16/2022\)](#)

5. [Approval to Amend Fiscal Year 2023 Capital Disbursement in the FY 2022-2031 Capital Improvement Program – Resolution No. 22-41](#) (Recommended by the Finance and Budget Committee 06/23/2022)
6. [Approval to Amend Fiscal Year 2023 Operating Budget – Resolution No. 22-42](#) (Recommended by the Finance and Budget Committee 06/23/2022)

X. Consent Items (Non-Joint Use)

1. [Approval to Execute Contract No. 220030, Capitol Paving of DC Inc. – Resolution No. 22-43](#) (Recommended by the Environmental Quality and Operations Committee 06/16/2022)
2. [Approval to Publish Notice of Final Rulemaking for New and Amended Fees & Charges – Resolution No. 22-44](#) (Recommended by the DC Retail Water and Sewer Rates Committee on 06/28/2022)
3. [Approval to Publish Notice of Final Rulemaking for Fiscal Year 2023 and 2024 Adjusted Retail Metered Water and Sewer Service Rates, Right-of-Way \(ROW\), Payment-in-Lieu of Taxes \(PILOT\) Fee, Clean Rivers Impervious Area Charge \(CRIAC\), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate – Resolution No. 22-45](#) (Recommended by the DC Retail Water and Sewer Rates Committee on 06/28/2022)
4. [Approval to Publish Notice of Emergency and Proposed Rulemaking to Extend the DC Water Cares Emergency Relief Program for Low-Income Customers \(Residential Assistance Program “RAP”\) and Multifamily Assistance Program for Low Income Multifamily Tenants \(Multifamily Assistance Program “MAP”\) for Fiscal Year 2023 and Amend the CAP2 Recertification Requirements – Resolution No. 22-46](#) (Recommended by the DC Retail Water and Sewer Rates Committee on 06/28/2022)

XI. Executive Session

XII. Adjournment (Chairperson Tommy Wells)

Upcoming Committee Meetings – (via Microsoft Teams)

- **Governance Committee – Tuesday, July 12th @ 9:30 a.m.**
- **Environmental Quality and Operations Committee – Thursday, July 21st @ 9:30 a.m.**
- **Audit Committee – Thursday, July 28th @ 9:30 a.m.**
- **Finance and Budget Committee – Thursday, July 28th @ 11:00 a.m.**

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); terms for negotiating a contract, including an employment contract under D.C. Official Code § 2-575(b)(2); obtain legal, advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters 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); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations 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.



**D.C. WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS**

**SPECIAL MEETING OF HUMAN RESOURCES AND LABOR
RELATIONS
COMMITTEE**

**June 14, 2022
via Microsoft Teams**

MEETING MINUTES

Members Present

Adrianna Hochberg, Montgomery County,
Chairperson
Jed Ross, District of Columbia
Christopher Herrington, Fairfax County
Steven Shofar, Montgomery County

Staff Present

David Gadis, CEO/ General Manager
Kishia Powell, EVP, Chief Operating Officer
Gregory Hope, Deputy General Counsel
Lisa Stone, Chief, People and Inclusion Officer, EVP,
People and Talent
George Spears, VP of Labor Relations, and
Compliance Programs
Chad Carter, Director Total Rewards
Ron Lewis, Benefits Manager
Linda Manley, Secretary to the Board

1. Call to Order

Chairperson Adriana Hochberg called the Special Meeting of the Human Resources and Labor Relations Committee to order at 11:30 a.m. The meeting was conducted via Microsoft Teams. Chairperson Hochberg made an opening statement that there was one agenda item, an update on Parental Leave Benefit by Ron Lewis, Benefits Manager.

2. Roll Call

Board Secretary Linda Manley conducted a roll call of the Committee members and DC Water staff.

3. Update on Parental Leave Benefit

Ron Lewis presented to the Committee a proposal to amend the Personnel Regulations to add the Parental Leave Benefit.

Mr. Lewis noted that in 2020, DC Government implemented a parental leave benefit for private employers supported by an additional tax. DC Water is a public agency and is excluded from this benefit, however, to remain competitive and support the mission of People, Place and Pay; DC Water is proposing to create our own benefit. The proposed DC water benefit pays employees their full salary for up to eight weeks and the benefit is paid 100% by DC Water. This benefit will allow employees to bond with their new child and supports work life balance.

Employees eligible must be a full-time DC Water employee, eligible for FMLA leave, have at least twelve months of service, worked 1,000 hours in the past year and experience one of the following events: childbirth, adoption, or permanent placement of a child.

Board member Herrington requested clarification on the benefit being eligible for full time employees only and the limitation in terms of why the benefit would not be available to part time employees. Mr. Lewis responded to Mr. Harrington that the benefit will be implemented with DC Water's process for applying for FMLA which is for full time employees. Staff will discuss with management expanding the benefit to include part time employees.

Board member Shofar asked the staff if DC Government have a similar benefit? Mr. Lewis confirmed that DC Government offers a paid family leave program, however their benefit is capped at \$1,000 weekly while DC Water pays the full salary for eight weeks. Board member Jed Ross confirmed that DC Government has a similar benefit, and that DC Government offers a paid family leave program up to eight weeks

Chairperson Adriana Hochberg requested clarification on the use of Paid Parental Leave being used in conjunction with other approved leave. Mr. Lewis responded that employees will not have to use sick or annual leave. This is additional leave that effectively increases the amount of PTO for the employee.

Chairperson Hochberg requested clarification of the reason there was a gap in the 2021 timeline with making progress in this policy. Mr. Lewis responded that there were concerns that the Union representation might object and would need to negotiate prior to implementing the benefit.

Mr. Spears clarified that due to COVID there was a slight pause in the program and now management is actively trying to get it approved. The benefit will be extended to the unions through the proper process.

The Committee agreed to recommend the amendment of the Personnel Regulations to include the Paid Parental Leave benefit to the full Board.

4. Adjournment

Chairperson Hochberg adjourned the meeting at 11:42 p.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Committee Meeting**

Thursday, June 16, 2022

9:30 a.m.

MEETING SUMMARY

Committee Members

Sarah Motsch
Howard Gibbs
Ivan Frishberg
Steven Shofar
Christopher Herrington
David Franco

DC Water Staff Present

David Gadis, CEO & General Manager
Linda Manley, Secretary to the Board
Ms. Kishia Powell, Chief Operating Officer & EVP
Pierre Constant, Manager, Compliance Programs WQ
Aklile Tesfaye, VP, Wastewater Operations
Nija Ali, Interim Director, Fleet Management
Pierre Constant, Manager, Customer Compliance Services WQ
Marlee Franzen, Senior Manager, Water Operations
Maureen Schmelling, Director, Water Quality

I. CALL TO ORDER

Ms. Sarah Motsch called the meeting to order at 9:30 a.m. The meeting was conducted via MS Teams.

II. ROLL CALL

Ms. Linda Manley, Secretary to the Board, 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). Specific details of the presentation can be found on pages 3 to 17 of the EQ & Ops Meeting package 06.16.2022 (subsequently will be referred to as “meeting package”). The notes below abbreviate key topics discussed during the presentation.

Mr. Tesfaye provided an update on the performance of complete treatment and the wet weather treatment facility (WWTF) at the BPAWTP for May 2022. It was reported that all performance parameters for the month were excellent, and all operational and effluent parameters were within the NPDES permit limits. A total of 280 MG of combined wet weather flows were captured by the

tunnel system and treated through the BPAWTP and 107 MG of these flows were treated through the WWTF. It was noted that there were no flows through the CSO Outfall for the month.

Mr. Tesfaye discussed electrical energy use and generation at the BPAWTP. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 27% of the average consumption at the BPAWTP, this exceeded the goal of 20% per month. Mr. Tesfaye also discussed biosolids production and Bloom marketing at the BPAWTP for May. It was noted that over 12,460 wet tons of biosolids were produced for the month and all biosolids met Class A Exceptional Quality (EQ) requirements required by the EPA. Almost 5,000 wet tons of biosolids were sold as Bloom for the month. It was noted that Bloom sales are on track to exceed the sales goal for FY2022.

It was reported that DC Water received the Platinum Peak Performance Award from the National Association of Clean Water Agencies (NACWA). The award recognizes excellence in wastewater treatment for 100% compliance with NPDES permit requirements for the year. DC Water achieved this for the 2021 calendar year, and this is the tenth consecutive year the Authority has achieved 100% permit compliance for effluent discharges from BPAWTP. Mr. Tesfaye acknowledged the tremendous effort by staff across the Authority to achieve the award.

2. BLOOM MARKETING UPDATE

Mr. Chris Peot, Director, DCW Resource Recovery, DC Water provided an update on Bloom Marketing. He discussed that Bloom is a Class A biosolids product produced at BPAWTP by dewatering biosolids from the treatment plant. He described the various Bloom products being produced – Fresh Bloom, Cured Bloom and Blended Products, and the applications of these products. Fresh Bloom is a product mainly used in farming, construction and blending applications. Cured Bloom and the Blended Products are used in home gardening applications. There is an on-site blending facility at BPAWTP where the cured and blended products are produced. A project to upgrade on-site facilities is currently under design through the Capital Improvement Program (CIP). The new facility will allow for an increase in Cured Bloom production.

Mr. Peot discussed the user categories of Bloom and charts were presented which showed the various customers by industry type and trends in sales by customer type since 2017. Farmers are the largest customers by volume of Bloom purchased. Bloom has grown in popularity with farmers as DC Water is able to consistently provide the product in the large quantities often required by these customers. The trends in sales of Bloom by month since FY2021 were also discussed. For FY2022, Bloom sales are on track to exceed the sales goal. Through May 2022, sales are at 106% of the cumulative target sales goal.

Mr. Peot discussed the costs of the biosolids program, noting that the digesters used in the processing of biosolids from the treatment plant were constructed for the production of green energy through the CHP facility and to reduce the volume of biosolids hauled off site. When the digesters came online in 2015, the annual budget for the biosolids program dropped from \$19 million in 2014 to approximately \$10 million in 2015. As Bloom production and sales increased since 2015, the annual budget has dropped to \$4.8 million in 2021. Mr. Peot discussed some of the annual savings realized through the decision to produce and market a Class A biosolids product.

The Committee asked about the difference between Bloom Sold and Contracted as shown on the chart for DC Water biosolids costs. Mr. Peot clarified that a percentage of the produced Bloom is

sold to customers. DC Water pays to have any Bloom not sold to customers hauled off-site. This volume is categorized as 'Contracted' on the chart.

IV. UPDATE ON FLEET

Ms. Nija Ali, Interim Director, Fleet Management, DC Water provided an update on the Department of Fleet Management. Ms. Ali highlighted the mission of the department as providing safe and reliable vehicles and equipment, and to ensure continuity and fluidity of DC Water's operations. The mission of the department is aligned with the reliable imperative established in the Strategic Plan. It was noted that the current focus of the department is to continue to meet established service level targets, bring all fleet units into compliance with registration and recall requirements, and decommission the existing Fleet Facility for transition to the new Fleet Headquarters in Capitol Heights, Maryland planned for the fall of 2022.

Ms. Ali summarized the different types of vehicles and equipment managed by the department. The units are grouped into three priority categories, based on the criticality of the equipment to DC Water's operations. A table was presented which summarized the amount of equipment in the fleet, the average age, replacement policy and the amount of equipment exceeding the replacement policy within each priority category. There are 1,261 total units of vehicles, small equipment, carts and trailers in DC Water's fleet. The department is working to reduce the numbers of equipment requiring registration renewals and vehicle inspections. Since April 1st, inspections for 88 of the 150 vehicles requiring inspection have been completed. Ms. Ali provided details on ongoing initiatives to complete these inspections and conduct routine maintenance on the fleet. Initiatives include implementing alternative work schedules on Saturdays and evenings to allow vehicle maintenance to be completed when work vehicles are not in use.

Ms. Ali reported on the status of DC Water fleet metrics since the April GM Report. Preventative maintenance completion has increased since April however, vehicle availability has since decreased as a result of larger vehicles requiring a longer remediation time. It was noted that additional operational metrics have been established to monitor fleet management performance, including availability of vehicle servicing bays, quality of completed maintenance and availability of parts for servicing of equipment.

Ms. Ali reported that Fleet is scheduled to procure 172 vehicles and equipment over the next four years at an estimated total cost of \$25 million. Discussions were held about Fleet's action plan which summarized immediate, short-term and long-term actions for enhanced safety, service and staffing across the department. Notably, the department is working on redefining key business processes to maximize operational efficiencies and managing disposal and decommissioning activities at the current headquarters in preparation for relocation to the headquarters.

Ms. Ali discussed future initiatives for the department of fleet. In addition to initiatives in the action plan, the department will continue with the Fleet Blue Plains initiative which created a small vehicle servicing shop at Blue Plains for servicing and inspection of light vehicles. The department will also operate mobile service trucks which will travel to DC Water facilities to perform minor repairs and inspections on light vehicles. These initiatives aim to reduce vehicle downtime given the new Fleet Headquarters in Capitol Heights, Maryland is not centrally located to the Authority's overall operations.

The Committee inquired how the issues related to existing soil conditions at the site of the new Fleet Headquarters had been resolved to allow a move-in date of fall 2022. Ms. Ali confirmed that the earthworks phase of the project has been completed and that construction of the new building

was ongoing. Ms. Kishia Powell, Chief Operating Officer & EVP, DC Water added that following the action of the Board to move forward with the related change order for the construction project, the issues involving the soil conditions were resolved. Ms. Powell noted that additional resources were assigned to the project to assist in managing the project and to help overcome these issues.

The Committee asked whether the department considers mileage as a basis for replacement of light vehicles instead of age of the equipment. Ms. Ali clarified that age of equipment and mileage (for vehicles) was considered in the scoring for when equipment is replaced.

The Committee inquired about initiatives to purchase and increase the number of electric and alternative fuel vehicles across the fleet. Ms. Ali commented that increasing the number of electric vehicles in the fleet is part of a future initiative of the department. The department needs to assess the infrastructure that would be required to support and accommodate a fleet with increased numbers of electric vehicles.

The Committee asked whether DC Water has explored sharing existing or future infrastructure for recharging electrical vehicles with other utilities in the area. Ms. Maureen Holman, EVP, Administration, DC Water clarified that discussions have been ongoing with the Greater Washington Region Clean Cities Coalition and the Metropolitan Washington Council of Governments (MWCOCG) for opportunities to share or co-locate infrastructure. Engagement with the District Government has taken place and opportunities to work together are being explored.

The Committee commented that in light of initiatives by the District government to adopt carbon neutrality, they would like to hear of plans across the Authority to comply with these policies including plans for infrastructure to allow electrification of the fleet.

The Committee asked whether Fleet leases equipment on a short-term basis for construction activities and whether any consideration has been given to establishment of lease-buy-back arrangements with equipment manufacturers. Ms. Ali confirmed that Fleet does lease equipment on a short-term basis when the circumstances are appropriate. She further confirmed that there have been lease-buy-back arrangements with equipment manufacturers in the past.

The Committee asked why the budget for fleet appeared to be decreasing given the needs for equipment across the Authority and whether DC Water coordinates with utilities in neighboring jurisdictions for bulk purchase of vehicles and construction equipment as a means to reduce costs. Ms. Ali and Ms. Holman confirmed that the fleet department have been working with the finance department to roll budget forward to address fleet needs. It was noted that supply chain issues have delayed procurement of vehicles. Mr. Matthew Brown, Chief Operating Officer & EVP, Finance and Procurement, DC Water confirmed that an action will be presented to the Finance and Budget Committee on June 23rd to carry over \$7.1 million in funds to future years to address Fleet's needs for procurement of vehicles and equipment.

V. CUSTOMER COMPLIANCE SERVICES OVERVIEW

Mr. Pierre Constant, Manager, Customer Compliance Services WQ, DC Water briefed the Committee on the function of the Customer Compliance Services programs within the Department of Water Quality and Technology. Three programs have been established - Cross-Connection Control/Backflow Prevention (CCC/BP), Fire Hydrant Use Permitting and Equipment Rental (FHUP) and Fats, Rags, Oil, and Grease (FROG). The mission of the programs is to educate and enforce compliance with regulations and policies to protect the water and sewer systems. It was noted that the mission of the programs is aligned with the reliable and resilient imperatives established in the Strategic Plan.

Mr. Constant highlighted the municipal regulations enforced through the programs related to cross-connections, discharges to the wastewater system and the DC plumbing code. It was noted that the cross-connection regulations (21 DCMR 54) and DC Water's cross-connection control manual are currently being revised. Revisions to both the regulations and the manual are planned to be updated by within a year.

Mr. Constant discussed the objectives and processes involved in enforcing the three programs. The CCC/BP program enforces the use of Backflow Prevention Assemblies (BPAs) across the water system to minimize the risk of contamination events. BPAs are installed in the water system and shouldn't be confused with backwater valves, which are installed on sewer system piping. BPAs are required to be tested annually and the program tracks approximately 14,500 BPAs installed across the water system, including 170 installed at DC Water facilities. The program oversees inspection of BPAs, reviews testing reports from third-party inspectors and monitors third-party inspector certifications and installer licenses.

Mr. Constant discussed the FHUP program which serves to minimize the risk of contamination and unmetered water use at hydrants in the water system. In the District, customers are required to obtain a permit from DC Water for use of public fire hydrants. As part of the conditions of the permit, a BPA and a hydrant meter are required to be installed when using any hydrant. The program issues up to 300 permits for hydrant use per year and maintains an inventory of hydrant meters and BPAs for use by permittees.

Mr. Constant discussed the FROG program which serves to minimize the buildup of FROG across the sewer system. Through the program, activities at 3,700 food service establishments (FSEs) are monitored and tracked. The program enforces the use of grease traps and grease interceptors at FSEs and requires that they be inspected and cleaned every 30-90 days. Due to resource constraints, program enforcement is not proactive. The program primarily supports the Department of Sewer Operations (DSO) in response to sanitary sewer overflow events by conducting investigations after these events.

Mr. Constant noted the enforcement actions available to DC Water across the three programs. For FY2021, \$2.3 million in fees were collected across the three programs, with almost half the fees coming from the CCC/BP program. Mr. Constant discussed how compliance documentation is managed through DC Water's the third-party portal (3PP) across the programs. All CCC/BP compliance data is managed electronically, and billing and work order data is synced to the Maximo system. FHUP and FROG program data are planned to all be electronic in 2023 and 2024 respectively.

Mr. Constant discussed short term initiatives for customer compliance services going forward. Notably, improvement of enforcement tools across the programs, improvement of design requirements for CCC/BP, improved clarity on cleaning frequency for FROG abatement systems and clarification of best management practices for disposal of FROG were highlighted as regulatory improvements.

The Committee inquired about the requirements for permitting of private fire hydrants. Mr. Constant clarified that DC Water does not issue permits for private hydrants. However, DC Water requires that BPAs are installed on all hydrants in use, including at the master meters on the water service connections to private hydrants. DC Water has authority to inspect all BPAs in use in the system and endeavors to inspect as many as they can within the resources allocated to the associated compliance service programs.

VI. ACTIONS ITEMS:

Specific details of the report can be found on pages 30 to 40 of the meeting package. The notes below list the action items and highlight key topics discussed during the meeting.

JOINT USE

1. Contract No.: 220080A - Major Sewer Assessment, Arcadis
2. Contract No.: 220080B - Major Sewer Assessment, Greeley and Hansen
3. Contract No.: 170180 - Miscellaneous Facilities Upgrade, Ulliman Schutte Construction

NON-JOINT USE

1. Contract No.: 220030 - Lead Service Line Replacement, Capital Paving

Mr. William Elledge, Interim Director, Engineering and Technical Services, DC Water, presented joint use action items 1 & 2. Mr. David Parker, Director, Wastewater Engineering, DC Water, presented joint use action item 3.

Ms. Kishia Powell, Chief Operating Officer & EVP, DC Water, presented the non-joint use action item.

ACTION ITEM HIGHLIGHTS:

For the Non-Joint Use Action Item, the Committee asked whether there were any concerns with the 30% difference in pricing between the recommended bidder and next best bidder. Mr. Rudy Gonzalez, Director of Procurement, Capital Programs, DC Water confirmed there were concerns about the difference during the evaluation of the bids. It was noted that the difference between the bidders was primarily in the cost for pavement restoration. Procurement have been reaching out to bidders to better understand these issues. The risk to the project was considered prior to making a recommendation for the preferred bidder for the solicitation.

VII. WATER OPERATIONS UPDATES

FIRE HYDRANTS

Ms. Marlee Franzen, Senior Manager, Water Operations, DC Water, briefed the Committee on the status of DC Water's fire hydrants. Ms. Franzen noted that DC Water is below the 1% out-of-service (OOS) service level established in the Memorandum of Understanding (MOU) with the District of Columbia Fire and Emergency Medical Services Department (DC FEMS). As of June 6th, 40 of the approximately 9,800 public hydrants in the water system were OOS. It was noted that there are no clusters of defective or OOS hydrants in the system.

WATER QUALITY

Ms. Maureen Schmelling, Director, Water Quality, DC Water, briefed the Committee on the status of EPA Drinking Water Regulated Monitoring for May 2022. Ms. Schmelling reported that there were zero positive total coliform results from the 247 samples collected as part of the EPA total coliform sampling for the month. Ms. Schmelling noted that the first semester of the Lead and Copper rule (LCR) sampling for 2022 was completed during the month and the Water Quality team are currently compiling the results of the sampling into a report.

VIII. OTHER BUSINESS / EMERGING ISSUES

No Other Business

IX. EXECUTIVE SESSION

X. ADJOURNMENT

The meeting was adjourned at 10:55 a.m.

Follow-up Items

1. Ms. Powell (COO): To provide an update to the Board on the due diligence (related to soil conditions and prior use of the site) that was completed ahead of the purchase of the site of the new fleet headquarters.
2. Ms. Holman (VP, Shared Services): To share DC Water's electrification policy as a follow-up to Committee questions related to infrastructure for electrification of the fleet.
3. Nija Ali (Acting Director, Fleet): In response to questions about infrastructure for electrification of fleet, the Committee requested a briefing at a future meeting about plans across the Authority to comply with District government initiatives to achieve carbon neutrality.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, June 23, 2022

9:30 a.m.

MEETING VIA MICROSOFT TEAMS

Committee Members

Anthony Giancola, Chairperson
David Franco
Jared McCarthy

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
Ivan Boykin, Director, Finance
Tanya DeLeon, Manager, Risk
Linda Manley, Secretary to the Board

Call to Order

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

May 2022 Financial Report

Mr. Matthew T. Brown, CFO & EVP, Finance and Procurement, provided the monthly financial report overview by exception. At the end of May 2022, with approximately 67 percent of the fiscal year completed, operating revenues were \$571.7 million, or 71.4 percent of the budget, operating expenditures were \$385.2 million, or 58.5 percent of the budget and capital disbursements were \$226.1 million or 39.8 percent of the budget. Mr. Brown highlighted the Series 2022A Forward Direct Purchase agreement with JP Morgan, which was negotiated during the COVID-19 pandemic. He indicated that this transaction has been able to save DC Water's ratepayers \$60 million, which has been incorporated within DC Water's rate proposal and is anticipated to close in early July 2022.

Total cash investments were at \$868.5 million, which includes the Rate Stabilization Fund balance of \$46.1 million. Interest income for May is \$122.3 thousand and the year-to-date is at \$765.5 thousand. The retail accounts receivable report reflects a delinquent amount of \$29.2 million for 13,007 accounts. The number of delinquent accounts represent 10.1 percent of the total customer accounts.

Merchant Credit Card Fee Update

Mr. Ivan Boykin, Director of Finance, updated the Committee on efforts taken by staff to reduce credit card processing costs. Mr. Boykin provided two ways to reduce costs by passing the credit card processing fee to customers and reduce transaction costs. Next steps, the Finance department will consult with a customer information system provider and develop a strategy to implement a hybrid credit card fee solution or to pass the credit card fees to all customers. Mr.

David Franco questioned the distinction between passing the fee to Residential and Non-Residential customers. He further advised staff to consider no passing the fees to CAP customers as a strategy. Committee Chairman Anthony Giancola asked staff to provide a follow up at the next committee meeting.

Insurance Renewal Update

Ms. Tanya DeLeon, Risk Manager, provided an update on DC Water's operations insurance renewals. This includes Property/Equipment, Flood, Cyber, Excess Workers' Compensation, Excess Liability, Employment Practices Liability, Public Officials' Liability, Crime, Fiduciary Liability, and Professional Liability policies. Ms. DeLeon reported that the anticipated cost is approximately \$4.7 million and below the Board approved not to exceed amount of \$5.0 million. Ms. DeLeon stated DC Water is in final negotiations with the insurance carriers and is on track to renew the Authority's insurance coverage by July 2022.

FY 2022 Projected Net Cash Position

Mr. Brown reported a revised projection to the preliminary year-end forecasts for operating revenues, expenditures and net cash position presented to the Committee last month. The revision is in capital budget which was previously estimated at \$115.9 million to updated forecast of \$122.3 million below the adopted budget of \$567.5 million. He reminded the Committee that the calculation of the projected net cash position is based on the financial plan approved by the Board in March 2022 as part of the last budget cycle. Mr. Brown reviewed the assumptions in the Financial Plan and adopted budgets for operating revenues, expenditures, and capital disbursements. He noted that DC Water does not make any profit and any underspending is reverted to reduce impact the budget and the financial plan.

The year-end forecast for operating revenue is currently at \$23.4 million above the Board adopted level of \$800.1 million because actual collections have exceeded budget assumptions. The year-end forecast for the capital program is now estimated at \$122.3 million below the revised budget of \$567.5 million with changes from previous forecast due to updated forecasts for capital construction projects. Operating expenditure forecast remains the same at \$17.3 million below the adopted budget of \$658.4 million.

Mr. Brown reviewed the FY 2022 projected net cash position of \$6.9 million. This includes the projected surplus of \$32.7 million, a change in the jurisdictional reconciliation, a project billing refunds allocation of \$10 million and an increase in the transfer to Capital Improvement Program (CIP) of \$17.6 million. The transfer to the CIP includes \$10.4 million to purchase additional vehicles and \$7.2 million to pay the Washington Aqueducts fourth quarter invoice in FY 2023.

In closing, Mr. Brown presented management's recommendation for the use of the FY 2022 projected net cash surplus of \$6.9 million. This is an allocation of \$3 million to amend the FY 2023 budget to deal with anticipated chemical and energy pressures and a \$3.9 million transfer to Pay-Go to reduce future borrowing. Committee member David Franco sought clarification about the timing of this action. Mr. Brown stated that the fiscal year ends in September and the current schedule aligns with the Financial Policies. Mr. Franco also asked about the process for dealing

with a variance between projected net cash surplus and actual net cash surplus. Mr. Brown stated that at end of the year, DC Water balances to the Board-approved 250 days of cash. In the event that there is a further surplus from revenue exceeding budget or expenditures further under budget, DC Water would reduce planned bond draws to meet the 250-day target.

Responses to Public Comments and OPC Recommendations on Proposed Rates Update

Mr. Brown presented management's proposed responses to public comments and OPC (Office of People's Counsel) recommendations on proposed rates. He mentioned DC Water's goal is to provide safe and affordable water for everyone in our service area, with \$629 million to be spent by 2030 to remove all lead lines, \$2.9 billion Clean Rivers Program that will help make the Anacostia and Potomac Rivers swimmable and fishable, and the Customer Assistance Program (CAP) to help customers who cannot afford their bills. He also mentioned DC Water's budget is solely to invest in people and infrastructure and not generate revenue for stakeholder investors.

Mr. Brown talked about the multiyear rate proposal for FY 2023 and FY 2024, a change in the previous forecast of 6.7 percent to 6.0 percent for FY 2023 and from 8.8 percent down to 5.4 percent in FY 2024. There were various public outreach efforts undertaken to inform and educate our stakeholders and the case for a rate adjustment was provided which includes 4.3 percent growth in operating costs in FY 2023 and an additional \$1 billion in infrastructure investments.

OPC provided ten recommendations on proposed rates that includes re-examination of the O&M budget, capital budget, and financial policies to maintain existing rates and withdraw the proposed rate increases. Mr. Brown stated that increasing borrowing will increase money spent on debt services and drop the financial metrics in the financial plan below Board policy levels. Mr. Brown further stated that DC Water does not concur with recommendations to borrow more to fund the capital program as this would compromise system safety, reliability, and resilience.

OPC's second recommendation is to "institute a reconciliation and true up process at the end of the first year of the two-year budget to review and refine the planned rates for the second year to prevent collecting unnecessary revenue." He explained that DC Water does not concur with this recommendation as DC Water closes its books several months after the fiscal year. Additionally, the rate-setting process including the notice of final rulemaking requires several months after the rates are developed. DC Water already performs a true-up with each rate setting process when the Financial Plan is revised.

On OPC's third recommendation to expand the Rate Stabilization Fund policy, DC Water concurred that an examination of the Rate Stabilization Fund (RSF) policy with the Board is appropriate.

On OPC's fourth recommendation to use a combination of the reduction in revenue requirement from returning to a 1.6 Debt Service Coverage ratio, the excess cash from reducing days of cash on hand to 120 days, and/or using the RSF to withdraw the proposed FY 2023 and FY 2024 rate increases, leaving the rates at the FY 2022 levels; DC Water did not concur with this recommendation. Mr. Brown stated that the Authority's strong bond ratings help to reduce our borrowing costs which save our customers money each year and make DC Water more resilient

in the event of unexpected situations. Strong bond ratings also provide DC Water greater access to the financial markets so that we can take advantage of opportunities like we did with the Forward Direct Purchase that save ratepayers money. It provides liquidity and enables the Authority to meet its debt service coverage.

OPC's fifth recommendation is that DC Water and the District should consider options to provide assistance to low-income tenants and indirect equitable discounts on water and sewer costs, perhaps as a DC Water funded local income tax rebate. DC Water does not concur with the recommendation to fund a local income tax rebate, and there are various Customer Assistance Programs available to tenants in single family homes. OPC's sixth recommendation is for "DC Water and the District to consider adjusting the income thresholds to shift the available assistance from higher income customers to lower income customers, perhaps by adopting the federal low-income thresholds", and OPC' seventh recommendation for DC Water and the District to consider providing a discount on the District's water and sewer fees for lower income customers and increasing the fees for higher income customer. DC Water concurs with these two items that Customer Assistance Programs should provide the greatest benefits to those with the greatest need and would like to better understand the recommendation and to continue to work on outreach to eligible customers.

On OPC's eighth recommendation to add a lower use tier and a higher use tier with appropriate peaking factors for residential water rates, DC Water does not concur as rates are based on cost-of-service principles and economic equity. OPC's ninth recommendation is to expand the use of customer classes to sewer rates and mirror the recommended four tier water rate system for sewer rates with appropriate Peaking Factors. DC Water does not concur with this recommendation as water rates may be differentiated among classes based on the demands placed on the systems while sewer rates may not. The tenth OPC recommendation is for DC Water to increase its cost containment efforts; and the O&M budget, capital budget and financial policies to undergo more rigorous review process like the rate making process. DC Water concurs with this recommendation.

Finally, Mr. Brown reiterated need for the rates to sustain current and future operations of the Authority. He stated that DC Water will continue to work with our stakeholders and OPC going forward to learn how some of the recommendations may be beneficial to our customers.

Action Items

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

- a) Recommendation for approval of FY 2022 Use of Projected Net Cash Position of \$6.9 million
 - Add \$3.0 million to the cash balance for FY 2023
 - Transfer \$3.9 million to Pay-Go to reduce future borrowing

- b) Recommendation for approval to amend the Capital Improvement Program Budget
 - Carryforward the projected FY 2022 underspending of \$105.4 million for capital projects to be expended starting in FY 2023 and beyond to cover project slippages and invoice payments
 - Amend the capital equipment budget by \$10.4 million for vehicle purchases

- \$3.3 million to cover a portion of vehicle orders placed through FY 2022 to be received in FY 2023
 - \$7.1 million to take advantage of upcoming order banks for 2023 models with delivery dates in FY 2023
 - Amend the Washington Aqueduct by \$7.2 million to cover the fourth quarter invoice anticipated to be received after the end of the fiscal year
 - Reduce the FY 2031 capital equipment budget by \$17.6 million to maintain the Board adopted 10-year CIP disbursement totaling \$6.42 billion
- c) Recommendation for approval to Amend the FY 2023 Operating Budget
- Reallocate the FY 2023 projected underspending in debt service of \$3 million to chemicals and energy costs

Follow-up Item

1. Provide further review and baseline rationale for distinguishing between Residential and Non-Residential customers for credit card processing fees. **(Mr. Franco)**
2. Explore potential for not charging credit card fees to customers under CAP. **(Mr. Franco)**

Adjournment

Hearing no further business, Chairperson Anthony Giancola adjourned the meeting at 10:44 a.m.



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

DC Retail Water and Sewer Rates Committee

Tuesday, June 28, 2022

9:30 a.m.

MEETING MINUTES

Committee Members Via Teleconference

Rachna Bhatt, Chair
Howard Gibbs
Anthony Giancola
David Franco
Ivan Frishberg

DC Water Staff Via Teleconference

David Gadis, CEO and General Manager
Matthew Brown, CFO/EVP, Finance & Procurement
Brian McDermott, Director of Permit Operations
Meisha Lorick, Interim Director of Customer Care
Linda Manley, Secretary to the Board
Jon Davis, Consultant

Call to Order

Chair Rachna Bhatt convened the meeting at 9:32 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 stated that there were four presentations in addition to the monthly report and three Action Items that the Committee will be asked to recommend to the full Board.

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

Mr. Brown provided the financial report by exception. He stated that the overall year-to-date revenues are favorable to budget. He noted that the year-end projections have been presented to the Finance and Budget Committee and DC Water anticipates that there will be a net cash surplus at the end of FY 2022. The Finance Committee is making a recommendation to the full Board for use of that net cash surplus.

Mr. Brown stated that 90-day customer delinquencies increased slightly from \$28.6 million in April 2022 to \$29.2 million at the end of May 2022. He mentioned that the number of delinquent accounts slightly decreased compared to the prior month and the delinquent accounts represent about 10.1 percent of the total accounts. Mr. Gibbs recommended to include delinquent impervious only accounts as a percentage of total accounts in the report and Mr. Brown stated that the requested information will be included in future monthly reports to the Committee.

Responses to Comments and Recommendations on Proposed Rates (Attachment B)

Mr. Brown presented management's proposed responses to public comments and Office of the People's Counsel (OPC) recommendations on proposed rates. He mentioned DC Water's goal is to provide safe and affordable water for everyone in our service area, with \$629 million to be spent by 2030 to remove all lead lines, \$2.9 billion Clean Rivers Program that will help make the Anacostia and Potomac Rivers swimmable and fishable, and the Customer Assistance Program (CAP) to help customers who cannot afford their bills. He also mentioned DC Water's budget is solely to invest in people and infrastructure and not generate revenue for stakeholder investors.

Mr. Brown talked about the multiyear rate proposal for FY 2023 and FY 2024, a change in the previous forecast of 6.7 percent to 6.0 percent for FY 2023 and from 8.8 percent down to 5.4 percent in FY 2024. There were various public outreach efforts undertaken to inform and educate our stakeholders and the case for a rate adjustment was provided which includes 4.3 percent growth in operating costs in FY 2023 and an additional \$1 billion in infrastructure investments.

OPC provided ten recommendations on proposed rates that includes re-examination of the O&M budget, capital budget, and financial policies to maintain existing rates and withdraw the proposed rate increases. The first recommendation was to start the entire budget and rate process over. Mr. Brown said that DC Water did not concur. Mr. Brown stated that increasing borrowing will increase money spent on debt services and the proposal to reduce the days cash on hand to 120 days would drop the financial metrics in the financial plan below Board policy levels. Mr. Brown further stated that DC Water does not concur with recommendations to borrow more to fund the capital program as this would compromise system safety, reliability, and resilience. DC Water's rigorous budget process helped balance the infrastructure needs and operating costs with customer rates. The process began last summer, and the Board reviewed the budget over a two month period beginning in January before adoption in March. Two financial policies had been reviewed and modified by the Board over the last two years.

OPC's second recommendation is to "institute a reconciliation and true up process at the end of the first year of the two-year budget to review and refine the planned rates for the second year to prevent collecting unnecessary revenue." He explained that DC Water does not concur with this recommendation as DC Water closes its books several months after the fiscal year. Additionally, the rate-setting process including the notice of final rulemaking requires several months after the rates are developed. DC Water already performs a true-up with each rate setting process when the Financial Plan is revised and when the Board allocated any net cash surplus, as it will do in July..

On OPC's third recommendation to expand the Rate Stabilization Fund (RSF) policy, DC Water concurred that an examination of the Rate Stabilization Fund (RSF) policy with the Board is appropriate and there were already plan in place to do this work as part of a review of all of DC Water's reserves in FY2023.

Mr. Gibbs commented that using the funds from the RSF to avoid or decrease rate increases would have a consequence that leads to a larger rate increase in the future years. Mr. Brown concurred with the comment from Mr. Gibbs.

On OPC's fourth recommendation was to use a combination of the reduction in revenue requirement through a 1.6x Debt Service Coverage ratio, increasing excess cash from reducing days of cash on hand to 120 days, and/or using the RSF to withdraw the proposed FY 2023 and FY 2024 rate increases, leaving the rates at the FY 2022 levels. Mr. Brown stated that DC Water did not concur with this recommendation. He explained that the Authority's strong bond ratings help to reduce our borrowing costs which ultimately save our customers money each year and make DC Water more resilient in the event of unexpected situations. Strong bond ratings also provide DC Water greater access to the financial markets so that we can take advantage of opportunities like we did with the Forward Direct Purchase that save ratepayers money. It provides liquidity and enables the Authority to meet its debt service coverage. Mr. Brown reviewed three rating agency comments regarding DC Water's financial metrics, including warnings that DC Water could face a downgrade if coverage and liquidity are not held at current levels as DC Water borrows to invest in infrastructure improvements.

OPC's fifth recommendation was that DC Water and the District should consider options to provide assistance to low-income tenants and indirect equitable discounts on water and sewer costs, perhaps as a DC Water funded local income tax rebate. DC Water does not concur with the recommendation to fund a local income tax rebate, and the Customer Assistance Programs (CAP) are available to tenants in single family homes. DC Water offered multi-family assistance during COVID. OPC's sixth recommendation is for "DC Water and the District to consider adjusting the income thresholds to shift the available assistance from higher income customers to lower income customers, perhaps by adopting the federal low-income thresholds", and OPC' seventh recommendation for DC Water and the District to consider providing a discount on the District's water and sewer fees for lower income customers and increasing the fees for higher income customer. DC Water concurs with these two items that Customer Assistance Programs should provide the greatest benefits to those with the greatest need and would like to better understand the recommendation and to continue to work on outreach to eligible customers. Mr. Brown explained that is how DC Water's assistance programs are structured and that CAP follows federal low income guidelines for 60 percent State Median Income. DC Water already provides a discount for the District fees on the first four Ccf of water, something that OPC suggested.

OPC's eighth recommendation was to add a lower use tier and a higher use tier with peaking factors for residential water rates. DC Water does not concur as rates are based on cost-of-service principles and economic equity. OPC's ninth recommendation is to expand the use of customer classes to sewer rates and mirror the recommended four tier water rate system for sewer rates with appropriate Peaking Factors. DC Water does not concur with this recommendation as water rates may be differentiated among classes based on the demands placed on the systems while sewer rates may not. Sewer peaking is caused by rainfall in the combined sewer system. The tenth OPC recommendation is for DC Water to increase its cost containment efforts; and the O&M budget, capital budget and financial policies to undergo more rigorous review process similar to the rate making process. DC Water concurs with this recommendation.

Finally, Mr. Brown reiterated need for the rates to sustain current and future operations of the Authority. He stated that DC Water will continue to work with our stakeholders and OPC going forward to learn how some of the recommendations might be beneficial to our customers.

Mr. Giancola commended Mr. Brown on a thorough and detailed presentation and that it should be used by future Board members as it gives full picture of the ratemaking process with substance. Mr. Frishberg also commended Mr. Brown on an outstanding presentation.

Approval of FY 2023 & FY 2024 Rates, Charges & Fees (Attachment C)

Mr. Brown stated that the Committee will be asked to recommend the approval of FY 2023 and FY 2024 rates to the full Board. He mentioned that the multi-year rate proposal includes the Water and Sewer Rates, Charges & Fees, Retail Groundwater Sanitary Sewer Service Rate, and High Flow Filter Backwash Sewer Rate. Mr. Brown reminded the Committee that the Cost-of-Service study for the multi-year rate proposal and the independent review the proposed rates were undertaken by the Independent Consultants and both reports were presented to the Committee and also transmitted as required to the District Government. He noted that DC Water ratemaking process is transparent, and all the documents related to the ratemaking process have been made public and published on the website.

Mr. Brown stated that the proposed combined rate increases is 6.0 percent for FY 2023 and 5.4 percent for FY 2024, which are lower than last year's forecast of 6.7 percent and 8.8 percent respectively. He mentioned that the customer metering, water system replacement and Right-of-Way fees remain the same for FY 2023 and FY 2024.

Mr. Brown provided an overview of the forecasted ten-years rate increases and projected average residential customer bill.

Mr. Brown briefed the Committee on the FY 2023 operating revenue sources and uses of funds. He noted that almost 30 percent of the funds are used to pay for debt services. Mr. Brown explained the impact of the proposed FY 2023 and 2024 rates on average residential customer bill. He stated that the average household consumption used to calculate the average residential bill is 5.42 Ccf. He noted that there is an incentive to use less water for less fee if it is under 4 Ccf. He briefly explained the customers assistance programs provided by DC Water, including SPLASH, which is funded by DC Water Board members, employees, and customers.

Mr. Brown stated that the Committee is asked to recommend the proposed rate increases to the full Board for final approval. Chairperson Bhatt responded by commending Mr. Brown on an outstanding leadership and the commitment of the team. Mr. Brown concluded the presentation by thanking the Committee and commending his team for the diligent work that was put in the ratemaking and budget formulation processes by providing accurate information and making sure that the processes are transparent. Mr. Brown thanked all DC Water employees who worked on the budget and the proposed rates.

Miscellaneous Fees & Charges Cost of Service Study Update (Attachment D)

Mr. Brown started the presentation on the proposed miscellaneous fees and charges published on the District of Columbia registrar by informing the Committee that no comments were received during the Public Comment Period. He stated that the Committee will be asked to recommend to the full Board to approve to amend the miscellaneous fees and charges. Mr. Brown mentioned that the consultants that conducted the Miscellaneous Fee Cost-of-Service study are present to answer questions that the Committee members may have.

Mr. Brown mentioned that Raftelis, Independent Consultants, conducted a comprehensive review of the Miscellaneous Fees and Charges to align with the services being provided as well as the cost of providing those services. He stated that there are three categories of fee adjustment calculations (i) Budget-based fee, (ii) Cost of Service-based fee and (iii) Inflation-based.

Mr. Brown mentioned that the Public Comment Period was from May 20 – June 20, 2022, and no comments were received despite the multiple outreach efforts by DC Water to organization such as District of Columbia Building Industry Association (DCBIA) and American Council of Engineering Companies (ACEC). Mr. Brown requested Mr. McDermott to comment on the different level of outreach that was undertaken to make sure that all customers impacted by these fees are aware of the proposed changes.

Mr. McDermott addressed all the specific questions from the Committee members and explained that the current fees are not recovering the cost of services being provided. Mr. McDermott stated that the fee adjustments are for the upfront review fees only, which do not affect the big project related fees, such as inspections fees and deposits. Mr. Franco expressed his concern that the outreach effort was not exhaustive as a developer he did not receive an e-mail and suggested that the comment period should be extended.

Chairperson Bhatt agreed in principle with Mr. Franco's comment and asked the other Committee members to add their opinion on the proposed fee increase. Chairperson Bhatt also asked Mr. Brown if the fee changes could go live on October 1, 2022, instead of July 22, 2022. Mr. Brown responded that it is ultimately the Board's decision. Mr. McDermott stated that he would prefer to postpone the effective date to ensure that DC Water has sufficient time to roll out and adjust permit fees. Mr. Gibbs commented on the presentation and reiterated that an adjustment to the fees is needed to meet the shortfall.

Chairperson Bhatt mentioned that most of the members agree to postpone the go live date to October 1, 2022 only for permit fees and to keep the July 22, 2022 for all other fees.

Chairperson Bhatt and all other members of the Committee agreed to go forward and recommend to the full Board with July 22, 2022 for all fees other than permit fees, October 1, 2022 for permit fees. Chairperson Bhatt asked Mr. Brown to send the revised Action Item with the agreed changes to the Committee members prior to the upcoming July 7, 2022 Board meeting.

DC Water Cares Program Update (Attachment E)

Meisha Lorick, Interim Director of Customer Care, mentioned that the Committee will be asked to recommend to the full Board to approve the Notice of Emergency and Proposed Rulemaking to remove FY 2022 CAP2 recertification waiver language and to extend Residential Assistance Program (RAP) and Multifamily Assistance Program (MAP) into FY 2023.

Ms. Lorick then reported history on RAP and MAP. Informing the board that waiving recertification requirements for CAP2 participants allowed with assistance in FY 2022 customers to maintain their assistance without recertifying in FY 2022. However, the same did not apply for RAP and MAP and customers were required to recertify. It was explained that the recertification waiver and the introduction of Low-Income Household Water Assistance Program (LIHWAP) caused a decrease in the distribution of RAP funding in FY 2022. Owners also requested additional financial support as an incentive to participate in the Multi-Family Assistance Program.

Ms. Lorick provided the cost break down for the FY 2022 assistance distribution per program, highlighting that CAP2 is anticipated to be over budget, RAP will be under budget, and without LIHWAP in FY 2023 RAP participation will increase. She also noted that MAP owner participation has the potential to increase in FY 2023 with owner education and an increased owner incentive. The FY 2022 Projected Unexpended Balance was also given.

Ms. Lorick stated that we are proposing to revise 21 DCMR, Section 4102 to update the fiscal year references for CAP, RAP and MAP from FY 2022 to FY 2023. Additionally, for CAP, the revision would clarify language for program renewals to annual customer reapplication each year for CAP2 benefits, which is consistent with the CAP and CAP3 programs. For MAP, the revision would update the benefit calculation multiplier from 3 to 6 and change the distribution from 90% for the tenant to 80% and 10% for the owner to 20%.

Ms. Lorick provide an overview of the FY 2023 Program Design. In FY 2023, DC Water Cares Residential Assistance Program (RAP) will not deviate from the FY 2022 design and Multifamily Assistance Program (MAP) will be modified to increase owner incentive participation. The property eligibility, household income eligibility, benefit occurrence, benefit calculation, credits and the fiscal year benefit renewal process was explained for both MAP and RAP.

Lastly, Ms. Lorick repeated the management recommendations and highlighted that emergency rulemaking is necessary to maintain continuity of benefits for customers in need. A proposed extension timeline was provided as well.

Action Items (Attachment F)

Mr. Brown mentioned that the Committee is asked to recommend the following action items to the Full Board.

- Proposal of FY 2023 & FY 2024 Rates, Charges and Fees (Action Item 1)
- Proposal to Amend the Miscellaneous Charges & Fees (Action Item 2)
- Proposal to 1) Remove FY 2022 CAP2 Recertification Requirements Language; and 2) Extend DC Water Cares: Residential Assistance Program and Multifamily Assistance Program for FY 2023 (Action Item 3)

DC Retail Water Sewer Rates Committee Proposed Workplan (Attachment G)

Mr. Brown, CFO/EVP Finance and Procurement mentioned that the FY 2022 Proposed Workplan has been included in the package.

Agenda for July 26, 2022, Committee Meeting (Attachment H)

There was no discussion on the agenda for the July 26, 2022, Committee meeting.

Adjournment

Chairwoman Bhatt adjourned the meeting at 11:30 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (June 28, 2022)

1. Revised Action Item 2 – to revise the Proposal to Amend the Miscellaneous Charges & Fees as per the Committee suggestion and distribute to the Committee members prior to the July 7, 2022 Board meeting



CEO's Report

JULY
2022



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

- 1 Highlights
- 7 Divisions
- 8 Finance and Procurement
- 12 Shared Services
- 15 Customer Experience
- 16 Information Technology
- 17 Operations & Engineering
- 20 DC Water Capital Improvement Program
- 21 Enterprise Risk Management (ERM) and Internal Audit



dc Highlights

Chair Wells, and members of the Board, it is my pleasure to provide you with the CEO's Monthly Report for June 2022. The Authority had another remarkably productive month on multiple fronts, including another visit with the Singapore PUB Authority, highlighting Authority leadership at ACE22, exercises conducted on emergency response and a Hazmat drill at Blue Plains, and another award for HQO. This report captures the most impactful achievements during June, within the context of the five imperatives of Blueprint 2.0



DC Water Expertise Showcased at ACE22

The American Water Works Association (AWWA) held ACE22 mid-June, one of the premier conferences in the water sector each year, in San Antonio, Texas. DC Water was exceptionally well-represented at the conference, leading or participating in numerous presentations across multiple disciplines.

I served on an expert panel entitled 'The Great Resignation: Workforce Disruption or Transformative Opportunity?' and spoke in detail on the forces shaping the Great Resignation and described how DC Water has largely avoided significant attrition, retained top performing staff, and ramped up recruiting efforts to add talent and depth to the Authority's workforce.

Lisa Stone (Chief People and Inclusion Officer and EVP / People and Talent), a member of the AWWA Diversity and Member Inclusion Committee (DMIC), co-facilitated an inspirational session, 'Making Diversity and Inclusion Real,' with Tad Bohannon, CEO and General Manager of Central Arkansas Water. Ms. Stone and Mr. Bohannon led a discussion of their DEI stories and lessons learned along the journey.

Ms. Stone also served on an expert panel, 'Gender Equity for Water's Future,' alongside Will Pickering, Executive Director of the Pittsburgh Water and Sewer Authority, Elaine Kelly, Founder of Klir, and Helen Salama, Civil Engineer at Freese and Nichols.

John Deignan (Program Manager, Lead Services / Engineering and Technical Services) led a presentation called 'An Equitable Approach to Prioritizing Lead Service Line Replacement in Washington, DC.' This session offered an overview of the Authority's novel prioritization model that covered how DC Water incorporated social equity principles in the planning of the Lead Free DC program. To date, these projects have provided 500 free replacements for communities most in need and most impacted by lead.

Alireza Parhami (Supervisor, Systems Assessment / Engineering and Technical Services) presented in a panel called 'DC Water Journey in Implementation of a Digital Twin.' The presentation, which was co-authored by **Salil Kharkar** (Vice President and Senior Technical Advisor / Office of the Chief Operating Officer), focused on the

implementation of a Digital Twin, as well as the major milestones, challenges and solutions that is now providing real-time insight to Operations and Engineering staff across the Authority.

Anjuman Islam (Manager, Water Quality / Water Services) led a presentation, 'Investigation of Increased Nitrite and Microbial Community Shifts in POU Carbon Block Filters by Flow Cytometry and qPCR Technique,' which was co-authored by **Maureen Schmelling** (Director, Water Quality / Water Services).

Robert Bornhofen (Director, Innovation / Strategy and Performance) opened the ACE22 Innovation Hub with a fireside chat with Cristina Ahmadpour, Isle Utilities President, and Managing Director for the Americas. Mr. Bornhofen used the opportunity to report on the ongoing efforts and early accomplishments of DC Water's Innovation Refresh Program, including our new 'crowdsourcing' tool.

Additionally, **Wayne Griffith** (Chief Strategy and Performance Officer and EVP / Strategy and Performance) participated in a panel discussion moderated by Isle Utilities CEO Benjamin Tam on the topic of Net Zero. Establishing a common understanding of the goal, ensuring a balanced approach with potential programs, and the role leadership and strategy plan were among the many discussion points. I am very proud of our contributions to ACE22 and grateful for the opportunity to highlight Authority leadership across multiple water sector functions and disciplines.



Healthy, Safe and Well

EPA Updates Health Advisories on 'Forever Chemicals'

On June 15, 2022, EPA established interim updated lifetime drinking water health advisories for PFOA (perfluorooctanoic acid) and PFOS (perfluorooctane sulfonate) as well as final lifetime drinking water health advisories for GenX Chemicals (hexafluoropropylene oxide (HFPO) dimer acid and its ammonium salt); and PFBS (perfluorobutane sulfonic acid and its related compound potassium perfluorobutane sulfonate). The new health advisories for PFOA and PFOS replace the health advisory levels EPA issued in 2016. PFOA and PFOS are members of a chemical group called PFAS (per- and polyfluoroalkyl substances). EPA indicates that the updated advisory levels are based on new science, and consider lifetime exposure, EPA has also indicated that some negative health effects may occur with concentrations of PFOA or PFOS in water near zero. The new health advisories are as follows:

These are interim health advisories. EPA is working to establish a National Primary Drinking Water Regulation for these contaminants.

Our Water Quality Director reports that there were some levels of PFOA detected in samples that were taken last summer which may be representative of our system and which exceed the new health advisory. These

samples were taken at the Navy Yard, in Arlington (served through federally owned water mains) and by Fairfax Water (also served by Washington Aqueduct). The samples were taken based on the requirements of Virginia regulations and sampling requirements established for military bases.

Chemical	Life Health Advisory Level / Value (ppt)	2016 Health Advisory Level / Value (ppt)
PFOA	0.004 (interim)	70
PFOS	0.02 (interim)	70
GenX Chemicals	10 (Final)	N/A
PFBS	2,000 (Final)	N/A

The Safe Drinking Water Act requires unregulated contaminant monitoring (UCM) by public water systems. The most recent UCM rule (UCMR 5) was published in December 2021. The scope of UCMR5 is to collect monitoring samples for 30 unregulated contaminants including PFAS, over the period from 2023 to 2025. Public Water systems have a deadline of December 31, 2022, to update sampling locations to begin sampling in 2023.

Regional PIOs met on Wednesday, June 15, to discuss communications needs given the Washington Post article published this week. Our teams in Operations, Marketing and Communications and Government and Legal Affairs will meet internally on Tuesday next week to discuss the implications of the new health advisories including coordinating with Washington Aqueduct, MWCOG and other utilities in the region to assess, inform and limit exposure.

Big Cities Health Coalition Presentation

On Thursday, June 2, **Apera Nwora** (Director, Government Affairs and Public Policy / Government and Legal Affairs) represented DC Water at the Big Cities Health Coalition Summit, held at the Ronald Reagan Building and International Trade Center.

During the Summit, Ms. Nwora served on a panel of experts to discuss the Authority's lead work in partnership with DC Health. The panel presentation served as a follow-up to a conversation with **Kishia Powell** (Chief Operating Officer and EVP) that began at DC Health's Health Equity Summit, held in 2021.

Ms. Nwora used the opportunity to talk about equity in infrastructure and relationship management through the lens of the Lead Free DC program. The panel generated good questions and robust conversation on Lead Free DC and incorporating equity into strategic planning.

 Sustainable

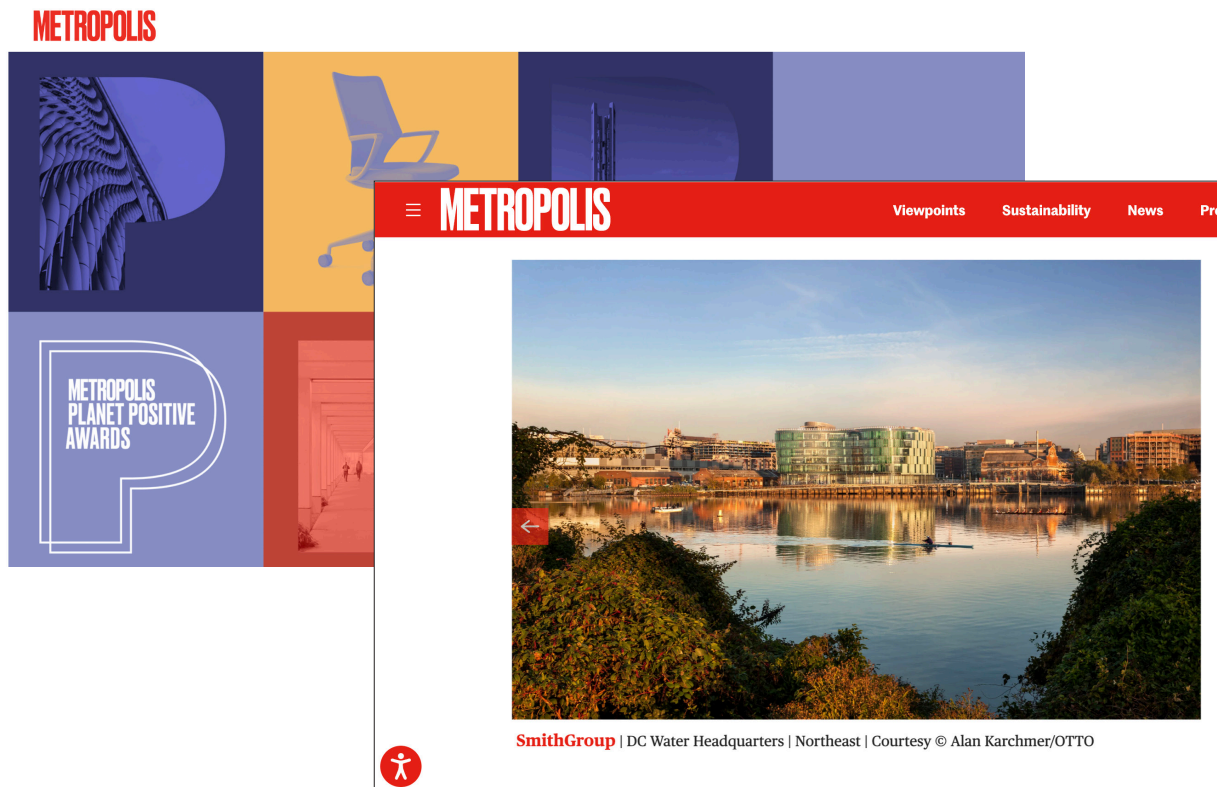
Metropolis Magazine Honors HQO with 2021 Planet Positive Award

On June 6, Metropolis Magazine announced the winners of the 2021 Planet Positive Awards, which promote and celebrate progress within the Green Building industry. The Metropolis Planet Positive Awards were established in 2021 to honor green building projects that make a holistic effort and achieve a positive impact in a broad range of categories.

DC Water was honored with the Northeast Region Cultural / Civic Project of the Year. Metropolis described HQO's innovative green features in their announcement:

“The new LEED Platinum headquarters for DC Water, the sewer and water utility serving the District of Columbia and several suburban jurisdictions, is an energy efficient building that pays special attention to how it utilizes water. A groundbreaking wastewater thermal recovery system – used here for the first time in a U.S. office building – captures heat from the flowing wastewater in winter, while using it as a heat sink in summer.”

Impressively, HQO was selected over the Flight 93 National Memorial in Stoystown, Pennsylvania, and the award represents a significant addition to the many accolades already bestowed upon our headquarters. Congratulations to **Maureen Holman** (Vice President / Shared Services) who coordinated the work of our contractors and delivered a world-class, innovative facility that is still earning awards more than three years after opening.




Resilient

Annual Critical Customer Briefing and Emergency Preparedness Exercise

On June 14, DC Water, in partnership with Horsley Witten, virtually held our Annual Critical Customer Briefing and Emergency Preparedness Exercise. This event, was sponsored through the U.S. Environmental Protection Agency's (EPA) Region 3 office.

During the event, the Authority provides an overview of our response capabilities, incident coordination, and critical customer information sharing, as well as a review of notification and response efforts under a hypothetical scenario.

Our critical customers consist of hospitals, military bases, government facilities, multifamily dwellings, transit sites and schools, and this annual event provides an opportunity to discuss response plans, identify gaps and shortcomings before an incident occurs. District agencies also participate in the conversation, which includes a review of agency roles and responsibilities during a water or wastewater emergency.

I appreciate the fine work of **Dusti Lowndes** (Director, Emergency Management / Shared Services) and her team, who continue to raise the bar for preparedness at the Authority and across our industry.

Authority Stages Blue Plains Hazmat Drills

Over the past several weeks, 87 DC Water employees from Maintenance Services, Process Engineering, Wastewater Operations, Security, Safety, Fleet, and the Office of Emergency Management participated in four hazardous materials drills. These drills are part of a building block series, which started in October 2021 with several hazmat tabletop exercises and will build towards a first responder hazmat exercise.

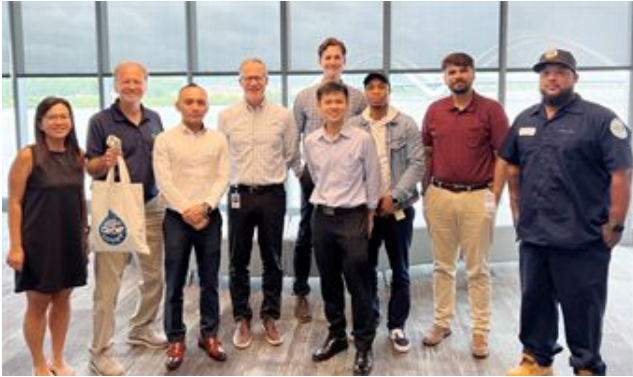
These recent drills were the second step in the series which provided participants an opportunity to review hazmat response and safety procedures, discuss communication and documentation needs, and obtain hands on experience with the deployment and use of small volume hazardous chemical spill kits. In addition, DC Water's emergency response vehicles were onsite to provide further awareness of the Authority's resources used for incident coordination and communication needs.

These drills are a product of EPA sponsored funding and were developed and implemented via a cross-functional team with Horsley Witten Group and DC Water representatives from Safety, Security, Wastewater Operations, and the Office of Emergency Management. **Chanda Albrittain** (Specialist, Wastewater Treatment Operations) and **Ali Lampson** (Coordinator, Emergency Planning / Office of Emergency Management) led our participation in the event, and I am very appreciative of their excellent work and contributions towards building a more resilient and prepared DC Water through trainings and exercises.




Resilient continued

DC Water Hosts Singapore PUB Authority



On Thursday, May 27, the Authority welcomed a delegation from the Singapore PUB Authority at HQO for a visit and discussion. The visit was a continuation of a discussion that began the Singapore International Water Week conference, and touched on a variety of topics, including high-tech water meters (AMI), digital technology and tools, and water operations.

As an early adopter of AMI technology, DC Water was able to provide relevant knowledge and advice to Singapore PUB, who will soon deploy more than 1.5 million AMI meters. Among the many Authority employees who participated, I would like to highlight the contributions of **Sohail Moinuddin** (AMR System Administrator / Information

Technology), **Aref Erfani** (Senior Program Manager, Data & Analytics / Information Technology), and **Marlee Franzen** (Senior Manager, Water Operations / Water Services) who provided excellent information for the delegation, which included Ridzuan Ismail, Director, Water Supply Network Department, and Joshua Boyce from the U.S. Water Partnership Program.

We plan to continue this meaningful exchange of ideas to our mutual benefit and will continue to promote our industry leadership on the international stage. I am very appreciative of the work of **Wayne Griffith** (Chief Strategy and Performance Officer and EVP / Strategy and Performance) and **Dr. Robert Bornhofen** (Director, Innovation / Strategy and Performance) for hosting the delegation and advancing these important relationships.

FIDO Leak Detection Pilot Shows Promise

I am pleased to report that the Authority's new innovation pilot program, on leak detections, is showing tremendous promise. Preliminary test results have indicated that advanced technologies, such as artificial intelligence and machine learning, can detect and pinpoint leaks faster and at less expense than traditional methods.

The pilot program is leveraging advanced technology to interpret sounds coming from within water pipes. The technology greatly simplifies the process for locating small leaks and expedites the repair process while reducing the loss of non-revenue water.

The pilot is led by **Marlee Franzen** (Senior Manager, Water Operations / Water Services) and **Churchill Okonkwo** (Assistant Program Manager, Distribution Branch / Water Services), who both report that Water Operations crews are very receptive to the innovative technology and are excited to use it to find and repair leaks. The pilot is expected to run through early FY23, and we expect to see cost savings, less disruption for customers, and cost avoidance through more targeted repairs.





Authority's High Usage Notification Application (HUNA) Highlighted in Chicago News Report

On Monday, June 6, CBS Chicago (WBBM-2) televised a story on large, unanticipated water bills from the Chicago Water Department. The story highlighted two extreme examples, with one customer receiving a \$64,000 water bill, and another charged nearly \$9,000 for high usage.



The story highlighted DC Water's HUNA application as a possible solution for the Chicago Water Department, and interviewed **Tom Kuczynski** (Vice President, Information Technology / Shared Services) to learn about how the Authority utilizes HUNA to send out roughly 1,500 alerts per month to users, notifying them of high usage before a surprise bill arrives in the mail.

This is only the latest recognition for our innovative IT team, which has recently been highlighted for our real-time online mapping to inform customers of main breaks or system emergencies. I encourage all Board members to view the news report, which was very complementary of our HUNA system.

CBS CHICAGO NEWS WEATHER SPORTS VIDEO MORE 85° Login

CBS 2 INVESTIGATORS >

Getting Hosed: Chicago landlord receives water bill for \$10,000, with no warning about excessive use and no answers

BY MEGAN HICKEY
JUNE 3, 2022 / 6:19 PM / CBS CHICAGO

DCwaterislife My DC Water

Account Summary

Account Summary	Bills and Payments	Update My Info	Customer Request	Site Map
Customer Name: WENDY WATERDROP Doing Business As: E-mail Address: wendy@dcwater.com Phone Number: (202) 354-3000 Mailing Address: 5078 TRITON AVE NE WASHINGTON, DC 20018			Service Address: 5078 TRITON AVE NE WASHINGTON, DC 20018 Account Status: Active Account: 123456-7 View Current Bill	

Account Summary	
Previous Balance: (Billed on Feb. 11, 2017)	\$54.25
INVESTIGATORS (Mar 14, 2017)	(\$54.25)
Total Amount Due*	\$200.00

Billing Graph Billing Details 5078 TRITON AVE NE Washington, DC 20018



Divisions

The CEO report includes service level based key performance indicators. 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 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 and continue to strive to meet high performance expectations.

Financial Metrics

Metric	Target	Feb-21	Mar-21	Apr-22	May-22
Operating Cash Balance (millions \$)	\$235.6	\$269.5	\$243.2	\$258.8	\$261.9
Delinquent Account Receivables (%)†	3.3%	4.4%	4.5%	4.5%	4.6%
On-time Vendor Payments (%)††	97.0%	93.0%	94.0%	95.0%	95.0%
Investment Earnings Data (Thousands \$)	\$2,234.0	\$82.3	-\$30.5	\$25.0	\$122.3
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index		1.4%	2.2%	2.6%	2.5%
Core Investment Yield Data (%) - Actual Monthly Yield†††	0.2%*	0.7%	0.8%	1.2%	1.19%*
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index		0.3%	0.5%	0.8%	1.1%
Short Term Investment Yield Data (%) - Actual Monthly Yield†††	0.1%*	0.1%	0.1%	0.7%	0.76%*
Days of Cash on Hand	250.0**	339.0	315.0	332.0	340***

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor, and compared to the Monthly Treasury Index and the Actual Monthly Yield.

** 250 days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization Fund.

*** 340 days of cash is made up of 76 days in the Rate Stabilization Fund and 264 days in the operating cash balance.

Metrics Explanations:

† Delinquent account receivables as a percentage of 12-month rolling average revenue. The delinquent account receivables increased due to the impact of COVID-19.

†† Vendor payments percentage is not at the desired target primarily due to performance related to the transition from the legacy system to the new system, which includes tolerance configuration (Materials Management invoices), retention invoices, or system entries (non-payment entries, e.g., ROCIP funding), and user training related to receipts issues.

††† Investment earnings lag the benchmarks. We are in a rising interest rate environment. As lower yielding investments are sold and reinvested, performance is expected to improve.

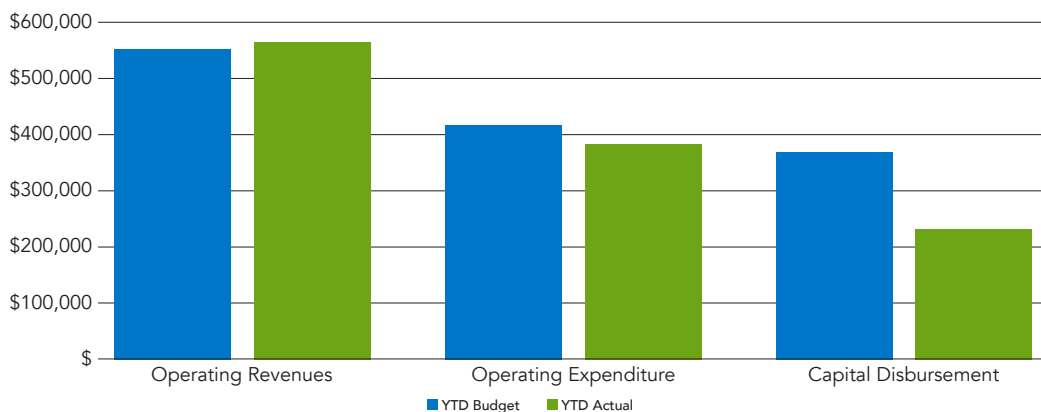
Finance Highlights

FY 2022 Financial Performance YTD

At the end of May 2022, with approximately 67 percent of the fiscal year completed, DC Water is on track with budgetary expectations and targeted performance metrics. The total operating revenues are \$571.7 million or 71.4 percent of the budget. Total operating expenditures are \$385.4 million, or 58.5 percent and capital disbursements are \$226.1 million or 39.8 percent of the respective budgets.

The operating expenditures reflect increased spending in chemicals and utilities due to higher than anticipated unit prices because of prevailing market conditions including supply chain issues. Management continues to monitor spending with proactive steps to mitigate significant budget gaps and impact on other core operational needs.

FY 2022 Year to Date Performance Budget vs. Actuals (\$000's)



Preliminary FY 2022 Year-End Projections

Management completed the review of the preliminary FY 2022 year-end projections for operating revenues, operating expenditures, capital disbursements and projected net cash position. The FY 2022 operating revenues are projected to be \$23.4 million above the budget due to higher receipts for the commercial, residential, and multi-family customer category and higher developer fees as compared to budget.

The overall FY 2022 operating expenditures are projected to be \$17.3 million below the Board-adopted budget. This includes debt service cost reductions of \$7.7 million factored into the Board-adopted Financial Plan as part of the true-up process and additional underspending due to refinancing of Series 2014 C and Series 2015 A and B bonds, along with a reduction in planned debt. The core operations and maintenance cost categories are projected to be \$2.1 million below budget with cost pressures in chemicals and utilities offset by underspending in personnel services and contractual services.

The FY 2022 capital disbursements are projected to be \$122.3 million below the revised budget mainly in capital projects due to a variety of factors including supply chain constraints, scope changes, project delays due to permit activities and contract negotiations and lower than anticipated customer participation rate for the LeadFree DC program. The additional underspending for capital equipment is mainly due to delays in purchase of fleet vehicles resulting from the supply chain constraints and long lead time for delivery of major heavy-duty equipment.

From the FY 2022 projected net cash position, the management has taken the following actions: (i) carry forward in cash balance \$10.4 million for the purchase of vehicles, (ii) carry forward \$7.2 million for payment of FY 2022 fourth quarter invoice for DC Water's share of the Washington Aqueduct capital projects and (iii) carry over \$10.0 million for developer deposit refunds. Management is providing its recommendation to the Committee for the use of projected net cash surplus of \$6.9 million to transfer \$3.9 million to PAYGO to reduce future borrowing to provide savings for DC Water customers and add \$3.0 million to the ending cash balance for utilization in FY 2023.



Series 2022A Forward Direct Purchase Settlement

The Forward Direct Purchase (FDP) refunding of approximately \$300 million in Series 2012A/C bonds is scheduled for settlement on July 5, 2022. The long-term loan will be purchased by an affiliate of JP Morgan and is expected to generate just over \$50 million in savings for rate payers at an interest rate of 2.16%. The tax-exempt FDP was originally priced in May 2020, in order to take advantage of the low bank funding rates at the start of the COVID-19 pandemic allowing DC Water to lock in interest rates close to all-time lows.

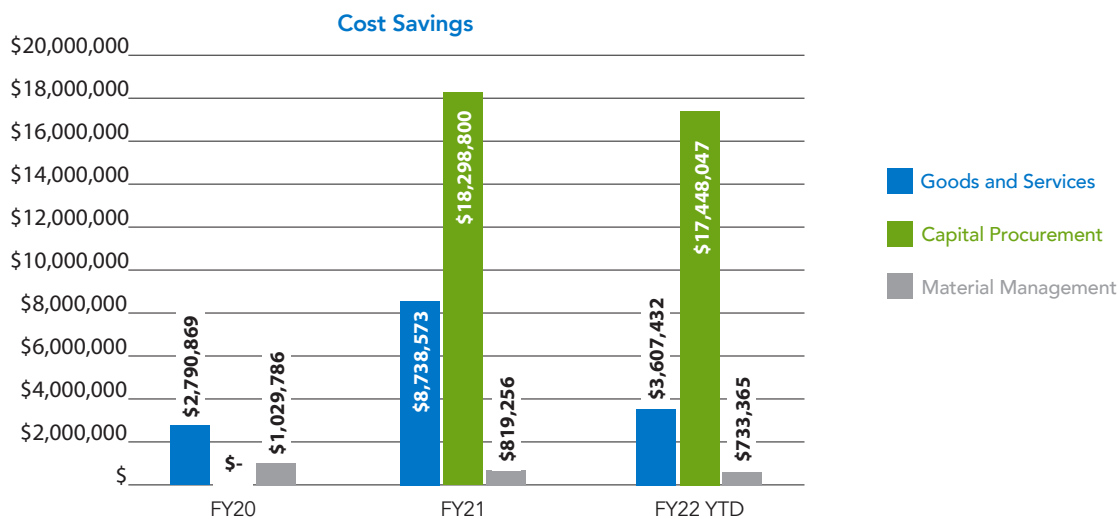
Procurement and Compliance

Key Compliance Activities

- DC Water received an award for the continued support over the years of making DC Infrastructure Academy (DCIA) program a success. This year’s event was hosted at DC Water HQ on May 19, 2022. Wayne Griffith, Chief Strategy and Performance and EVP of Strategy and Performance, accepted the award, and gave the opening for the event. During his remarks, Arlen Harrell, Deputy Chief, Innovation and Partnerships at DC Department of Employment Services, stated that “DC Water continues to be a leader in making sure that they are properly positioning their contractors to hire DC Residents.”
- DC Water Compliance Officer Jamal Jones received a “30 Under 30 Supply Chain Stars” award at the annual Institute for Supply Management (ISM) conference that was held in Orlando, FL during May 23 – 25, 2022. This is a national recognition program for the emerging and exemplary supply management professionals.
- Ayanna Lyons, a DCSEU extern training in CIP, was offered and accepted a full-time position at DC Water upon graduation from DCSEU.
- Participated events:
 - MD Washington Spring Breakfast and Showcase on May 6, 2022. Connected with over 45 certified firms and discussed current and upcoming projects at DC Water.
 - DC Infrastructure Academy Partners in Unity Open House (May 16, 2022)
 - DDOT DBE Networking Event (May 18, 2022)
 - DC Office of Contracting and Procurement General Vendor Workshop
 - Office of Contracting and Procurement General Vendor Workshop (May 26, 2028)
- DC Water Apprenticeship Program is progressing and will include six (6) trade areas. All job descriptions and PCNs are finalized. The DOES MOU and Hose Site Agreements were submitted. The positions will be advertised by June 10, 2022. Recruitment to begin June 2022.
- DC Water has partnered with DCSEU for its winter cohort. The program started on January 10, 2022 and will end June 10, 2022. There are four (4) externs participating within various departments to include HCM, CIP and Compliance. The Spring/Summer cohort will begin June 20, 2022.

Cost Savings (negotiated savings and cost avoidance)

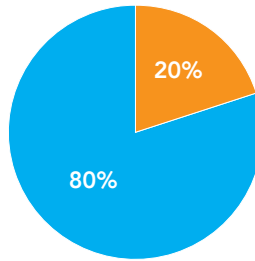
The chart shows the cost savings from FY 2020 to FY 2022 year-to-date achieved by Procurement through the competitive solicitation process in the Capital Project and Goods/Service solicitations and the cost avoidance achieved in the Materials Management through the inventory optimization. The cost saving for Capital Procurement was not tracked in FY 2020.



Procurement and Compliance - continued

DC Water Works New Hires for the Fiscal Year

District of Columbia	24
Prince George's County	23
Montgomery County	5
Fairfax County	4
Loudoun County	0
Outside the User Jurisdiction	14



70 new hires since October 2021, 80% (56) from local residents.



Upcoming Business Opportunities

All current and planned solicitations are available at dcwater.com/procurement. Those upcoming in the next two months are shown below:

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
June, 2022	Small Diameter Water Main Replacement IDIQ	RFQ	\$120M Program	Bid Build	DBE/WBE
June, 2022	Miscellaneous Facilities Upgrade - Phase 8	RFP	\$50M	Bid Build	DBE/WBE
June, 2022	Small Diameter Water Main Repl. 16A	IFB	\$10M	Bid Build	DBE/WBE
June, 2022	Lead Free DC Construction Contract	RFQ	TBD	Bid Build	DBE/WBE
August, 2022	Fort Stanton Solar Project (Phase 2)	RFP	\$350K	TBD	TBD
August, 2022	Potomac River Tunnel Project (Construction Management)	RFP	\$40M	Professional Service Agreement	DBE/WBE
August, 2022	Hauled Waste Receiving Facility	TBD	TBD	TBD	TBD

Goods and Services Procurement:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
June, 2022	Sand, Gravel, Stone, Topsoil, Cold Mix	RFP	< \$1M	LSBE
July, 2022	Financial Advisory Services	RFP	< \$1M	LSBE
July, 2022	Investment Advisory Services	RFP	< \$1M	LSBE
July, 2022	Protective Services	RFP	> \$10M	DBE/WBE
July, 2022	Employee Assistance Program Benefit	RFP	< \$1M	LSBE
July, 2022	Snow & Ice Removal	RFQ	< \$1M	LSBE

Shared Services Spotlights the Department of Security

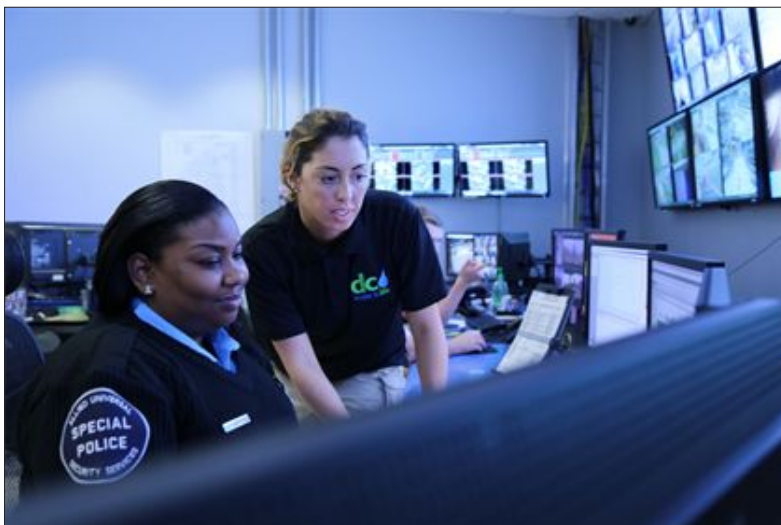
DC Water's Department of Security, led by **Ivelisse Cassas**, Director, supports the Authority's mission by protecting the people, assets, and brand; to provide for public safety and maintain order during normal and emergency operations. The focus of our work includes Security Operations, Electronic Security, and Fire Protection. We invite employees to learn about our work by visiting our site found on Pipeline, under the Departments tab.



Security Operations

The White House published The National Strategy for the Physical Protection of Critical Infrastructures and Key Assets identifying security guards as "an important source of protection for critical facilities." DC Water has Armed Special Police Officers. The term Special Police Officer is any person who is commissioned which have been approved pursuant to this act, and who may be authorized to carry a weapon. They are privately commissioned police officers with full arrest powers within an area or premises which the officer has been employed to protect.

The goal of using uniformed armed security guards is deterrence. We want to make it evident that our property, employees, and any visitors are protected and monitored by licensed professionals who can use extreme force. The goal is to provide obvious visual clues that armed guards are on scene and vigilant.



Electronic Security

We have a robust Electronic Security program, which is led by **Jerry Mafwenga**, Program Manager, Electronic Security. Along with the support of the Armed Officers, electronic security has played an important role in the protection of our critical infrastructure, workplace safety & security, and our security efficiency. Our Security Command Center is manned 24/7. There are over 500 cameras and card readers across the Authority.

Fleet, Facilities, Safety, Security and Emergency Management

Examples of how our cameras have helped us in the past:

Safety Incidents

An employee reported walking and stepping into a small hole, which caused them to fall and hurt themselves. Security was able to support this claim, by pulling the video footage in the area and sharing with Safety and Workers Compensation.

Vehicle Accidents

In many cases, our cameras have caught vehicle to vehicle damage in our parking lots. There was one case many years ago, where one vehicle hit another vehicle as the driver was parking. The driver got out of their vehicle, acknowledged the damage, and move their vehicle to another parking spot. This driver failed to report any incident to Security. When the victim noticed the damage on their vehicle, they contacted Security. Our cameras captured the entire incident. We identified the driver who failed to report and both drivers were able to exchange insurance information.

Metropolitan Police Department (MPD) Support

Over the years we have supported MPD with providing camera footage from cameras that sit on the perimeter of our property. The angles of these cameras sometimes capture non-DC Water related incidents.

Operational Support

A few years back, Security took over the maintenance/repair of all Blue Plains Operations cameras. Over the years we have upgraded these cameras to provide better situational awareness for the Blue Plains Foremen. Additionally, during the winter months, Facilities can call or come over to our Security Command Center and get snow updates for locations like Fort Reno. This allows for better prioritization of snow removal.



Fire Protection

No one should underestimate the importance of Fire Protection systems in buildings. Fire Protection systems are a key component in the protection of people and assets of DC Water. For 4 years now, Security has overseen the installation, maintenance, and repairs of DC Water Fire Protection Systems. We have several upgrade projects underway as some of our systems are more than 20 years old. The following locations are receiving upgrades which includes the installation of speakers: Central Maintenance Facility, Bryant Street, Fort Reno, Main Pump Station, and O Street Pump Station. These speakers will increase our emergency communication capabilities.



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Feb-21	Mar-22	Apr-22	May-22
Security: Camera operational uptime	90%	97%	97%	96%	96%
Security: Smart card readers operational uptime	90%	99%	99%	99%	99%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	83%	87%	39%	67%
Facilities: Service Request Completion Rate	90%	67%	57%	55%	59%
Fleet: Preventive Maintenance (PM) on Schedule	96%	14%	17%	35%	20%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	75%	77%	69%	75%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 5.3	2.1	2.4	3	2.8
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 2.1	1.2	1.7	2.2	1.9
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.8	2.5	2.4	1.9	1.7
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0.4	0.3	0.3	0.24

Facilities

The preventive maintenance completion rate for May was 67%. The HVAC shop was able to re-focus resources preventive maintenance tasks in May. The HVAC shop is working with People & Talent with 3 HVAC technician positions under recruitment. Facilities is also working with procurement to get pricing for additional contracted HVAC resources in place to help balance the seasonal increase in workload that comes with the hottest summer months and coldest winter months. Service Request completion rose to 59% with the 152 completed service requests well above the average for FY22 (avg 128.5). Facilities continues to work on improving the service request completion reporting to Maximo. The steady increase in events support for OMAC, Blue Drop and internal DC Water events required by Facilities is stretching the limits of staffing capabilities with all Facilities shops stepping in to support events where previously events had primarily been supported through the buildings & grounds shop. Monthly events total has increased by 335% since February and 175% since March. Many of these events take place after normal business hours and on weekends which pushes the crew's endurance. Facilities continues to work with P&T with 4 positions currently approved for recruitment and 4 apprentice positions starting in the summer of 2022.

Fleet

The Preventative Maintenance completion rate for May 2022 decreased to 20% while the priority vehicle availability metric improved to 75% following the lead abatement work where vehicles were taken out of service for an extended period of time. Scheduling fleet units for preventive maintenance has competed with the need to keep units in the field, due to the limited number of spare units on hand and the impacts to the delivery schedule for new units because of supply chain impacts. The Fleet team leveraged Saturday work hours in June to perform preventive maintenance when operations crews are off duty. Additionally, the team will implement evening shifts for fleet in July. Shared Services is working with Procurement to establish a maintenance and repair contract with performance metrics to replace the current use of contract workers with no performance incentive.


Customer Experience
Customer Assistance Programs (CAP)

DC Water will resume nonpayment disconnections in July 2022. Disconnect eligible customers will receive notification starting 6/27/22. Disconnect notification will include inserts and flyers advising that disconnections are resuming and sharing the various assistance programs that are available. Once customers receive disconnection notification, we anticipate additional increase in demand for assistance. With the current demand for assistance, we have exceeded FY22 budget in CAP and will exceed CAP2 before the end of the fiscal year. Additionally, we should see an increase in the distribution of RAP since LIHWAP will be expended before the end of the fiscal year. As of May 22, we have 2098 total new enrollments across CAP, CAP2 and CAP3.

FY22 New Enrollment TOTAL			
Program	FY21 Rollover	FY22 New	TOTAL
CAP I	4453	1994	6447
CAP II	538	94	632
CAP III	191	10	201
TOTALS	5182	2098	7280

Customer Assistance Programs (CAP)

Program	FY2021 Enrolled	FY2021 Dollars	May # Enrolled	May Dollars	# FY22 Enrolled	FY2022 Dollars	FY2022 Budget
CAP I	4,453	\$2,378,326	169	\$420,124	6,447	\$3,085,998	\$2,737,865
CAP II	538	\$245,637	14	\$28,257	632	\$219,014	\$296,536
CAP III	191	\$36,059	2	\$2,806	201	\$24,814	\$100,000
Non-Profit CRIAC Relief	189	\$955,707	10	\$134,057	119	\$505,564	\$1,260,000
Emergency Relief Program	1,820	\$1,071,464	0	\$0	28	\$27,493	\$-
DC Water Cares Residential	2,842	\$1,892,843	55	\$27,513	278	\$184,924	\$3,000,000
DC Water Cares Multifamily (number of units)	5,978	\$2,507,484	311	\$82,771	4,213	\$1,830,590	\$6,223,837
STAY DC	304	\$352,419	0	\$0	1,100	\$1,106,974	N/A
Low Income Household Water Assistance Program	N/A	N/A	860	\$624,495	2,814	\$1,795,508	\$2,000,000

Customer Care

Customer Care team met the metrics for May. DC Water will resume nonpayment disconnections in July 2022. Disconnect eligible customers will receive notification starting 6/27/22. We anticipate an increase in the call volume. We also anticipate a normalization period from pandemic and post pandemic call volume to our normal call volume. During the

normalization period we may see misses in service level. To reduce the impact, the department is focusing on training within the Contact Center to ensure team is equipped to respond efficiently. We are also working with People and Talent to ensure to recruiting process is complete for vacant Contact Center positions. We will also supplement with temporary staff until the normalization period is over.

Key Performance Indicators

Metric	Target/ Service Level	Mar 22	Apr 22	May 22
% of Bills issued on time (w/in 5 days)	95%	98.0%	98.0%	99.0%
Estimated bills as a percent of meters read	4%	4.1%	3.8%	4.0%
Number of High Bill Complaints	trend only	176	58	75
% of OPC inquiries resolved within 14 days	90%	100%	100%	100%
% of calls answered in 40 seconds (Call Center)	85%	96%	95%	96%
Monthly Call Volume Served	trend only	7,022	6,286	5,922
Average Talk Time (minutes)	5:30	6:12	5:57	5:50
Average Wait Time (minutes)	1:30	0:11	0:12	0:11
Abandoned Calls (%)	6%	2%	1%	1%

In May three (3) projects were completed:

Emergency Permits Tracker

Emergency Permit Tracker improves the tracking process by allowing utility services to upload permit requests and supporting documentation received from 3rd parties into a centralized tracking location.

CIS DataMart in Azure

Migrated the existing Customer Information System (CIS) data mart from Oracle to MS SQL Server and converted existing reports to MS Power BI generating approximately \$100,000 in annual savings.

3 Party Portal enhancements

Multiple enhancements to administration and end user functionality for backflow and FOG tracking modules as well as the fire hydrant meter tracking module.

In May two (2) new projects were launched:

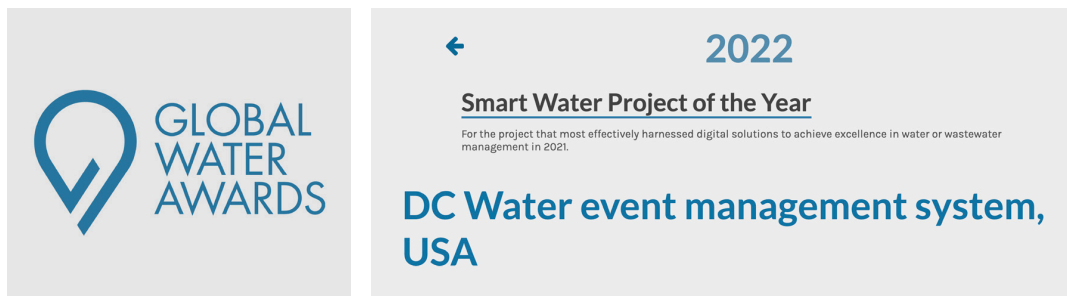
Unifier Enhancements

these enhancements will allow current standalone processes including Brown Folder tracking to be integrated into Unifier DC Water's new Capital Program Management Platform.

Lead Service Replacement

The project aims to enhance current Lead Service Line Replacement functionality including improvements to user interface, database tracking and reporting.

We are extremely proud to report that DC Water's Event Management System (EMS) was awarded the **Global Water Award for Smart Water project of 2022**. Other finalists for the award included: Evides, Netherlands, Yantai Taoziwan, China and Yorkshire Water in the UK.



IT Monthly Report

SR/WO Type	SL Target / SLA	Mar 22	Apr 22	May 22
Number of tickets submitted	Trend only	1317	918	966
Number of open tickets	Trend only	36	18	10
Helpdesk SLA	96%	97%	99%	98.9%
Number of active projects	Trend only	23	20	20
Number of completed projects	Trend only	2	1	3
On schedule performance	90%	86%	82%	93%
On budget performance	90%	86%	82%	89%

dc operations and Engineering

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

Featured Projects of the Month – Wastewater Operations

Enhancing Redundancy and Resiliency of Electrical Power Supply to Blue Plains

After several months of planning, PEPCO is ready to complete a project that will enhance redundancy and resiliency of the 69kV power supply to Blue Plains. The project will connect two new power cables to existing and independent power feeders that supply the Naval Research Laboratory (NRL) and DC Water's facilities at Blue Plains. The new power cables will provide the existing plant feeders with a designated alternate power supply from the new NRL connection. The project is designed to reduce restoration periods and supply power to the plant via two feeders at all times. The cable connections are scheduled to begin the last week in June.



Two new power cables ready to be connected at the PEPCO Main Substation at Blue Plains

Key Performance Indicators

Metric	Target/Service Level	Feb-22	Mar-22	Apr-22	May-22
Wastewater Operations					
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%	25%	29%	27%	27%
Reactive Maintenance	<20%	32%	27%	30%	38%
Critical Asset Availability	>95%	96%	97%	97%	97%
Sewer Operations					
CSS Structures Inspection	100%	100%	100%	100%	100%
MS4 Area Catch basins Cleaning/Inspections	100%	67%	91%	93%	83%
CSS Area Catch basins to Anacostia – Cleaning/Inspections	100%	30	94%	166%	97%
Non-Anacostia CSS Area Catch Basins – Cleaning/Inspections	85%	100%	100%	100%	100%
Sewer Cleaning and Inspection (Miles)	>12	4.31	2.43	1.57	3.9
Sewer Backup (Investigation to Resolution)	>95%	95%	100%	100%	100%
Sanitary Sewer Overflow	1.4 per 100 Miles	.93	.93	.23	.23
Combined Sewer Overflow	0	1	0	0	0

dc operations and Engineering

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

Key Performance Indicators continued

Metric	Target/Service Level	Feb-22	Mar-22	Apr-22	May-22
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	44%	17%	12%	13%
Critical Asset Availability	95%	98%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Replace Non-Standard Hydrants	>21/Month	5	10	6	4
Hydrant Flow Tests (Non-Winter Months)	>180	280	31	297	158
Fire Hydrants Operational	99%	99.60%	99.76%	99.72%	99.70%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	75%	85%	79%	80%
Water Main Breaks	<28/Month	34	25	10	30
Water Main Break Rate /100 Miles (National Average is 25)	25	35.47	35.47	34.37	35.69
% of Hydrant Leaks in Inventory that are not leaking	>90%	99%	99%	99%	98%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	91%	90%	91%	91%



Explanation of Missed Targets

Wastewater Operations Reactive Maintenance (<20%)

DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as percent of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. We observe a descending trend of percent of total reactive maintenance hours, measured as annual average during fiscal years 2019, 2020, 2021, and 2022 of 40%, 37%, 32%, and 34% respectively, for assets at the Blue Plains Advanced Wastewater Treatment Plant. The reduction realized is attributed to enhanced proactive and predictive maintenance programs, training of staff on precision maintenance and reliability centered maintenance, optimization of existing preventive maintenance plans, and improvements in processes and equipment through the Capital Improvement Program. The goal is to remain on the reduction path towards a benchmark that is applicable for Blue Plains.

MS4 Area Catch Basin Cleaning/Inspection (100%)

The department has an annual goal of 100% and expects to achieve this goal by year end. Our permit compliance period for the MS4 July 1, 2021 – June 30, 2022. The targets for catch basin cleaning are calibrated according permit compliance period and expected weather related obstacles. Resource constraints that we expect to resolve within the coming months will help to achieve the monthly target.

Sewer Cleaning & Inspection (>12 Miles) 10Yr Cycle

This KPI is a measure of progress toward meeting an internally set goal of cleaning and inspecting 12 miles of our small diameter sewers per month. This is based on completing the cleaning and inspection of 1,400 miles of small diameter (< 24 in) sewer in a 10-year cycle. The department has a new three-year contract in place to help support this activity. The contractor began work in April 2022 and should aid in improving and achieving this metric going forward.

Total Fire Hydrants Replaced (>21/Month)

The department was unable to meet the monthly target due to limited vehicle availability resulting from the lead abatement process. The department expects to increase the number of hydrant replacements as resources become available and we move into the season when there is a reduction in emergency repairs.

Hydrant Flow Tests (Non-Winter Months) >180

The department was unable to meet the monthly target due to limited vehicles available for flow tests review. The department expects to increase the number of Hydrant Flow tests as resources become available.

Water Quality Complaint Resolution (within 48 Hours) >90%

Although we addressed 80% of customer complaints by phone, email, or by flushing hydrants within the same day, we could not fully resolve customer complaints as there are pending hydrants still to be rechecked due to staff on scheduled leave.

dc DC Water Capital Improvement Program

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

Notable Sewer Condition Assessment Projects

- The Task Order for inspection of the Upper Potomac Interceptor Relief Sewer, Little Falls Trunk Sewer, and Sewers Under Buildings has been approved.
- Solicitation (Contract 220080) for Major Sewer condition Assessment is in the final phase. Successful bidders have been notified.
- Solicitation (Contract 220090) for Cleaning of Sewers is in the final phase. Successful bidder has been notified.



The Lead-free DC program completed 500 FREE lead service line replacements as part of the first year of block-by-block project prioritized for vulnerable populations and underserved areas.



Mayor Muriel Bowser, EPA Assistant Administrator for the Office of Water, Radhika Fox, and White House staff members toured a Lead-Free DC by-block project in Ward 7 as part of a larger event for the Biden Administration's Infrastructure Law.

Fiscal Year	LPRAP (Assistance Program)	Voluntary Full	CIP Full	CIP Partials	Emergency Full	Emergency Partials	Total LSRs	FY22 Goal	Total Partials	Partials %	Goal %
FY2022	152	212	369	17	70	3	823	2393	20	2.4%	2.10%



Rock Creek Green Infrastructure

DC Water will install Green Infrastructure facilities that include bioretention and permeable alleys in the CSO 049 Rock Creek sewer shed to manage the equivalent of 22 impervious acres.

Construction began March 14, 2022. Currently one permeable alley is complete. Three permeable alleys and one planter bioretention are under construction.

Potomac River Tunnel - Contract A, Advanced utility Construction

DC Water is installing necessary infrastructure in advance of the Potomac River Tunnel (PRT) - Contract B that includes construction of a high voltage electrical duct bank along Independence Avenue for the future PRT TBM launch and excavation site, as well as low voltage power electrical duct banks at five (5) satellite sites along the tunnel alignment. Coordination with the community and third-parties continues.

CSO 025/026 Sewer Separation

Currently in construction. Work on the east side of 31st Street, NW is complete. The contractor is now working on the west side of 31st Street, NW to install the sewer. Sewer installation on South Street is ongoing.

dc Enterprise Risk Management (ERM) and Internal Audit

ERM

The Enterprise Program Management Office (EPMO) within the Strategy and Performance Cluster spearheaded the development of an ERM function. Over the past 8 months, the team has worked extensively to build the core components of the ERM function and conduct a comprehensive enterprise risk assessment to identify and prioritize the top risks facing the Authority.



DC Water Top Enterprise Risks

Below is the prioritized list of top enterprise risks. This is the output at the end of the top-down enterprise risk assessment. Using a combination of identification methods: surveys and interviews with DC Water Leadership and specific board members, and internal and external research, top risks to DC Water were identified and ranked.

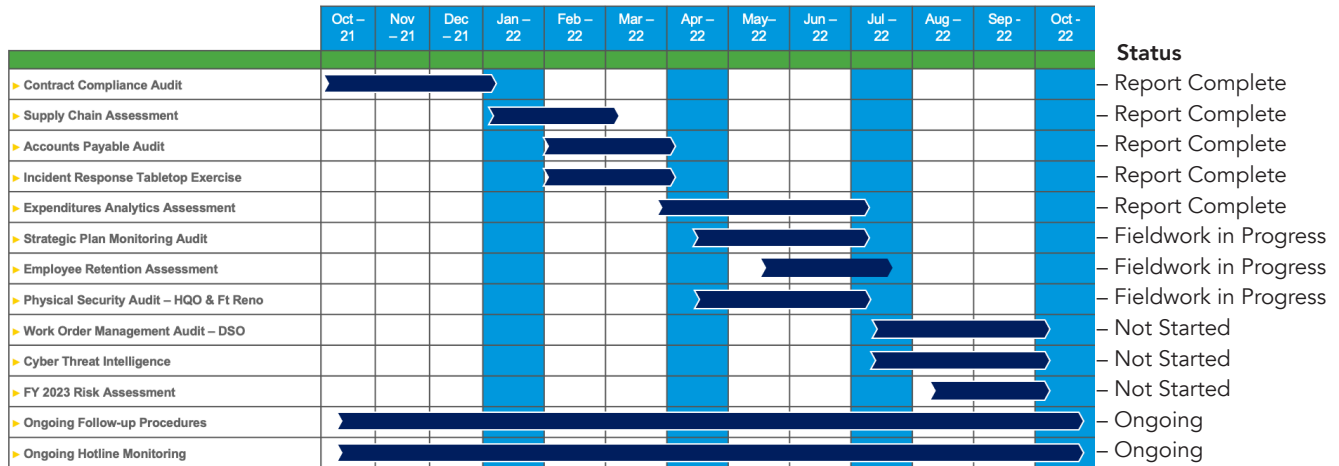
People	Digital	Social Pressures
<ul style="list-style-type: none"> Talent Management (e.g., development, succession planning, skills) Health & Safety Attract Top Talent 	<ul style="list-style-type: none"> Cybersecurity 	<ul style="list-style-type: none"> Stakeholder Management (e.g., agencies, customers, unions) Changing Regulations (e.g., federal, state, local) External Oversight of DC Water
Assets	<p>Key</p> <ul style="list-style-type: none"> Tier 1 <ul style="list-style-type: none"> Tier 1 risks are the most urgent and important for management to act on and/or pay attention to. Tier 2 <ul style="list-style-type: none"> Tier 2 risks are the next most critical risks for management to focus on and/or pay attention to. 	Revenue / Costs
<ul style="list-style-type: none"> Reliability (e.g., single source of water, asset failure, aging infrastructure) Decision Making (e.g., major project execution) Catastrophic Events 		<ul style="list-style-type: none"> Revenue Corrosion Washington Aqueduct Contract Third-Party Management

dc Enterprise Risk Management (ERM) and Internal Audit

Internal Audit

Internal audit plan FY2022 timeline

This timeline represents the FY 2022 audit plan and the status of each project. Annually the Internal Audit team, RSM, conducts a risk assessment and presents the results and the audit plan to the Audit & Risk Committee in October.



Open high risk prior audit findings

No open high risk findings to report. All high risk prior audit findings are in pending testing or closed status as of June 2022.

Status update on prior audit findings

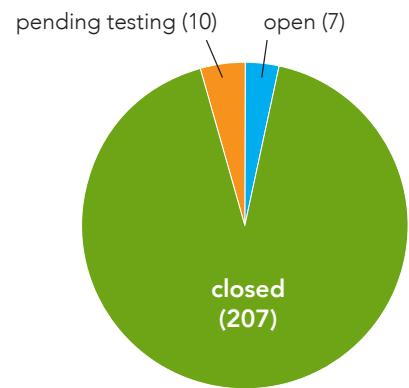
Prior Audit Findings (open findings through FY21)

Audit Report / Subject	Issue Date	Open
Fleet Management Review	1/24/2019	1
Occupational Safety and Health	4/25/2019	1
SCADA ICS Review	10/22/2020	1
Customer Billing and Collections Audit	10/22/2020	1
Succession Planning Review	4/22/2021	1
PCS Review	10/28/2021	2
		total 7

█ Extension requested. (at least 1 original remediation target date has been extended)
 █ Extension not requested

In total, 95% of all prior audit findings from FY14 – FY21 are closed. Management's target closure rate is 90%.

FY16 – FY21 prior audit findings status



“Pending Testing” indicates that Management represents that the Action Plan is Completed, but Internal Audit has not yet performed testing to validate the status.





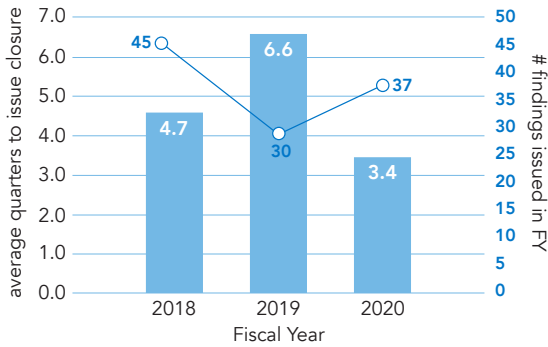
Enterprise Risk Management (ERM) and Internal Audit

Internal Audit

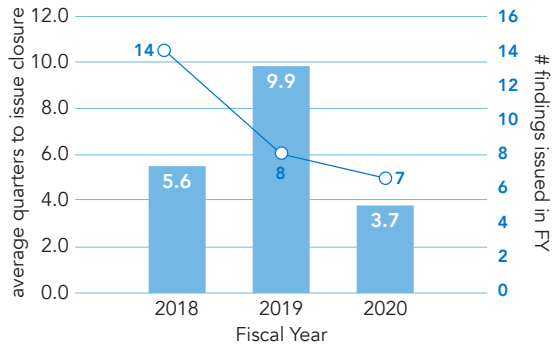
Time to closure by fiscal year

The below graphs illustrate the average number of quarters from audit finding issuance to audit finding closure year-over-year as of June 2022. Management has made significant improvements over the past year to achieve timelier audit finding closure as illustrated by the decline in time to close for FY20 audits.

Internal Audit follow up remediation
All findings FY18 – FY20



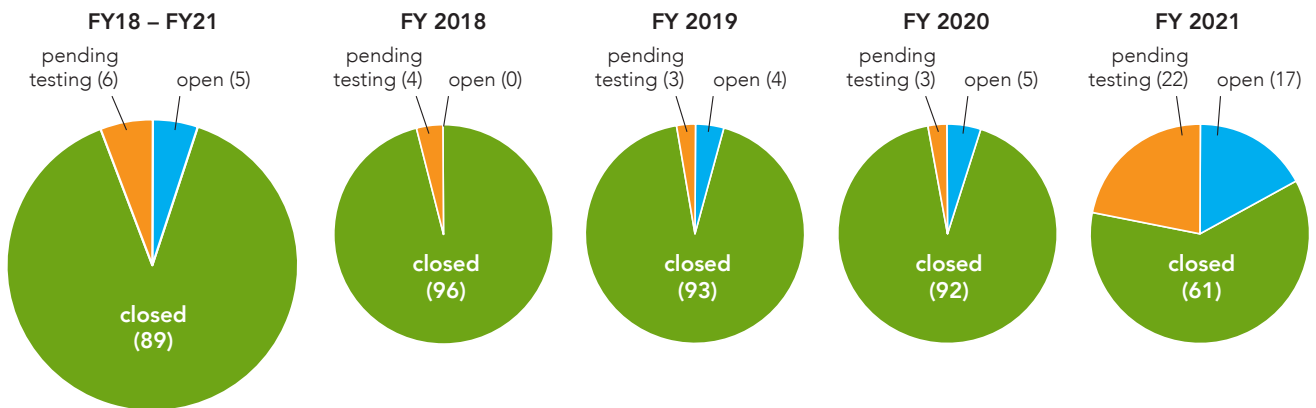
Internal Audit follow up remediation
High risk findings FY18 – FY20



Note: The reports driving the higher FY19 finding closure rate are related to the Purchase card policy and the Safety policies. The Purchase Card policy update was put on hold during Covid due to the decline in PCard/TCard spending and competing Procurement priorities. Safety findings were issued in 2019 with an original target date of March 2020 which was delayed due to other Safety Covid priorities.

Closure rates by year

The pie charts below illustrate current rate of closure for audit findings issued FY18 – FY21 as of June 2022. 89% of all audit findings have been closed for the four-year period. None remain open from FY18, 4% remain open from FY19, 5% remain open from FY20, and 17% remain open from FY21.







Contract Summary on Consent Agenda

288th Meeting of the DC Water Board of Directors

Thursday, July 7, 2022

Joint-Use Contracts

Resolution No. 22-38 - Execute Contract No. 220080A, Arcadis, District of Columbia. The purpose of the contract is to conduct a condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/major sewers. The contract not-to-exceed amount for the contract period of three years plus two renewal periods of one each year is not-to-exceed \$7,000,000. The renewal period will be approved at DC Water's discretion.

Resolution No. 22-39 - Execute Contract No. 220080B, Greeley and Hansen, LLC. The purpose of the contract is to conduct a condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/major sewers. The contract not-to-exceed amount for the contract period of three years plus two renewal periods of one each year is not-to-exceed \$7,000,000. The renewal period will be approved at DC Water's discretion.

Resolution No. 22- 40 - Execute Change Order No. 07 and 08 of Contract No. 170180, Ulliman Schutte Construction, LLC. The purpose of the change order is to upgrade the Spill Header, Dechlorination Building HVAC, the Motor Control Center, the Tunnel Dewatering Pump Station and to install baffles in the Grit Chamber. The total change order amount is \$12,149,672.

Non-Joint Use

Resolution No. 22-43 - Execute Contract No. 220030, Capitol Paving of DC Inc. The purpose of this contract is to address full lead service replacement of existing lead services throughout the District of Columbia. The contract will also consist of providing private side agreements and documentation. The contract amount is \$10,302,000.

Presented and Adopted: July 7, 2022

SUBJECT: Adopt and Approve to Publication of Notice of Final Rulemaking to Amend DC Water's Personnel Regulations to Add Paid Parental Leave to the Types of Un-Accrued Leave

**#22-37
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 July 7, 2022 upon consideration of a joint-use matter, decided by a vote of ___ () in favor and ___ () opposed, to take the following action regarding the adoption and approval to publish the Notice of Final Rulemaking to Amend DC Water's Personnel Regulations to add Paid Parental Leave to the types of un-Accrued leave.

WHEREAS, pursuant to D.C. Official Code § 34-2202.05(a)(4), the Board has the duty to develop and establish a personnel system and publish rules and regulations setting forth minimum standards for all employees, including leave benefits; and

WHEREAS, pursuant to D.C. Law 20-155, February 26, 2015, the Council for the District of Columbia enacted a new Government Family Leave Program providing eligible District government employees up to 8 weeks of paid leave within a 12 month period for the: 1) birth of a child of the employee, 2) legal placement of a child with the employee, 3) placement with the employee of a child the employee assumed and discharges parental responsibilities, or 4) care of a family member of the employee who has a serious health condition; and

WHEREAS, pursuant to D.C. Law 21-264, effective April 7, 2017, the Council for the District of Columbia enacted the Universal Paid Leave Amendment Act of 2016, which requires applicable District employers to contribute 0.62% of the wages of each of its covered employees to the Universal Paid Leave Implementation Fund that will provide eligible covered employees up to: 1) 8 weeks of paid parental leave; 2) 6 weeks of paid family leave; or 3) 2 weeks of paid medical leave up to the maximum weekly benefit of \$1,000; and

WHEREAS, the Chief Legal Officer advised the General Manager that DC Water and its employees are not subject to the requirements or benefits of the District's Government Family Leave Program or the Universal Paid Leave Amendment Act of 2016; and

WHEREAS, on January 8, 2020, the Human Resources and Labor Relations (HR&LR) Committee met and considered the General Manager's proposal to establish a Paid Parental Leave program and recommended the amendment of DC Water's personnel regulations to add "Paid Parental Leave" to the list of un-accrued leave that may be provided to eligible employees; and

WHEREAS, on January 8, 2020, the General Manager presented to the HR&LR Committee its proposed Paid Parental Leave Program that will provide eligible DC Water employees up to eight (8) weeks of paid parental leave, during the first 12 months of: 1) birth of a child of the employee; 2) placement of a child with the employee for adoption or foster care; or 3) placement of a child with the employee that the employee permanently assumes and discharges parental responsibility; and

WHEREAS, the General Manager noted DC Water's Personnel Regulations, 21 DCMR § 5204.4, must be amended to add Paid Parental Leave to the types of un-accrued leave before this new benefit program could be established for DC Water employees; and

WHEREAS, on January 8, 2020, the HR&LR Committee, after discussion and consideration, recommended the Board approve the publication of the amendments to DC Water's Personnel regulations to add the Paid Parental Leave to the types of un-accrued leave DC Water may grant to its employees; and

WHEREAS, on February 6, 2020, the Board, through Resolution #20-06, approved the Notice of Proposed Rulemaking (NOPR) in the District of Columbia Register (*D.C. Register*) to seek public comments on the amendments to 21 DCMR § 5204.4, adding Paid Parental Leave to the types of un-accrued leave; and

WHEREAS, on February 21, 2020, DC Water published the NOPR at 67 DCR 1988; and

WHEREAS, on June 14, 2022, the HR&LR Committee held a Special Meeting to consider comments received during the comment period for the NOPR and the final proposal to add Paid Parental Leave to the list of types of un-accrued leave that may be granted to eligible DC Water employees; and

WHEREAS, the General Manager reported that no comments were submitted on the NOPR, and outlined the scope of the proposed Paid Parental Leave Program, which would 1) provide up to 8 weeks paid leave to be taken continuously or intermittently during the first 12 months to allow employees (mothers and/or fathers) to bond with a new childbirth, adoption or permanent placement of a child; and

WHEREAS, on June 14, 2022, the HR&LR Committee, after discussion and consideration, recommended to the Board to amend the DC Water Personnel Regulations to add "Paid Parental Leave" to the list of types of un-accrued leave that may be granted to eligible employees; and

WHEREAS, the Board adopted and approved the publication of the Notice of Final Rulemaking to amend the DC Water Personnel Regulations, 21 DCMR § 5204.4, to add “Paid Parental Leave” to the list of types of un-accrued leave, and authorizes the General Manager to establish the policy and procedures to provide up to 8 weeks of paid family leave during the first 12 months for the: 1) birth of a child of the employee; 2) placement of a child with the employee for adoption or foster care; or 3) placement of a child with the employee that the employee permanently assumes and discharges parental responsibility.

NOW THEREFORE BE IT RESOLVED:

1. The Board adopts and directs the General Manager to publish a Notice of Final Rulemaking in the District of Columbia Register to amend DC Water’s Personnel Regulations, adding Paid Parental Leave to the types of un-accrued leave that may be granted to eligible employees as provided in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required in accordance with the District of Columbia’s Administrative Procedures.

This resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

Amend Types of Un-Accrued Leave to Include Paid Parental Leave

Chapter 52, D.C. WATER AND SEWER AUTHORITY PERSONNEL REGULATIONS, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

Section 5204, LEAVES, HOLIDAYS AND OTHER ABSENCES, Subsection 5204.4 is amended to read as follows:

5204.4 The Authority recognizes the following types of un-accrued leave that may be granted to eligible employees in qualifying circumstances:

- (a) Leave of Absence Without Pay.
- (b) Federal and District of Columbia Family and Medical Leave.
- (c) Jury Duty Leave of Absence.
- (d) Military Leave of Absence.
- (e) Administrative Leave.
- (f) Bereavement Leave.
- (g) Paid Parental Leave.
- (h) Leave approved by the Board of Directors.

Presented and Adopted: July 7, 2022

**SUBJECT: Approval to Execute Contract No. 220080A, Arcadis,
District of Columbia**

**#22-38
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 July 7, 2022, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Contract No. 220080A, Arcadis, District of Columbia.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 220080A, Arcadis, District of Columbia. The purpose of the contract is to conduct a condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/major sewers. The contract not-to-exceed amount for the contract period of three years plus two renewal periods of one each year is not-to-exceed \$7,000,000. The renewal period will be approved at DC Water’s discretion.

Secretary to the Board of Directors

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

ACTION REQUESTED

**CONSTRUCTION CONTRACT:
Major Sewers Assessment
(Joint Use)**

Approval to execute a construction contract not to exceed \$7,000,000.00 for the contract period of three years plus two renewal periods of one year each. The renewal periods will be approved at DC Water's sole discretion.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Arcadis, District of Columbia 4301 North Fairfax Drive Suite 530 Arlington, VA 22203 <u>Headquarters</u> Highlands Ranch, CO 80129	Savin Engineers, P.C. Landover, MD	DBE 10.0%
	Arthur Engineering Laurel, MD	DBE 6.0%
	EBA Engineering, Inc. Laurel, MD	DBE 6.0%
	AB Construction Lanham, MD	DBE 2.0%
	Reviera Enterprises, Inc, Forestville, MD	DBE 2.0%
	Interagency, Inc, Washington, DC	DBE 1.0%
	Wave Civil, LLC Alexandria, VA	DBE 1.0%
	SZPM Consultants, Inc Washington, DC	WBE 2.0%
	TFE Resources Owings Mills, MD	WBE 2.0%

DBE Total = 28% and WBE Total = 4.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$7,000,000.00*
Contract Time:	1,096 Days 3 Years (2 Option Years not Included)
Anticipated Contract Start Date (NTP):	09-01-2022
Anticipated Contract Completion Date:	09-01-2027 (Including 2 Option Years)
Bid Opening Date:	03/03/2022
Bids Received:	6
Other Bids Received	
Black & Veatch Corporation**	\$ 1,297,047.00
Greeley & Hansen LLC**	\$ 1,218,896.36
Ramboll Engineering P.C.**	\$ 1,180,859.76
Remington & Vernick Engineers	Not Shortlisted
RJN Group	Not Shortlisted

* Price evaluations are based on a typical major sewer assessment project, rather than the entire anticipated contract work which is not fully determined but estimated to be approximately 16 miles of large diameter/ major sewers. The contract amount of \$7,000,000.00 is for the three-year contract (with 2 additional option years).

Arcadis Evaluation Bid Amount: \$1,204,433.00

** Indicates shortlisted firms. Shortlisted firms advanced to the price evaluation phase. Individual evaluations scores and comments were assessed to obtain the final scores for each technical proposal.

Purpose of the Contract:

DC Water has developed a priority list of sanitary and combined sewers that require assessment. Under this contract, DC Water will issue work on negotiated task orders on an as needed basis to conduct the condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/ major sewers.

Contract Scope:

- Work will be accomplished through a series of definitive Task Orders. Each task order will identify the scope of work, deliverables, compensation, and schedule for performance.
- Project management including coordination with internal and external agencies, preparation of traffic control plans, acquisition of permits, subcontractor management, scheduling & tracking of work, reporting, invoicing, and issues resolution.
- Inspection and assessment of at least 16 miles of major sewers and large diameter sewers including maintenance of traffic
- Data analysis and recommendations of options for asset rehabilitation or replacement with advantages and disadvantages outlined for each option.

Federal Grant Status:


Construction Contract is not eligible for Federal Grant funding assistance.


PROCUREMENT INFORMATION			
Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Construction	Contract Number:	220080A
Contractor Market:	Open Market		


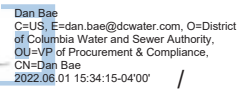
BUDGET INFORMATION			
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary Sewer	Department Head:	William Elledge (Interim)
Project:	RA, RB		

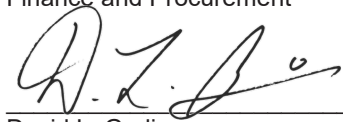
***ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 7,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 7,000,000.00

*** Under the terms of the IMA, the capital costs associated with each joint facility are to split among the users in proportion to the peak flow each user is allocated. It is not possible, at this time, to allocate costs by individual facility. It is anticipated that as projects are developed under individual Task Orders for work associated with specific facilities and costs are developed, the individual users will be notified and billed accordingly.


 Digitally signed by Kishia L. Powell
 Date: 2022.06.01 14:35:32 -04'00' / _____
 Kishia L. Powell Date
 COO and EVP


 Digitally signed by Matthew T. Brown
 Date: 2022.06.01 16:41:34 -04'00' / _____
 Matthew T. Brown Date
 CFO and EVP
 Finance and Procurement



 Digitally signed by Dan Bae
 Date: 2022.06.01 15:34:15 -04'00' / _____
 Dan Bae Date
 VP Director of Procurement


 Digitally signed by David L. Gadis
 Date: 6/28/2022 / _____
 David L. Gadis Date
 CEO and General Manager

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Execute Contract No. 220080B, Greeley and Hansen, LLC

**#22-39
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 July 7, 2022, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Contract No. 220080B, Greeley and Hansen, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 220080B, Greeley and Hansen, LLC. The purpose of the contract is to conduct a condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/major sewers. The contract not-to-exceed amount for the contract period of three years plus two renewal periods of one each year is not-to-exceed \$7,000.000. The renewal period will be approved at DC Water's discretion.

Secretary to the Board of Directors

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

ACTION REQUESTED

**CONSTRUCTION CONTRACT:
Major Sewers Assessment
(Joint Use)**

Approval to execute a construction contract not to exceed \$7,000,000.00 for the contract period of three years plus two renewal periods of one year each. The renewal periods will be approved at DC Water's sole discretion.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Greeley and Hansen LLC 5301 Shawnee Road Suite 400 Alexandria, VA 22312 <u>Headquarters</u> Chicago, IL 60606	AB Construction, Inc Lanham, MD	DBE 5.0%
	CCJM, PC Washington, DC	DBE 5.0%
	Hayat Brown LLC Washington, DC	DBE 5.0%
	Savin Engineers, P.C. Landover, MD	DBE 5.0%
	Delon Hampton & Associates Washington, DC	DBE 3.0%
	Interagency, Inc, Washington, DC	DBE 3.0%
	Windjammer Environmental LLC National Harbor, MD	DBE 2.0%
	SZPM Consultants, Inc Washington, DC	WBE 3.0%
	Phoenix Engineering Parkton, MD	WBE 1.0%

DBE Total = 28% and WBE Total = 4.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$7,000,000.00*
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Ramboll Engineering P.C.**	\$ 1,180,859.76
Remington & Vernick Engineers	Not Shortlisted
RJN Group	Not Shortlisted

* Price evaluations are based on a typical major sewer assessment project, rather than the entire anticipated contract work which is not fully determined but estimated to be approximately 16 miles of large diameter/ major sewers. The contract amount of \$7,000,000.00 is for the three-year contract (with 2 additional option years).

Greeley and Hansen Evaluation Bid Amount: \$1,218,893.36

**Indicates shortlisted firms. Shortlisted firms advanced to the price evaluation phase. Individual evaluations scores and comments were assessed to obtain the final scores for each technical proposal

Purpose of the Contract:

DC Water has developed a priority list of sanitary and combined sewers that require assessment. Under this contract, DC Water will issue on as as-needed basis through individually negotiated task orders to conduct condition assessment, data analysis, and provide recommendations for alternative rehabilitation methods for large diameter/ major sewers.

Contract Scope:

- Work will be accomplished through a series of definitive Task Orders. Each task order will identify the scope of work, deliverables, compensation, and schedule for performance.
- Project management including coordination with internal and external agencies, preparation of traffic control plans, acquisition of permits, subcontractor management, scheduling & tracking of work, reporting, invoicing, and issues resolution.
- Inspection and assessment of at least 16 miles of major sewers and large diameter sewers including maintenance of traffic
- Data analysis and recommendations of options for asset rehabilitation or replacement with advantages and disadvantages outlined for each option.

Federal Grant Status:

Construction Contract is not eligible for Federal Grant funding assistance.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Construction	Contract Number:	220080B
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary Sewer	Department Head:	William Elledge (Interim)
Project:	RA, HS, RB		

*****ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 7,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 7,000,000.00

*** Under the terms of the IMA, the capital costs associated with each joint facility are to split among the users in proportion to the peak flow each user is allocated. It is not possible, at this time, to allocate costs by individual facility. It is anticipated that as projects are developed under individual Task Orders for work associated with specific facilities and costs are developed, the individual users will be notified and billed accordingly.

_____/_____
Kishia L. Powell Date
COO and EVP

_____/_____
Matthew T. Brown Date
CFO and EVP
Finance and Procurement

_____/_____
Dan Bae Date
VP Director of Procurement

_____/_____
David L. Gadis Date
CEO and General Manager

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Execute Change Order No. 07 and 08 of Contract No. 170180, Ulliman Schutte Construction, LLC

**#22-40
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 July 7, 2022, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Change Order No. 07 and 08 of Contract No. 170180, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 07 and 08 of Contract No. 170180, Ulliman Schutte Construction, LLC. The purpose of the change order is to upgrade the Spill Header, Dechlorination Building HVAC, the Motor Control Center, the Tunnel Dewatering Pump Station and to install baffles in the Grit Chamber. The total change order amount is \$12,149,672.

Secretary to the Board of Director

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

ACTION REQUESTED

**CONSTRUCTION CONTRACT CHANGE ORDER:
Miscellaneous Facilities Upgrade – Phase 6
(Joint Use)**

Approval to execute Change Order No. 07 and 08 for a total of \$12,149,672.00. The modification will exceed the General Manager’s approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Ulliman Schutte Construction, LLC 14420 Albemarle Point Place, Suite 110 Chantilly, VA 20151	Hi-Mark Construction Group Middletown, OH DBE	14.0%
<u>Headquarters</u> Miamisburg, OH 45342	Com-Bro Contracting, Inc Elkridge, MD DBE	7.2%
	RSC Landover, MD DBE	1.0%
	MAC Electric, LLC Gaithersburg, MD DBE	0.6%

DBE Total = 22.8%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$27,090,000.00
Value of this Change Order	\$12,149,672.00
Cumulative CO Value, including this CO:	\$15,758,101.00
Total Contract Value, Including this CO:	\$42,848,101.00
Original Contract Time:	1,500 Days (4 Years, 1 Month)
Time extension, this CO:	438 Calendar Days
Total CO contract time extension:	438 Calendar Days (1 Year, 2 Months)
Contract Start Date (NTP):	06-10-2019
Contract Completion Date:	09-30-2024
Cumulative CO % of Original Contract:	58.2%
Contract completion %:	59.0%

Purpose of the Contract:

DC Water has an urgent need to have a contractor available to perform emergency and non-emergency rehabilitation on existing process equipment which is beyond routine, preventive, and corrective maintenance to avoid potential violations of its National Pollutant Discharge Elimination System (NPDES) permit.

Original Contract Scope:

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

Previous Change Order Scope:

- Dry Polymer Silo Rehabilitation – This project addressed the emergency rehab to the dry polymer silos that store and transfer polymer to the various processes throughout Blue Plains. The steel silo shells had cracked in multiple locations and the electric vibrators/shakers had fallen due to failure of their steel mounting plate.

Current Change Order Scope:

This Change Order includes the following projects:

- Spill Header Upgrades – This project is being expedited to facilitate the Van Ness storage outage by the Washington Aqueduct that will impact the 3rd high pressure zone operated through Bryant St Pumping Station. This will minimize risk and alleviate the labor burden with operating the spill header valves manually during this outage period.
- Dechlorination Bldg HVAC Upgrades – This project will relocate the HVAC system from the Dechlorination Bldg roof to the ground level to mitigate identified safety hazard for plant personnel.
- Motor Control Center Upgrades – This project includes a redesign to install an automatic transfer switch (ATS) to allow for electrical redundancy to the chemical feed system that is a critical system required to chlorinate the plant effluent before discharging to the river.
- Grit Chamber Baffle Construction – This project will add additional baffle walls in the grit chambers to help mitigate grit buildup that could result in failure to critical equipment. Installing these baffles now will validate the upcoming Headworks Upgrades project and mitigate cost and schedule impacts during construction.
- Tunnel Dewatering Pump Station (TDPS) Vent Shaft and Hydraulic Pressure Unit (HPU) Upgrades – This project will improve operation, reliability/ maintainability, and mitigate safety concerns related to the tunnel shaft dewatering pump intake conditions, fluidization system and the HPU system.

Federal Grant Status:

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

PROCUREMENT INFORMATION

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

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater, Water	Department Head:	David Parker
Project:	TZ, PF, HV, E8, BQ		

***ESTIMATED USER SHARE INFORMATION**

TZ,PF,E8,BQ – Allocation (GIBP Blue Plains)

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 1,806,758.34
Washington Suburban Sanitary Commission	45.84%	\$ 2,009,262.55
Fairfax County	8.38%	\$ 367,312.83
Loudoun County & Potomac Interceptor	4.56%	\$ 199,874.28
Total Estimated Dollar Amount	100.00%	\$ 4,383,208.00

HV – Allocation (CAPM Bryant St Pump Station)

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 7,766,464.00
Total Estimated Dollar Amount	100.00%	\$ 7,766,464.00

Total Combined Allocation


User	Share %	Dollar Amount
District of Columbia	78.79%	\$ 9,573,222.34
Washington Suburban Sanitary Commission	16.54%	\$ 2,009,262.55
Fairfax County	3.02%	\$ 367,312.83
Loudoun County & Potomac Interceptor	1.65%	\$ 199,874.28
Total Estimated Dollar Amount	100.00%	\$ 12,149,672.00

Kishia L. Powell
 Digitally signed by Kishia L. Powell
 Date: 2022.06.01 14:36:55 -04'00'

 Kishia L. Powell Date
 COO and EVP

Matthew T. Brown
 Digitally signed by Matthew T. Brown
 Date: 2022.06.09 11:14:37 -04'00'

 Matthew T. Brown Date
 CFO and EVP
 Finance and Procurement


 Dan Bae Date
 VP Director of Procurement

 David L. Gadis Date
 CEO and General Manager

Presented and Adopted: July 7, 2022
Subject: Approval to Amend Fiscal Year 2023 Capital Disbursement in
the FY 2022 – 2031 Capital Improvement Program

#22-41
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 July 7, 2022 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 - 2031 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 3, 2022, through Resolution #22-18, the Board approved the Fiscal Year 2022 - 2031 Capital Improvement Program (CIP) Disbursement Plan totaling \$6,419,899,000, and related Lifetime Budget totaling \$13,377,458,000; and

WHEREAS, on May 19, 2022, the Environmental Quality and Operations Committee was briefed on the FY 2022 second quarter CIP update including the preliminary FY 2022 year-end underspending of \$99,052,000 below the amended budget of \$510,112,000 for capital projects; and

WHEREAS, on May 26, 2022, the Finance & Budget Committee was briefed on the preliminary FY 2022 year-end forecasts for operating revenue, operating expenditure, capital disbursements and net cash position; consideration for using \$17,600,000 of the FY 2022 net cash position to be carried forward to FY 2023 for purchases of vehicles (\$10,400,000) and payment of the Washington Aqueduct fourth quarter invoice (\$7,200,000); and carry forward the unspent funds in capital projects to future years starting FY 2023; and

WHEREAS, on June 23, 2022, the Finance & Budget Committee was briefed on the updated FY 2022 year-end forecasts and recommended that the Board approve the amendment of the FY 2023 Capital Budget in the FY 2022 – 2031 Capital Improvement Program from \$647,004,000 to \$664,604,000: 1) using \$17,600,000 of the projected FY 2022 net cash position for the purchases of vehicles (\$10,400,000) and payment of the Washington Aqueduct fourth quarter invoice (\$7,200,000), 2) reducing the capital equipment amount by \$17,600,000 in FY 2031, 3) carrying forward the current projected

FY 2022 underspending of \$105,416,000 for capital projects to FY 2023 and beyond with annual allotments to be determined in the ten-year CIP that will be delivered to the Board as part of the next budget cycle in January 2023; and 4) maintaining the Board-adopted Fiscal Year 2022 – 2031 Capital Improvement Program Disbursement Plan totaling \$6,419,899,000.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts amendment to the FY 2023 Capital Budget from \$647,004,000 to \$664,604,000: 1) using \$17,600,000 of the projected FY 2022 net cash position for purchases of vehicles (\$10,400,000) and payment of the Washington Aqueduct fourth quarter invoice (\$7,200,000), and 2) reducing the capital equipment amount by \$17,600,000 in FY 2031. The Board also authorizes the carry forward of the actual FY 2022 underspending currently estimated at \$105,416,000 for capital projects to FY 2023 and beyond with annual allotments to be determined in the ten-year CIP that will be delivered to the Board as part of the next budget cycle in January 2023. The General Manager shall report to the Board the final amount of capital underspending from FY 2022 to FY 2023 by November 2022.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 7, 2022

Subject: Approval to Amend Fiscal Year 2023 Operating Budget

**#22-42
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 July 7, 2022, 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 Amended Fiscal Year 2023 Operating Budget.

WHEREAS, on March 3, 2022, through Resolution #22-20, the Board approved the Fiscal Year 2023 Operating Budget that totaled \$686,403,165: and

WHEREAS, on May 26, 2022, the Finance & Budget Committee was briefed on the preliminary FY 2022 year-end forecasts for operating revenue, operating expenditure, capital disbursements and net cash position; and consideration for reallocating in FY 2023, \$3,000,000 of net cash surplus to cover projected shortfalls in chemicals and energy in FY 2023 primarily due to higher unit prices of various major chemicals used at the Plant and electricity due to market price volatility; and

WHEREAS, on June 23, 2022, the Finance & Budget Committee was briefed on the updated FY 2022 year-end forecasts and the General Manager’s recommendation to reallocate \$3,000,000 of projected underspending in debt service in FY 2023 to cover projected shortfalls in chemicals and electricity, and recommended that the Board approve the amendment of the FY 2023 Operating Budget to allocate \$3,000,000 of projected net cash surplus in FY 2022 to cover projected shortfalls in chemicals and electricity in FY 2023 and the allocation of \$3,912,000 to PAYGO.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts an amendment to DC Water’s Fiscal Year 2023 Operating Budget by reallocating \$3,000,000 from the net cash surplus to the FY 2023 chemicals and utilities budget, and amending the Fiscal Year 2023 Operating Budget to \$689,403,165 and the carryover of \$6,912,000 in the cash balance.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Execute Contract No. 220030, Capitol Paving of DC Inc.

**#22-43
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 July 7, 2022, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to approve the execution of Contract No. 220030, Capitol Paving of DC Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 220030, Capitol Paving of DC Inc. The purpose of this contract is to address full lead service replacement of existing lead services throughout the District of Columbia. The contract will also consist of providing private side agreements and documentation. The contract amount is \$10,302,000.

Secretary to the Board of Director

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Lead Service Line Replacement Contract for FY23-FY25
(Non-Joint Use)**

Approval to execute a construction contract for \$10,302,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Capitol Paving of DC Inc. 2211 Channing Street NE Washington, DC 20018	United Construction Washington, DC	DBE 32.0%
	Royal Construction Mclean, VA	WBE 8.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$10,302,000.00
Contract Time:	1,095 Days (3 Years)
Anticipated Contract Start Date (NTP):	10-01-2022
Anticipated Contract Completion Date:	09-30-2025
Bid Opening Date:	03-16-2022
Bids Received:	4
Other Bids Received	
Spiniello Companies	\$13,270,000.00
Fort Myer Construction Corp	\$14,886,400.00
Anchor Construction Inc.	\$15,277,000.00

Purpose of the Contract:

The Lead Service Line Replacement (LSLR) contract is dedicated to the Voluntary Program which allows DC Water to partner with homeowners in replacing lead service lines in both private and public space at the same time. Under the Voluntary Program the customer initiates lead service replacement and pays for 100% of the private-side cost and DC Water pays for 100% of the public-side cost

This contract has been solicited as an indefinite quantity indefinite delivery (IDIQ) contract to address full lead service replacement of existing lead services throughout the District of Columbia. The contract will also consist of providing private side agreements and documentation.

Scope of work will be developed and issued to the contractor on a task order basis as needed by DC Water.

Contract Scope:

- Remove and replace existing lead service lines.
- Install new copper service line from corporation stop to building.
- Installation of Meter Boxes, Frame and Covers.
- Installation of Curb Stop and Curb Stop Box.
- Private side tie-in and negotiation / coordination with homeowner.

Federal Funding Status:

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

PROCUREMENT INFORMATION

Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	220030
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Water Services
Service Area:	Water	Department Head:	Jason Hughes
Project:	BW		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$10,302,000.00
Federal Funds	0.00%	\$0.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun County & Potomac Interceptor	0.00%	\$0.00
Total Estimated Dollar Amount	100.00%	\$10,302,000.00

Kishia L. Powell /_____
COO and EVP Date

Dan Bae, VP /_____
Procurement and Compliance Date

Matthew T. Brown /_____
CFO and EVP Date
Finance and Procurement

David L. Gadis /_____
CEO and General Manager Date

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Publish Notice of Final Rulemaking for New and Amended Fees & Charges

**#22-44
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 Authority” or “DC Water”) at the Board meeting held on July 7, 2022 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___() opposed, to approve the following actions with respect to the publication of the Notice of Final Rulemaking for new and amended Fees and Charges.

WHEREAS, Section 203(11) of the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996, effective April 18, 1996 (D.C. Law 11-111, § 203(11); D.C. Code § 34-2202.03(11)) authorizes DC Water to establish, adjust and collect charges for services, facilities, or commodities furnished or supplied by DC Water; and

WHEREAS, in accordance with Resolution #11-10, dated January 6, 2011, DC Water establishes rates, charges and fees in accordance with the Board approved Rate Setting Policies, including the recovery of current costs to provide the services; and

WHEREAS, on April 26, 2022 the DC Retail Water and Sewer Rates Committee met to consider the recommendations from the General Manager for proposed new and amended fees and charges including: Engineering/Permitting fees; Fats, Oil and Grease (FOG) fee, Cross-Connection Control/Backflow Fee; Fire Hydrant Use Charges and Meter Rental Fees; High Strength Waste Fees; Hauled Waste Fees; Penalties and Turnoff Charges, Tap Fees, and other miscellaneous fees, and recommended the Board approve the publication of the Notice of Proposed Rulemaking (NOPR) for public comment; and

WHEREAS, on May 5, 2022, the Board through Resolution # 22-29, approved the publication of the NOPR in the District of Columbia Register (*D.C. Register* or DCR) for public comment on the proposed new and amended fees and charges in accordance with the District of Columbia Administrative Procedures Act effective July 22, 2022; and

WHEREAS, on May 20, 2022, DC Water published the NOPR in the *D.C. Register* at 69 DCR 5518 to receive public comments on the NOPR during the public comment period ending June 20, 2022; and

WHEREAS, on June 28, 2022, the DC Retail Water and Sewer Rates Committee met to consider comments received during the public comment period and the General Managers recommendation for the final proposal for amended and new fees and charges; and

WHEREAS, the General Manager reported that no comments were submitted on the proposed fees and charges published in the NOPR and addressed follow-up questions from Committee Members; and

WHEREAS, the DC Retail Water and Sewer Rates Committee after further consideration of the responses to the Committee Members' questions and discussion regarding the effective date of the engineering and permitting fees, recommended the Board approve the publication of the Notice of Final Rulemaking (NOFR) in the *D.C. Register*, provided the effective date for engineering and permitting fees shall be October 1, 2022 and the effective date for the remaining fees and charges shall be July 22, 2022; and

WHEREAS, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the recommendation of the General Manager, the District members of the Board of Directors, approved the adoption and approval of the new and amended fees and charges as presented in Attachment A.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board directs the General Manager to publish a Notice of Final Rulemaking in the District of Columbia Register to promulgate the new and amended fees and charges as provided in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required in accordance with the District of Columbia Administrative Procedure Act.

This resolution is effective immediately.

Secretary to the Board of Directors

**Attachment A
Amended Fees & Charges**

Chapter 1, WATER SUPPLY, of Title 21 DCMR, WATER AND SANITATION, Section 112, FEES, Subsections 112.1 through 112.6 are amended as follows, effective July 22, 2022, except as otherwise noted:

112 FEES

Subsection 112.1 is amended to read as follows, effective July 22, 2022:

112.1 Fees for installation, inspection and removal/abandonment of water and sewer tap or connection, and meter setter or vault, shall be as follows:

Inspection Fees	Fee
Inspect Sewer Tap Removal/Abandonment	\$325
Inspect Pointing Up Sewer Taps	\$915
Inspect Insertion of Y-Branch	\$325
Inspect Installation of Standard Cleanout	\$325
Meter Setter Inspection	\$250
Meter Setter Re-Inspection	\$250
Meter Vault Inspection	\$1,000
Meter Vault Re-Inspection	\$1,000

Tap Insertion and Abandonment	Fee
Tap Insertion – 1” diameter	\$455
Tap Insertion – 1-1/2” diameter	\$530
Tap Insertion – 2” diameter	\$575
Water Connection	Reimbursable
Water Connection 3” and Larger	\$2,500
Water Tap Removal/Abandonment – 2” diameter or less	\$425
Water Tap Removal/Abandonment – greater than 2” diameter	\$850

Subsection 112.2 is amended to read as follows, effective July 22, 2022:

112.2 Fees for fire hydrants flow tests; fire hydrant meter rentals; rentals of fire hydrant meters with backflow preventer; and for the installation and removal of water bubblers shall be as follows:

Fee Name	Fee
Fire Hydrant Flow Test (Field Test)	\$320
Fire Hydrant Flow Test (Computer Model)	\$320
Fire Hydrant Flow Test (Recent Test Record Available)	\$135
Fire Hydrant Use – Water and Sewer Rate	Usage-Based, see 21

Fee Name	Fee
	DCMR Chapter 41
Letter in Lieu of Hydrant Flow Test	\$250
Fire Hydrant Permit Fee	\$75
Private Fire Hydrant Flush	\$90
3” Fire Hydrant Meter Deposit	\$1,750 per rental
3” Fire Hydrant Meter Rental <15 days	\$130
3” Fire Hydrant Meter Rental ≥15 days	\$10 per day
3” Fire Hydrant Meter w/Backflow Preventer Deposit	\$2,750 per rental
3” Fire Hydrant Meter w/Backflow Preventer Rental <15 days	\$195 per rental
3” Fire Hydrant Meter w/Backflow Preventer Rental ≥15 days	\$15 per day
5/8” Fire Hydrant Meter w/Backflow Preventer Deposit	\$950 per rental
5/8” Fire Hydrant Meter w/Backflow Preventer Rental <15 days	\$115 per rental
5/8” Fire Hydrant Meter w/Backflow Preventer Rental ≥15 days	\$10 per day
Installation and Removal of Water Bubblers	Fee
1 Water Bubbler	\$262
Each additional Water Bubbler after the first in the same general location	\$54

Subsection 112.4 is amended to read as follows, effective July 22, 2022:

112.4 Retail customer fees and charges; legal and copying fees; and event and equipment fees shall be as follows:

(a) Retail customer fees and charges shall be as follows:

Fee Name	Fee
Customer Bad Check Fee	\$30
Declined Credit Card Fee	\$40
Customer Penalty Late Payment Fee	10.00% after 30 days
Additional Penalty Late Payment Fee	1%/month after 60 days, compounded monthly
New Customer Account Initiation Fee	\$55
Turn-Off Charges for Non-Payment	\$55
Reconnection Fee – Residential Customer	\$50.00
Reconnection Fee – Multi-Family and Non-Residential Customer	\$100
Unauthorized Turn-On	\$260
Notice of Follow Up (NOFOL) Compliance Fee	\$475
Broken Bypass Seal	\$745
Second Water Audit within 24 months	\$135
Manual Meter Reading Fee ¹	\$20 /month/meter
Manual Meter Reading Fee ¹ 5/8”-2” Multi-Family and Non-Residential	\$100 /month/meter
Manual Meter Reading Fee ¹ 3”-4”	\$250 /month/meter

Fee Name	Fee
Multi-Family and Non-Residential Manual Meter Reading Fee ¹ 6" & greater	\$500 /month/meter
Multi-Family and Non-Residential	

¹ The Manual Meter Read Fee is charged if customer refuses or does not respond to request to install Automatic Meter Reader or if the meter transmission unit is not transmitting due to the customer's failure to provide appropriate transmission requirements.

(b) Legal and copying fees shall be as follows:

Fee Name	Fee
Witness Fee	\$40 + Travel Expenses
DC Water Staff Expert Witness Fee	Salary + Fringe + Travel Expenses
Standard Letter and Legal Page (Photocopying)	\$0.75 per sheet
FOIA Processing Fee	\$10 + Staff Salary + Fringe

(c) Event and Equipment fees shall be as follows:

Size of Event (Attendees)	Number of DC Water Personnel Per Event¹	Cost per Event at \$90/hour per person
100 – 2,000	2	\$180/hour
2,000 – 5,000	4	\$360/hour
5,000 or more	6	\$540/hour

¹ Refers to the minimum number of personnel required for the event. Upon review of the event specifications, DC Water shall determine the appropriate number of personnel based on the assessed need.

Event Equipment	Cost per Unit per Event
Misting Tent ¹	\$585
Mobile Brita Hydration Station ¹	\$640
Cooling Station	\$450
Quench Buggy	\$2,650
DC Water Mascot	\$80

¹Refers to a per unit per event, assuming a single day event. For a multi-day event, the per unit cost would be multiplied by the number of days.

Subsection 112.5 is amended to read as follows, effective October 1, 2022:

112.5 Fees for engineering reviews both standard and expedited, excessive submission, and as-builts shall be as follows:

(a) **Small Project and Hybrid Project Plan Review Fees** shall be as provided in the table below for Small Projects, including:

- (1) Small Residential or Townhouse project subject to 12-B DCMR Residential Code Supplement with water service and meter two inches (2”) or less;
- (2) Small Non-Residential subject to 12-A DCMR Building Code Supplement with water service and meter inches (2”) or less;
- (3) Small Hybrid means a Small Residential or Non-Residential project with a domestic water service and meter two inches (2”) or less and a fire service greater than two inches (2”); or
- (4) Projects requiring only a sewer connection six inches (6”) or less in diameter or only a storm connection less than fifteen inches (15”) in diameter.

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Project Base Plan - 1 st Submission Administrative Fee – All Small Projects	\$200	N/A	N/A	N/A
Small Project Rejected Plan Resubmission Administrative Fee - All Small Projects	\$100	N/A	N/A	N/A
Small Project Sheet and Shore - All Small Projects	\$1,250	\$2,500	14	7
Small Residential or Townhouse Project per meter connection	\$1,500	\$3,000	14	7
Small Non-Residential Project per meter connection	\$5,000	\$10,000	21	11
Small Hybrid Project per meter connection	\$6,750	\$13,500	21	11
Small Residential Approved Plan Revision (APR) per metered connection	\$500	\$1,000	14	7
Small Non-Residential or Hybrid APR per metered connection	\$1,450	\$2,900	21	11
Small Residential, Non-Residential or Hybrid Raze Permit Review and	\$400	\$800	14	7

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Utility Release Letter - No Abandonment				
Small Raze Permit Review and Utility Release Letter - With Abandonments	\$1,000	\$2,000	14	7
Small Non-Residential Temporary Water Connections	\$2,000	\$4,000	21	11
Small Project Review and Sign Off - only in DCRA ProjectDox or for DCRA Walk-In Applicants	\$150	N/A	7	N/A

***Review times are estimated; Actual time may vary.**

- (b) **Large Project Plan Review Fees** (large means having a domestic water service and fire service greater than two inches (2") in diameter) shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Project Base Plan - 1 st Submission Administrative Fee	\$200	N/A	N/A	N/A
Large Project Rejected Plan Resubmission Administrative Fee	\$100	N/A	N/A	N/A
Large Plan Review Fee per meter:	\$15,000	\$ 30,000	30	15
Large Project Foundation to Grade	\$1,750	\$3,500	21	11
Large Project Approved Plan Revision (APR)	\$2,000	\$4,000	14	7
Large Project Sheeting and Shoring	\$12,500	\$25,000	30	15
Large Project Abandonment Waiver Request	\$750	\$1,300	14	7
Large Project Temporary Water Connections	\$5,000	\$10,000	21	11

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Fire Service Only Greater than 2" - with no interior renovations	\$5,000	\$10,000	21	11
Large Sanitary or Combined Connection Only 8" or larger	\$5,000	\$10,000	21	11
Large Storm Connection Only 15" or larger	\$5,000	\$10,000	21	11
Large Project Sign Off Only in DCRA ProjectDox	\$500	\$1,000	10	5
Large Water Meter Size Reduction Plan (with no other work)	\$5,000	\$10,000	21	11
Large Project Raze Only Utility Release Letter - No Abandonments	\$500	\$1,000	14	7
Large Project Raze Only Utility Release Letter - With Abandonments	\$1,500	\$3,000	14	7
Utility Infrastructure Only Review Fee (0 to 1,000 linear feet of water and/or sewer mains)	\$10,000	\$20,000	30	15
Utility Infrastructure Only Review Fee (1,000 – 2,500 linear feet of water and/or sewer mains)	\$15,000	\$30,000	30	15
Utility Infrastructure Only Review Fee (greater than 2,500 linear feet of water and/or sewer mains)	\$18,000	\$36,000	30	15

***Review times are estimated; Actual time may vary.**

(c) **Miscellaneous Fees** shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Residential or Townhouse Plan Excessive Submission Review (5 th review or more) per meter connection	\$500	N/A	Based on No. of metered connections	Based on No. of metered connections
1 to 5 metered connections			14	7
6 to 20 metered connections			21	11
21 to 50 metered connections			40	20
greater than 50 metered connections			50	25
Small Non-Residential and Hybrid Plan Excessive Submission Review (5 th review or more)	\$750	N/A	Based on No. of metered connections	Based on No. of metered connections
1-3 metered connections			21	11
4 or more metered connections			30	15
Large Plan Excessive Submission Review (5 th review or more)	\$3,500	\$7,000		
Request for Information (RFI)	\$175	\$350	20	10
Request for As-Built Drawings	\$200	\$400	20	10
Water and Sewer Availability Letter	\$750	\$1,300		
Delayed Abandonment or Waiver	\$750	\$1,300	14	7
Processing of Standard Easement and Covenant (Initial Document)	\$2,000	\$4,000	14	7
Processing of Non-Standard Easement and Covenant (Initial Document)	\$8,500	\$17,000	21	11

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
One Day Plan Design and Review and Approval (Velocity Sign-Off Program)	\$25,000	N/A	1	N/A

***Review times are estimated; Actual time may vary.**

- (d) **DC Water “Velocity” Sign-Off Program** (One Day Final Plan Review and Approval) - a DCRA permit applicant may request to participate in the DC Water “Velocity” program in accordance with the following requirements:
- (1) Participation in DC Water’s “Velocity” Sign-Off Program only applies to plans resubmitted after DC Water’s initial standard or expedited plan review.
 - (2) Applicant shall pay the minimum DC Water “Velocity” Sign-Off Program fee of \$25,000 in addition to the applicable plan review fee and any other applicable fees.
 - (3) DC Water shall determine if the plans are eligible (complete and suitable) to participate in the program and that staff are available to perform the review requested.
 - (4) Upon acceptance into the DC Water “Velocity” Sign-Off Program, DC Water shall schedule a meeting with the Applicant to review and approve the plans, not less than one (1) week after the request to participate in the program.
 - (5) DC Water shall schedule one four-hour plan review and approval meeting, during which the Applicant shall present the revised plans and responses.
 - (6) If approved, the Applicant shall pay all required fees (e.g., SAF, inspection review, deposits, etc.) and DC Water shall issue the Water and Sewer Approval Certificate and approve the plans in ProjectDox.
 - (7) If DC Water issues additional comments or requirements, the applicant shall resubmit the revised plans within two (2) business days, and if all comments are acceptable, the plans shall be approved within one business day.
- (e) **Existing/Proposed As-Built Fee** shall be as provided in the table below as follows:

Fee Name	Fee
Small Residential or Townhouse	\$250 (each bldg.)
Small Non-Residential	\$500 (each bldg.)
Small Hybrid	\$750 (each bldg.)
Large Project	\$750 (Each Connection – water or sewer)
Installation of New Water or Sewer Main (20 to 100 feet)	\$2,500
Each additional 200 feet of water line	\$2,000
Each additional 400 feet of sewer main/line	\$2,000
Installation of Water Line - larger than 24" in diameter	Determined on a per project basis
Installation of Sewer - larger than 60" in diameter	Determined on a per project basis

- (f) **Construction Phase Customer Support Fee** that provides a singular DC Water contact to assist the applicant during construction with coordination between the various DC Water departments for meetings, and services, including, but not limited to: tap requests, meter sets, valve shuts, pre-construction meetings, CCTV coordination, lead service replacements, cooling system metering, plan revision approval, and billing questions. The Construction Phase Customer Support Fee shall be as provided in the table below as follows:

Fee Name	Fee
Residential Projects (including new Small Residential or Townhouse water/sewer connections, raze, temporary connection, 2" or less water meter)	\$500
Small Non-Residential or Hybrid (including new connections, raze, temporary connection, 2" or less water meter)	\$2,000
Large (including new connections, raze, sheeting and shoring, temporary connection, 3" or larger water meter)	\$4,500

Subsection 112.6 is amended to read as follows, effective July 22, 2022:

- 112.6 Waste Hauler Permit and Disposal Fees; Pretreatment Industrial User Permit and Sampling Fees; High Strength Waste Fees; and FOG Facility fees shall be as follows:

Fee Name	Fee
Waste Hauler Discharge Annual Permit Fee per Vehicle	\$50
Waste Hauling Disposal Fees	
High strength grease trap waste	\$0.077 per gallon
High strength septage waste	\$0.077 per gallon
Domestic strength waste	\$0.004 per gallon
Low strength waste	\$0.004 per gallon
Industrial User Permit Fees	
Permit Initial Fee	\$2,865
Permit Renewal Fee	\$955
Industrial User Annual Compliance Fees	
Significant or Non-Significant Categorical Industrial User	
1 Outfall	\$3,290
2 or more Outfalls	\$4,560
Significant Non-Categorical Industrial User Fees	
1 Outfall	\$3,290
2 or more Outfalls	\$4,560
Non-Significant Non-Categorical User	
1 Outfall	\$745
2 or more Outfalls	\$955
High Strength Waste Fees	
Biochemical Oxygen Demand (BOD)	\$0.162 per pound
Total Suspended Solids (TSS)	\$0.278 per pound
Total Kjeldahl Nitrogen (TKN) or Total Nitrogen (TN)	\$1.662 per pound
Total Phosphorus (TP)	\$5.234 per pound
Fats, Oil and Grease (FOG) Facility Monthly Fee	\$18.70 per month

Subsection 112.12(a) is amended to read as follows, effective July 22, 2022:

112.12 Cross-Connection/ Back Flow Prevention Fees and Turn-Off Charges

- (a) The Cross-Connection/ Back Flow Prevention Fees and Turn-Off Charges shall be as follows:

Fee Name	Fee
Cross-Connection/Back Flow Prevention Monthly Fee per Assembly	\$6.70
Cross-Connection Turn-off - 5/8" to 2"	\$215
Cross-Connection Turn-off - 3" to 5"	\$425
Cross-Connection Turn-off - 6" and larger	\$955

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Publish Notice of Final Rulemaking for Fiscal Year 2023 and 2024 Adjusted Retail Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRIAC), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate

**#22-45
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 July 7, 2022 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the Publication of the Notice of Final Rulemaking for the Fiscal Year 2023 and Fiscal Year 2024 Adjusted Retail Metered Water and Sewer Rates, Clean Rivers Impervious Area Charge (CRIAC), Payment In Lieu of Taxes Fee (PILOT), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate.

WHEREAS, pursuant to Resolution 11-10, dated January 6, 2011, 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 and 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, pursuant to Resolution 13-79, dated July 3, 2013 and Resolution 17-52, dated September 7, 2017, DC Water established three classes of customers: residential, multi-family and non-residential, as promulgated in Section 4104 of Title 21 of the District of Columbia Municipal Regulations (DCMR); and

WHEREAS, on February 22, 2022 the DC Retail Water and Sewer Rates Committee met to consider the proposed rates, charges and fees changes for Fiscal Year (“FY”) 2023 and FY 2024 developed in accordance with the 2022 Cost of Service Study and recommended the Board approve the publication of the Notice of Proposed Rulemaking (NOPR) for public comment; and

WHEREAS, on March 3, 2022, the Board through Resolution #22-24, approved the publication of the NOPR and Notice of Public Hearing (NOPH) in the District of Columbia Register (*D.C. Register* or DCR) for public comment on the proposed FY 2023 & 2024 rates, charges and fee adjustments in accordance with D.C. Official Code § 34-2202.16(b), 21 DCMR Chapter 40, and the District of Columbia's Administrative Procedures Act; and

WHEREAS, on March 18, 2022, DC Water published the NOPR in the *D.C. Register* at 69 DCR 2288, and published the NOPH at 69 DCR 2137 to receive public comments on the NOPR during the public comment period ending May 16, 2022 and at a Public Hearing scheduled for May 11, 2022; and

WHEREAS, from March 18, 2022 to May 11, 2022, DC Water held: 2 in-person and 2 on-line Town Hall meetings, virtual briefings to members of Apartment and Office Building Association (AOBA), virtual briefings to Constituent Services Directors for District Councilmembers, virtual briefings to Mayor's Office of Community Relations staff, and virtual briefings to local non-profit community partners; and

WHEREAS, on May 11, 2022, the Board held a virtual Public Hearing on the FY 2023 & 2024 rates and fee adjustments presented in the NOPR to receive comments and testimony from the General Manager, Chief Financial Officer, Amawalk Consulting, and public witnesses: Office of the Peoples Counsel and Anacostia Watershed Society; and

WHEREAS, on June 28, 2022, the DC Retail Water and Sewer Rates Committee met to consider the General Manager's response to comments received at the Public Hearing and during the public comment period, and recommendations for the final proposed FY 2023 & 2024 rates and fees adjustments; and

WHEREAS, the General Manager discussed DC Waters response to comments submitted by the Office of the Peoples Counsel, the Anacostia Watershed Society and members of the public; and

WHEREAS, the General Manager recommended the DC Retail Water and Sewer Rates Committee recommend to the Board to adopt and approve as final the FY 2023 & 2024 rate and fee adjustments as presented in Resolution # 22-24 and published in the NOPR; and

WHEREAS, on July 28, 2022, after having evaluated the revenue requirements and projections, anticipated capital and operating expenditures, various funding sources, the public comments, and the recommendation of the General Manager, the DC Retail Water and Sewer Rate Committee recommended the Board adopt and approve the FY 2023 & FY 2024 retail water and sewer rate adjustments, increased groundwater sanitary and high flow backwash sewer rates, decreased CRIAC in FY 2023 and increased CRIAC in FY 2024, and increased Payment-In-Lieu of Taxes Fee as proposed in the NOPR; and

WHEREAS, on July 7, 2022, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the recommendation of the General Manager, and comments received during the public comments period, in-person and virtual Town Hall meetings and the May 11, 2022 virtual Public Hearing, the District members of the Board of Directors, upon further consideration and discussion, approved the FY 2023 & 2024 rate and fee adjustments.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopts the following adjusted rates, charges and fees:

Water Service Rates

- a. The retail rates for metered water services for FY 2023 and FY 2024 shall be as follows:

Metered Water Services

	FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers - (0 – 4)	\$3.63	\$4.85	\$4.28	\$5.72	\$4.38	\$5.86	\$0.65	\$0.87	\$0.10	\$0.14
Residential customers – (> 4)	\$4.74	\$6.34	\$5.58	\$7.46	\$5.70	\$7.62	\$0.84	\$1.12	\$0.12	\$0.16
Multi-Family customers	\$4.15	\$5.55	\$4.90	\$6.55	\$5.00	\$6.68	\$0.75	\$1.00	\$0.10	\$0.13
Non-Residential customers	\$4.91	\$6.56	\$5.78	\$7.73	\$5.89	\$7.87	\$0.87	\$1.17	\$0.11	\$0.14

Sanitary Sewer Service Rates

- b. The retail rates for metered sanitary sewer services for FY 2023 and FY 2024 shall be as follows:

Metered Sewer Services

	FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$10.64	\$14.22	\$11.26	\$15.05	\$11.70	\$15.64	\$0.62	\$0.83	\$0.44	\$0.59
Multi-Family customers	\$10.64	\$14.22	\$11.26	\$15.05	\$11.70	\$15.64	\$0.62	\$0.83	\$0.44	\$0.59
Non-Residential customers	\$10.64	\$14.22	\$11.26	\$15.05	\$11.70	\$15.64	\$0.62	\$0.83	\$0.44	\$0.59

Clean Rivers Impervious Area Charge (CRIAC)

- c. The annual CRIAC shall be decreased from \$220.80 to \$217.68 per Equivalent Residential Unit (ERU) in FY 2023 and the proposed annual CRIAC shall be increased from \$217.68 to \$262.32 per ERU in FY 2024. The proposed annual CRIAC charge per ERU shall be billed monthly as follows:

Clean Rivers Impervious Area Charge (CRIAC)

	FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
	ERU	ERU	ERU	ERU	ERU	ERU	ERU	ERU	ERU	ERU
Residential customers	\$18.40	\$18.14	\$21.86				(\$0.26)			\$3.72
Multi-Family customers	\$18.40	\$18.14	\$21.86				(\$0.26)			\$3.72
Non-Residential customers	\$18.40	\$18.14	\$21.86				(\$0.26)			\$3.72

**District of Columbia Pass Through Charge
Right-of-Way Occupancy Fee and PILOT Fee**

d. There is no increase in the Right-of-Way Occupancy Fee in FY 2023 and FY 2024, which shall be as follows:

ROW

	FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$0.19	\$0.25	\$0.19	\$0.25	\$0.19	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00
Multi-Family customers	\$0.19	\$0.25	\$0.19	\$0.25	\$0.19	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00
Non-Residential customers	\$0.19	\$0.25	\$0.19	\$0.25	\$0.19	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00

e. The Payment-in-Lieu of Taxes Fee for FY 2023 and FY 2024 shall be as follows:

PILOT

	FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential customers	\$0.56	\$0.75	\$0.59	\$0.79	\$0.61	\$0.82	\$0.03	\$0.04	\$0.02	\$0.03
Multi-Family customers	\$0.56	\$0.75	\$0.59	\$0.79	\$0.61	\$0.82	\$0.03	\$0.04	\$0.02	\$0.03
Non-Residential customers	\$0.56	\$0.75	\$0.59	\$0.79	\$0.61	\$0.82	\$0.03	\$0.04	\$0.02	\$0.03

Retail Groundwater Sanitary Sewer Service Rate

f. The retail sanitary sewer rate for the discharge of Groundwater for FY 2023 and FY 2024 shall be as follows:

Groundwater

FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
\$2.83	\$3.78	\$3.42	\$4.57	\$3.50	\$4.68	\$0.59	\$0.79	\$0.08	\$0.11

High Flow Filter Backwash Sewer Rate

g. The proposed retail sanitary sewer rate for High Flow Filter Backwash Sewer for FY 2023 and FY 2024 shall be as follows:

High Flow Filter Backwash Wastewater Retail Sewer Rate

FY 2022		FY 2023		FY 2024		FY 2023 vs. FY 2022 Incr. / (Decr.)		FY 2024 vs. FY 2023 Incr. / (Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
\$3.03	\$4.05	\$3.21	\$4.29	\$3.30	\$4.41	\$0.18	\$0.24	\$0.09	\$0.12

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required to publish the Notice of Final Rulemaking to amend the District of Columbia Municipal Regulations to promulgate the adjusted rates, charges and fees in accordance with the District of Columbia’s Administrative Procedures Act.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 7, 2022

SUBJECT: Approval to Publish Notice of Emergency and Proposed Rulemaking to Extend the DC Water Cares Emergency Relief Program for Low-Income Customers (Residential Assistance Program “RAP”) and Multifamily Assistance Program for Low Income Multifamily Tenants (Multifamily Assistance Program “MAP”) for Fiscal Year 2023 and Amend the CAP2 Recertification Requirements

**#22-46
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 July 7, 2022 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposal to extend the DC Water Cares Emergency Relief Program for Low-Income Customers (“Residential Assistance Program” or “RAP”) and Multifamily Assistance Program for Low-Income Multifamily Tenants (“MAP”) for Fiscal Year 2023 and Amend the CAP2 Recertification Requirements.

WHEREAS, on September 3, 2020, the Board, through Resolution #20-65, approved the allocation of \$3 million to continue the District’s Emergency Residential Program in FY 2021 to provide one-time assistance up to \$2,000 to residential customers economically impacted by COVID-19 and to allocate \$7 million to establish a new program to provide one-time assistance to multi-family buildings where the occupants have been impacted by COVID and payment plans are established and adhered with the assistance determined and provided per affordable unit, and on a matching basis; and

WHEREAS, on December 2, 2021, the Board, through Resolution # 21-114, authorized the General Manager to amend the District of Columbia Municipal Regulations to extend the implementation of the DC Water Cares – Emergency Relief Program for Low-Income Residential Customers (Residential Assistance Program (RAP)) and Multifamily Assistance Program (MAP) due to ongoing economic impacts as a result of COVID-19, which continued to cause the number of potential eligible customers in arrears to increase, and the uncertainty of federal assistance programs to provide assistance for customers in need; and

WHEREAS, the Board, through Resolution #21-114, also authorized the General Manager to amend the Customer Assistance 2 (CAP2) the District of Columbia Municipal Regulations to waive the FY 2021 CAP2 customer's recertification requirements for FY 2022 due to the Public Service Commission (PSC) Order 20990 that waived the recertification requirements for all FY 23032 Utility Discount Program participants for FY 2022; and

WHEREAS, on June 28, 2022, the DC Water and Sewer Rates Committee met to consider the status of the DC Water Cares: RAP and MAP programs and the General Manager's recommendations for Fiscal Year 2023; and

WHEREAS, the General Manager presented the status of the CAP2, RAP and MAP programs noting that CAP2 is anticipated to be over budget due increased outreach and recertification waiver, RAP will be under budget due to the introduction of the federal funded Low Income Household Water Assistance Program (LIHWAP) in FY 2022, but without LIHWAP, RAP enrollment and disbursements will increase in FY 2023, and MAP is under budget, but enrollment is anticipated to increase in FY 2023 with more owner education and increased incentives; and

WHEREAS, on November 4, 2021 the Board, through Resolution #21-99 approved the: 1) transfer from the FY 2022 \$5.0 million Targeted Assistance Fund: \$223,962.95 to the FY 2021 CAP and CAP2 Programs Budget, \$634,401.00 to the FY 2022 CAP and CAP2 Programs Budget, \$1,892,843.08 to the FY 2022 RAP Program Budget and \$2,248,792.97 to the MAP Program Budget, 2) rollover \$5,332,200.77 of the FY 2021 RAP and MAP balance amount for RAP and MAP Programs to the FY 2022 RAP and MAP Programs Budget, and 3) allocation of \$250,000.00 from FY 2021 MAP balance to Administrative Costs for RAP, MAP and CAP Programs for FY 2022; and

WHEREAS, the General Manger projected the unexpended balance for DC Water Cares: RAP and MAP at \$1.6 Million and \$3.2 Million, respectively, and recommended extending both programs for FY 2023 with changes to the MAP benefits calculation multiplier from three to six months average and modifying the tenant/owner credit distribution from 90/10 to 80/20 to increase MAP owner incentive and participation as presented in Attachment A; and

WHEREAS, the General Manager also recommended amending the CAP2 regulations to delete the FY 2022 CAP2 recertification waiver language since the PSC did not waive the recertification requirements for FY 2023; and

WHEREAS, the General Manager recommended these amendments be made through an emergency rulemaking to maintain the continuity of benefits for customers that continue to be in need due to the economic impacts of COVID-19 until the Board holds a Public Hearing and the final rulemaking is published on October 21, 2022; and

WHEREAS, after further consideration and discussion, the DC Retail Water and Sewer

Rates Committee recommended the Board adopt and approve the publication of the Notice of Emergency and Proposed Rulemaking to amend 21 DCMR 4102 Customer Assistance Program, revising CAP2 and DC Water Cares: RAP and MAP regulations as proposed by the General Manager; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the publication of the Notice of Emergency and Proposed Rulemaking (NOEPR) to amend 21 DCMR 4102 Customer Assistance Program as recommended by the DC Retail Water and Sewer Rates Committee and the General Manager to extend the DC Water Cares: RAP and MAP and amend the CAP2 recertification requirements, effective for 120 days as provided in Attachments A, effective October 1, 2022.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall publish the Notice of the Emergency and Proposed Rulemaking and Notice of Public Hearing in accordance with the District of Columbia Administrative Procedure Act and implementing rules and D.C. Official Code § 34-2202.16.
3. This resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

1. Subsection 4102.2, Customer Assistance Program II (CAP2), of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for not more than the entire fiscal year, beginning October 1st and terminating on September 30th, subject to the availability of budgeted funds.
 - (1) Approved CAP2 customers that submitted a complete application to DOEE before November 1st, shall receive CAP2 benefits retroactive to October 1st and terminating on September 30th of that fiscal year.
 - (2) Approved CAP2 customers that submitted a complete application on or after November 1st, shall receive CAP2 benefits as of the date of submittal and terminating on September 30th of that fiscal year.
 - (3) Customers shall reapply each year for CAP2 benefits to receive CAP2 benefits.

2. Subsection 4102.9, DC Water Cares Emergency Relief Program for Low-Income Residential Customers, of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.9 DC Water Cares Emergency Relief Program for Low-Income Residential Customers

- (a) Participation in the DC Water Cares Emergency Relief Program (DC Water Cares) shall be limited to a single-family or individually metered low-income Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services; and
 - (2) DOEE has determined that the applicant's annual household income is equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.

- (b) An approved customer shall receive the following benefits:
 - (1) Credit of one hundred percent (100%) off of the past due water and sewer bill balance; and
 - (2) The total amount of credits provided shall not exceed Two Thousand (2,000) dollars during Fiscal Year 2023.
- (c) Upon DC Water's receipt of notice from DOEE that the applicant meets the financial eligibility requirements, DC Water shall provide the credits to the customer's account from the date that DOEE accepts a completed application and for future qualifying events that may lead to collection activities to the end of the fiscal year in which the application was submitted.
- (d) The DC Water Cares Emergency Relief Program shall terminate on September 30, 2023.
- (e) Customer that received DC Water Cares benefits in FY 2022 must submit a renewal CAP or CAP2 application to DOEE to receive DC Water Cares benefits in Fiscal Year 2023.
- (f) If DC Water determines that the remaining budgeted funds are insufficient to provide DC Water Cares benefits, DC Water may:
 - (1) Suspend the process for accepting DC Water Cares applicants; or
 - (2) Suspend or adjust providing DC Water Cares benefits to eligible recipients.

3. Subsection 4102.10, DC Water Cares: Multifamily Assistance Program (MAP), Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.10 DC Water Cares: Multifamily Assistance Program (MAP).

- (a) The DC Water Cares: Multifamily Assistance Program (MAP) provides up to two thousand (\$2,000) per eligible unit of emergency relief to an eligible Occupant residing in a participating Multi-Family Customer's premises.
- (b) For purposes of this subsection, Non-Residential Customers whose premises has four or more dwelling units, are deemed Multi-Family Customers, as defined in 21 DCMR 4104, and eligible to apply to participate in the MAP.

- (c) For purposes of this subsection, the term “Occupant” includes a person that resides in a dwelling unit in an apartment, condominium, or cooperative housing association.
- (d) Multi-Family Customers and their eligible Occupants may participate in the MAP by complying with the requirements in this subsection.
- (e) To participate in the MAP, a Multi-Family Customer shall:
 - (1) Maintain an active DC Water account and be responsible for paying for water and sewer services at a Multi-Family Customer’s property that is:
 - (A) Not owned or operated by the District of Columbia or
 - (B) Not owned or operated by the Federal Government.
 - (2) Have one or more eligible Occupant in an active lease or rental agreement, condominium housing association deed or title, or cooperative housing association occupancy agreement or title to reside in their premises;
 - (3) Complete and submit a DC Water Cares: Multifamily Assistance Program Terms and Conditions Application and comply with DC Water requests for information and access to the premises as necessary to determine compliance with the MAP requirements;
 - (4) Upon approval to participate in the MAP, comply with all the MAP Terms and Conditions, post the MAP flier in a conspicuous location in the building or include the MAP flier in a notice or invoice to all unit Occupants to inform the Occupants about the MAP and encourage them to apply for assistance, if eligible;
 - (5) Upon receipt of MAP Credits, apply ninety percent (80%) of the MAP Credits to the DC Water approved eligible Occupant’s account within thirty (30) days of receipt of the MAP Credit, and the remaining ten percent (20%) shall be maintain as a credit on the DC Water account;
 - (6) Notify the eligible Occupant in writing that the credits were applied to their account within thirty (30) days of the receipt of the MAP Credit;
 - (7) Enter a payment plan agreement with DC Water for any remaining arrears outstanding on the DC Water account within sixty (60) days of receipt of the first MAP Credits; and

- (8) Notify DC Water within thirty (30) days of any change in ownership or the eligible Occupant's occupancy.
- (f) To be eligible to participate in the MAP, an Occupant shall be (1) named on the occupancy agreement, including, but not limited to a lease or rental agreement, condominium deed or title, or cooperative housing association occupancy agreement or title, (2) reside in a Multi-Family Customer's property that is master metered and approved to participate in the MAP, and (3) meet one of the following requirements:
- (1) Reside in an Affordable Housing Unit as defined in 21 DCMR § 199.1, provided the Occupant does not notify DC Water to be excluded from receiving MAP assistance within ten (10) days of receipt of notice of eligibility from DC Water; or
 - (2) Meet the annual household income limits equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit as follows:
 - (A) Occupant submits a Resident Application for DC Water Cares: Multifamily Assistance Program to the District of Columbia Department of Energy and Environment (DOEE) and DOEE determines that the applicant meets the annual household income requirements;
 - (B) Occupant that is eligible to receive Low-Income Energy Assistance Program (LIHEAP) or Utility Discount Program (UDP) assistance during Fiscal Year 2023 as determined by DOEE, shall be categorically eligible to participate in the MAP, provided they do not notify DC Water to be excluded from participating within ten (10) days of receipt of the notice of eligibility from DC Water; or
 - (C) Occupant that is eligible to receive assistance for public benefits programs during Fiscal Year 2023, including, but not limited to, the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or medical assistance programs, through Medicaid, Alliance and DC Healthy Families programs as determined by the District of Columbia Department of Human Services, shall be categorically eligible to participate in the MAP, provided they notify DC Water that they agree to participate in the MAP within ten (10) days of receipt of the notice of eligibility, but not later than September 21, 2023.

- (3) Occupant is not eligible to receive MAP assistance if they:
 - (A) Reside in a dwelling unit that is 100% subsidized.
- (g) DC Water shall notify the approved Multi-Family Customer and approved Occupant(s), setting forth the amount of the approved MAP Credits.
- (h) DC Water shall apply up to two thousand dollars (\$2,000) in MAP Credits per eligible unit during Fiscal Year 2023 on an approved Multi-Family Customer's DC Water account that has one or more eligible Occupant as follows:
 - (1) The MAP Credits provided per eligible unit shall be calculated based on the greater of A. or B., which is then divided by the total number of dwelling units in the premises:
 - (A) The average of the Multi-Family Customer's DC Water charges billed from October 1, 2021 to September 30, 2022 subtracting any amount of water and sewer charges applicable to any retail/commercial units and that result is multiplied by six (6); or
 - (B) Total amount of the outstanding balance on the Multi-Family Customer's DC Water account as of September 30, 2022 subtracting any water and sewer charges applicable to any retail/commercial units.
 - (2) DC Water shall revoke the amount of the MAP Credits applied to a Multi-Family Customer's DC Water account and charge the customer's account the full amount of the MAP Credits, if one or more of the following violations is not corrected within ten (10) days of the date of the notice of violation from DC Water:
 - (A) Failure to comply with the MAP Terms and Conditions;
 - (B) Failure to enter into a payment plan agreement within sixty (60) days of the receipt of the first MAP Credits to establish a payment schedule for any remaining outstanding charges;
 - (C) Failure to apply the MAP Credits to the Occupant's account within thirty (30) days of receipt of the MAP Credits; or
 - (D) Multi-Family Customer or Occupant commits fraud or makes false statements in connection with the MAP.

- (i) Multi-Family Customer that receives MAP Credits on their DC Water account shall:
 - (1) Apply ninety percent (80%) of the total MAP Credits for the approved Occupant on their account within thirty (30) days of the date of the notice of the amount of the Credits from DC Water, and the remaining ten percent (20%) shall be maintain as a credit on the DC Water account;
 - (2) Notify the approved Occupant, in a statement or separate writing, that the credit has been applied to their account within thirty (30) days of receipt of the MAP Credits from DC Water;
 - (3) Notify DC Water within thirty (30) days of any change in ownership if DC Water has not applied the MAP Credits to the Multi-Family Customer's DC Water account;
 - (4) Notify DC Water within thirty (30) days of any change in the Occupant's occupancy if the MAP Credits have not been applied to the Occupant's account;
 - (5) Provide the Occupant any MAP Credits remaining in their account if the Occupant terminates their occupancy;
 - (6) Provide, upon DC Water's request, documentation confirming that the MAP Credits have been applied to the Occupant's account;
 - (7) Provide DC Water access to the premises and records to conduct an audit to determine compliance with these regulations and the MAP Terms and Conditions; and
 - (8) Maintain all documents related to the MAP Terms and Conditions Application, receipt and handling of MAP Credits, and notices to approved Occupant(s).
- (j) The DC Water Cares MAP shall terminate September 30, 2023.
- (k) Multi-Family Customer that received MAP Credits in FY 2022 must submit a renewal DC Water Cares: Multifamily Assistance Program Terms and Conditions Application to DC Water to receive MAP Credits in Fiscal Year 2023.
- (l) Occupant residing in multifamily properties that received MAP Credits on their account in FY 2022 must submit a renewal Resident Application for DC Water Cares: Multifamily Assistance Program to DOEE to receiving MAP Credits in Fiscal Year 2023.

- (m) If DC Water determines that budgeted funds are insufficient to provide DC Water Cares MAP Credits, DC Water may:
 - (1) Suspend the process for accepting DC Water Cares MAP applications; or
 - (2) Suspend or adjust providing DC Water Cares MAP Credits to eligible Multi-Family Customer's DC Water account.

- (n) DC Water shall notify a Multi-Family Customer or Occupant if they are denied eligibility for the MAP by issuing a Notice of Denial, which shall contain a written statement of the basis for the denial and advising the Multi-Family Customer or Occupant of the following:
 - (1) Multi-Family Customer or Occupant may challenge the denial of eligibility to participate in the MAP by:
 - (A) Submitting a written Request for Reconsideration within fifteen (15) days of the date of the Notice of Denial; and
 - (B) Providing a statement of the basis why they should be eligible and supporting documentation.
 - (2) The General Manager shall review the Request for Reconsideration and make a final determination of eligibility.
 - (3) The Multi-Family Customer or Occupant may request an Administrative hearing in writing, within fifteen (15) days of the date of the General Manager's written final determination, if he or she is not satisfied with the General Manager's determination; and
 - (4) The Customer shall be notified in writing of the date and time of the Administrative Hearing, if requested.

All persons desiring to comment on this Notice of Emergency and Proposed Rulemaking should submit comments in writing not later than [5 days after HEARING DATE]. Comments should be submitted to Linda R. Manley, Secretary to the Board, District of Columbia Water and Sewer Authority, 1385 Canal Street, S.E., Washington, D.C. 20003, by email to Lmanley@dcwater.com, or by FAX at (202) 787-2795. Copies of the Notice of Emergency and Proposed Rulemaking may be obtained from DC Water at the same address or by contacting Ms. Manley at (202) 787-2330.