



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
293rd MEETING OF THE BOARD OF DIRECTORS



Thursday, January 5th, 2023

9:30 a.m.

Headquarters

1385 Canal Street, SE

2nd Floor-Board Room

Microsoft Teams

Join on your computer, mobile app or room device

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Passcode: 52us2X

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

- I. Call to Order (Chairperson Tommy Wells)**
- II. Roll Call (Alfonzo Kilgore Stukes, Acting Board Secretary)**
- III. [Approval of the December 1, 2022, Meeting Minutes](#)**
- IV. Chairman's Overview**
- V. Committee Reports**
 1. [Strategic Management Committee \(Tommy Wells\)](#)
 2. [Environmental Quality & Operations Committee \(Sarah Motsch\)](#)
- VI. Issues of General Interest**
- VII. [CEO/General Manager's Report \(David Gadis\)](#)**
- VIII. [Contract Summary \(FYI\)](#)**
- IX. Consent Items (Joint Use)**
 1. [Approval to Execute additional Funding and Exercise Option Year Two \(2\) of Contract No. 20-PR-WWT-45A, Jet Blast, Inc.- Resolution No. 23-00 \(Recommended by the Environmental Quality & Operations Committee 12/15/2022\)](#)
 2. [Approval to Execute Additional Funding for Contract No. 14-PR-DMS- 01, KBS, Inc.- Resolution No. 23-01 \(Recommended by the Environmental Quality & Operations Committee 12/15/2022\)](#)

3. [Approval to Execute Additional Funding for Contract No. 10121, Electric Motor & Contracting Co. \(EMC\) – Resolution No. 23-02 \(Recommended by the Environmental Quality & Operations Committee 12/15/2022\)](#)
4. [Approval to Execute Change Order No. 09 of Contract No. 190070, Hess Construction & Engineering Services, Inc.- Resolution No. 23-03 \(Recommended by the Environmental Quality & Operations Committee 12/15/2022\)](#)

X. Consent Items (Non-Joint Use)

NONE

XI. Executive Session*

XII. Adjournment (Chairperson Tommy Wells)

The Board will hold its Annual Budget Workshop immediately following this meeting.

Upcoming Committee Meetings– (via Microsoft Teams)

- **Governance Committee- Wednesday, January 11th @ 9 am**
- **Human Resources & Labor Relations Committee w/ Union Presidents- Wednesday, January 11th @ 11 am**
- **Environmental Quality and Operations Committee – Thursday, January 19th @9:30 a.m.**
- **DC Retail Water and Sewer Rates Committee – Tuesday, January 24th @ 9:30 a.m.**
- **Joint Meeting of the Retail Water & Sewer Rates and Finance & Budget Committees- Tuesday, January 24th @10:15 a.m.**
- **Finance and Budget Committee – Tuesday, January 24th @11:00 a.m.**
- **Audit and Risk Committee- Thursday, January 26th @ 9:30 a.m.**

¹The 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 certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under DC Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under DC Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under DC Official Code § 2-575(b)(4)(A); collective bargaining negotiations under DC Official Code § 2-575(b)(5); facility security matters under DC Official Code § 2-575(b)(8); disciplinary matters under DC Official Code § 2-575(b)(9); personnel matters under DC Official Code § 2-575(b)(10); third-party proprietary matters under DC Official Code § 2-575(b)(11); train and develop Board members and staff under DC Official Codes § 2-575(b)(12); adjudication action under DC 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 DC Official Code § 2-575(b)(14); and other matters provided under the Act.



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

**STRATEGIC MANAGEMENT
COMMITTEE MEETING**

**TUESDAY, DECEMBER 6, 2022
VIA MICROSOFT TEAMS**

MEETING MINUTES

Members Present

Tommy Wells, Board Chairperson, District of Columbia
Tara Jackson, Vice Chairperson, Prince George's County
Rachna Bhatt, Vice Chairperson, District of Columbia
Anthony Giancola, District of Columbia
Howard Gibbs, District of Columbia
Floyd Holt, Prince George's County
Christopher Herrington, Fairfax County
Sarah Motsch, Fairfax County

Staff Present

David Gadis, CEO/General Manager
Marc Battle, Executive Vice President, Legal Affairs
Wayne Griffith, Executive Vice President, Strategy and Performance
Matt Ries, Director, Strategy, and Sustainability
Alfonzo Kilgore Stukes, Acting Board Secretary

Call to Order

Chairperson Wells called the meeting to order at 9:30 a.m. Alfonzo Kilgore Stukes, Acting Board Secretary, called the attendance of committee members and staff present.

Chairperson Wells indicated that because of another event, he would need to drop off the meeting early and asked one of the Vice-Chairpersons, either Ms. Bhatt or Ms. Jackson, to take over for him.

Context and Purpose of Strategic Management Committee

Mr. Wayne Griffith, Chief Strategy and Performance Officer, provided the Strategy Management presentation and introduced Matt Ries, Director of Strategic Leadership and Sustainability. He indicated that this is a refresh of the previous Strategic Planning Committee, which has been advanced to the Strategic Management Committee. He stated that this is the first meeting of the reformulation of the Committee, and they are taking the opportunity to explain why the meeting is being held and why they are launching this in a different direction. Historically the Board had a Strategic Planning Committee, a Committee of the Whole, which provided input during periodic

strategic planning. For several years the Committee did not meet due to the COVID pandemic. The Board is in a five-year phase where the Board desires engagement in early-stage strategic issues and updates on advancing strategic goals.

Mr. Griffith stated that there were other changes made, which included decreasing the Committee's size from a Committee of the Whole down to nine to ten members, meeting bi-annually following the FY fourth quarter when an annual report will be received on strategic progress, and being the primary venue to obtain and provide input on early-stage strategic issues. Benefits of changes include a smaller, more nimble Committee, a bi-annual cadence appropriate for the level and urgency of committee topics, timing of meetings synchronized with staff quarterly status meetings on progress, reflections on the current state of strategic management at D.C. Water, and providing a structured forum for discussion of early-stage strategic issues. He reported that the changes approved in September and October were recommended by the Governance Committee for Board approval and acted on through the amendment of the By-laws.

Board Member Giancola asked to see the latest Blueprint Plan and the Key Performance Indicators (KPIs) developed and wanted to know how the committees input into this. He observed that there had been many different forms of the strategic planning or management function, but it all depends on how the plan is being met and managed, which is why they need to review the Blueprint and KPIs. Chairperson Wells agreed and stated that he had already made the same recommendation: everything needs to relate to Blueprint and how the committees relate to the Strategic Plan. This has to get into everyone's DNA. Mr. Griffith stated that they are mobilizing and operationalizing the strategy so that they do not just have a document. The Plan must be managed and institutionalized within D.C. Water to be accurate. He agreed to send the Committee members a link to the Blueprint 2.0 Plan for easy access.

Strategic Management Function at D.C. Water

Dr. Ries presented information which included slides on the strategic management function at D.C. Water and what it looks like. He stated that the meeting was the first one since the Committee's restructuring, and they want to ensure that the Board has what it needs. Dr. Ries noted that they are determined to refine this significant function. There are five organizational imperatives in Blueprint, and each has an imperative accountable owner who is a member of Mr. Gadis' senior team. They are Lisa Stone, Executive Vice President (EVP) of People and Talent, Imperative – Healthy, Safe and Well; Kishia Powell, EVP and Chief Operating Officer, Imperative - Reliable; Marc Battle, EVP, and Legal Affairs, Imperative - Resilient; Matt Brown, EVP and Chief Financial Officer, Imperative - Sustainable; and Kirsten Williams, EVP and Chief Communications and Stakeholder Engagement, Imperative – Equitable. Dr. Ries explained a few organizational imperatives' strategic themes and goals. There are 25 strategic themes and 110 goals, with 1 to 9 goals under each imperative. He also gave examples under goals of ongoing activities and programs of work. With this system, they can advance Strategic Management Maturity (SMM). The eight dimensions of SMM are leadership, engagement, strategic thinking, alignment, performance management, performance measurement, process improvement, and digital, which breakdown into 34 initiatives.

The timeline included activities in FY 2022 supporting the Blueprint and activities planned for FY 2023. The FY 2022 activities were the Strategy Palooza which kicked off the launch of Blueprint 2.0; the Strategic Management Maturity Assessment; mobilization; adding the Director and Project Manager; the Strategic Management Audit; four status meetings; and events to socialize Blueprint 2.0 starting with a senior leadership retreat, employee town hall meeting, and frontline

leadership retreat. In FY 2023, first-quarter activities will include workstream prioritization budget alignment to support budget decision-making, a continuation of status meetings, and a Finance and Budget retreat.

The audit in FY 2022 pointed out one high-risk audit finding relating to the goal data collecting process completeness and accuracy. It was related to putting controls in place to ensure completeness and accuracy in the future. Dr. Ries stated that they want to make the process as simple as possible for everyone, including employees, and to implement data centralization. They have successfully aligned the Blueprint with the budget process for the first time. They have successfully prioritized where the money is being spent with the Blueprint.

The Board has held joint Board meetings quarterly, which foster better decision-making by the Board committees and the full Board. They will continue, and the Board will be a clearinghouse for strategies and ideas.

Strategic Management Reporting

Dr. Ries then discussed reporting activities that ensure progress transparency, including data integration and dashboarding. KPIs will be tracked and presented in the dashboard to show progress against goals. Data use reporting will include internal status meetings, Board Strategic Management Committee meetings, and the annual D.C. Council Oversight Hearing with the availability of the annual report.

In reference to the audit finding that there was no established process to validate or review the completeness and accuracy of the data used to measure the progress of goal metrics, Dr. Ries stated that they are shifting the organization's culture to address the audit finding through accountability. They will automate the data collection and ensure it is complete through quality assurance and quality control. The Environmental, Social, and Government Report has twice been completed and includes Blueprint goals, progress, and KPIs.

Board Member Herrington commended them and asked about scoring on Slide 10 related to scoring the dimensions of Strategic Management Maturity. He noted that it appears that all eight dimensions have been scored in the middle out of 5, and there is no difference. Also, he asked about the employee town hall meetings and what came out of them. Mr. Herrington commended them on engaging all levels in the socializing process. He wanted to see the report, notes, or anything else he could refer to from the interactions. Lastly, he wanted to know the Board's role in prioritizing and directing technical decisions. He referred to Slide 15. To expand on this, Dr. Ries addressed the scores being so close. It is not their aim to focus on all eight dimensions together but to identify some which will have the biggest bang. It establishes its baseline, and they expect to see changes as they proceed. They will continue to make determinations.

Mr. Griffith referred to the findings from town halls and stated that they tried to create interfaces with the different levels of the organization to drive engagement. They created several exercises and can provide outputs from the various teams' questionnaire responses. Panel discussions were also held around work issues and solutions to goals. Dr. Ries spoke about the Board's role in setting policy and how it can facilitate keeping it at the policy level. He suggested that they all continue working together to make it more productive. The focus on goal metrics reduced them from 110 to 20, and they continue to work to pull the data together and make it accurate and complete. The internal audit has assisted in helping with this. They will try to complete and improve this when they return to the Committee in March 2023. Mr. Griffith stated that it is not only the data but the standard operating procedures that need to be better defined so they can

build a level of assurance that the data they are reporting is accurate. They are presently focusing on this—data accuracy and completeness.

Board Member Gibbs stated that there is a Board constituent that he did not see in the presentation—customers and their needs inside and outside the organization. He noted that the question is how to keep in mind methods to meet customers' needs effectively and efficiently. Mr. Griffith said they would keep this in mind and clarify it. One of the critical concept issues brought to the process was to understand the outcomes for the community, and the imperatives are framed to demonstrate the focus on the community and the benefits to the broad community—ratepayers, stakeholders, community groups, customers, regulators, and staff. They will continue to keep this in mind.

Mr. Griffith stated that they are making progress and believe they are on the right path, assuring that the Board is getting the correct input and able to provide guidance. Dr. Ries noted that they would continue to follow up and make the engagement with the Committee and the Board more effective as they progress.

The last comment was that they are developing their annual report on Blueprint 2.0 and hope to have it completed by the end of December. It will be published and made available to the Board as soon as possible.

Vice Chairperson Bhatt asked about the accuracy piece and whether it was a lack of training of employees in terms of collection of data or whether it goes to what specific data is being collected. Mr. Griffith responded that he does not think it is a training issue because the staff provides the data they need. He believes it is the collection and interfaces to get the data that need refining. Some data is hand entered into the system, and they want to ensure it is integrated into the process and streamlined. Dr. Ries added that it is due to the cultural shift that will take some time and will help with accountability.

Board Member Bhatt thanked everyone and then adjourned the meeting at 10:24 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Committee Meeting**

Thursday, December 15, 2022

9:30 am

MEETING SUMMARY

Committee Members

Sarah Motsch
Howard Gibbs
Ivan Frishberg
Steven Schofar
David Franco
Jared McCarthy

DC Water Staff Present

David Gadis, CEO & General Manager
Marc Battle, Chief Legal Officer, and EVP
Alfonzo Kilgore Stukes, Acting Secretary to the Board
Aklile Tesfaye, VP of Wastewater Operations
David Parker, Acting VP, Engineering & Technical Services
Joel Grosser, Director, Procurement Goods, and Services
William Elledge, Director, Engineering & Technical Services
Moussa Wone, Director, Clean Rivers
Maureen Schmelling, Director, Water Quality
Wayne Griffith, Chief Strategy and Performance Officer, and EVP

I. CALL TO ORDER

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

II. ROLL CALL

Alfonzo Kilgore Stukes, Acting Secretary to the Board DC Water, conducted a roll call of the Committee members present for the meeting.

III. BPAWTP PERFORMANCE UPDATE & PFAS SAMPLING UPDATE

Aklile Tesfaye, VP of Wastewater Treatment Operations, DC Water, briefed the Committee on the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). Specific details of the presentation can be found on pages 3 to 10 of the EQ & Ops Meeting package 12.15.2022 (subsequently will be referred to as "meeting package"). The notes below abbreviate key topics discussed during the presentation.

Aklile provided an update on the performance of complete treatment at the BPAWTP for November. It was reported that the average flow to complete treatment was 272 MGD, lower than the rolling 12-month average of 295 MGD. All performance parameters for the month were excellent, and all effluent and biosolids parameters were within NPDES permit limits and Class A Biosolid Exceptional Quality requirements.

Total Nitrogen removal at BPAWTP was discussed; through November 2022, 2.5 million pounds of total nitrogen was discharged through the complete treatment outfall. The NPDES Permit allows for the discharge of 4.37 million pounds per year from the complete treatment outfall; this permit limit is derived from the Chesapeake Bay Total Maximum Daily Load (TMDL) allocated for this outfall. Total nitrogen removal facilities at BPAWTP were designed to meet the NPDES limit and anticipated future total nitrogen limits from the Blue Plains service area, corresponding to the design average flow to complete treatment of 384 MGD. Based on December's performance, total nitrogen discharge is anticipated to remain below 2.8 million pounds for the year, corresponding to a concentration of 3.11 mg/L of total nitrogen.

Aklile discussed the performance of the wet weather treatment facility (WWTF) for November; it was reported that four wet weather events caused the facility's activation during the month. The tunnel system captured 103 MG of combined wet weather flows during the month and was treated through the WWTF. It was noted that there were no flows through the CSO Outfalls associated with the Anacostia Tunnel System. Aklile discussed electrical energy use and onsite generation at 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 BPAWTP.

Aklile discussed biosolids production and Bloom marketing at BPAWTP for November. It was noted that 14,367 wet tons of biosolids were produced for the month. During the month, 1,723 wet tons of biosolids were sold as Bloom, and the remaining 12,644 wet tons were land applied for beneficial use.

PFAS Sampling Update

Aklile gave an update on PFAS (Per and Polyfluoroalkyl Substances) source identification preliminary sampling, last discussed during the October Committee Meeting. PFAS preliminary sampling commenced on September 22 and was completed on November 8. Samples were collected from potential sources, including seven permitted industrial users, three landfill sources, and eight hauled waste sources. The sampling and analysis results are anticipated to be available in early 2023.

A fact sheet was developed to communicate the preliminary sampling initiative to internal and external users. Notices have also been sent to pretreatment program coordinators for the seven permitted industrial users included in the sampling initiative. The notices included background information for use in their communications with their stakeholders, as necessary. Similar notices were sent to WSSC's Industrial Discharge Control Division requesting that they communicate with stakeholders associated with the three landfill locations included in the sampling. DC Water plans to share results from the sampling with all stakeholders and jurisdictions once they become available.

IV. PFAS STATUS UPDATE

Maureen Schmelling, Director Water Quality, DC Water, presented the PFAS Status Update. The update was a follow-up to the presentation given to the Committee at the meeting in July. Details from the presentation can be found in the meeting package on pages 12 to 22. A summary of progress is provided below. A brief background on PFAS was provided:

PFAS are a group of manmade chemicals widely used in industrial and consumer products since the 1940s. These chemicals are widely used because they are heat resistant and chemical resistant and don't degrade

over time - they are often referred to as forever chemicals. Perfluorooctanoic acid (PFOA) and Perfluorooctane sulfonic acid (PFOS) are types of PFAS that have been studied more than others and have been known to cause adverse health effects. PFOA and PFOS have been phased out of production in the United States; however, China remains the largest producer and exporter. These substances can be found in products originating in China. PFAS interfaces at DC Water include presence in water from the Potomac, wastewater, biosolids, screenings, and catch basin debris.

Maureen identified the key offices at the EPA that deal with PFAS and their particular interest. The offices include the Office of Chemical Safety and Pollution Prevention, Office of Water, Office of Land and Emergency Management, Office of Air and Radiation, and the Office of Research and Development. The Office of Water reviews the occurrence of PFAS in drinking water through the Unregulated Contaminant Monitoring Rules (UCMRs) and PFAS drinking water regulations through Health Advisories (HAs) and Maximum Contaminant Levels (MCLs).

The EPA developed a strategic roadmap to communicate its approach to addressing PFAS contamination across the environment. Slides detailing the EPA's approach were discussed; the approach comprises three actions - restrict, research, and remediate. Maureen summarized the key initiatives affecting drinking water under each action, along with the timeline for implementation noted by the EPA. For the research action, UCMR 5 requires drinking water utilities to test drinking water and source water, which will inform the EPA about the occurrence of chemicals of concern and how they can be regulated. For the remediation action, EPA has developed a proposed rule which regulates PFAS; this will allow other agencies to restrict the use of PFAS and its' discharge into the source waters of the US. It was noted that the federal government has made funding available through the Bipartisan Infrastructure Law (BIL) for PFAS treatment and remediation efforts.

Maureen discussed the status of PFAS drinking water regulations. The EPA has developed a proposed rule; it is currently being reviewed by the Office of Management and Budget (OMB) and must be issued by March 31, 2023. The final regulation is anticipated to be issued a year after the proposed rule is published. Typically, compliance monitoring must begin two or more years after the final regulation is issued. EPA UCMR 5 requires one year of monitoring between 2023 and 2025. Results during this period will not be subject to regulatory limits. DC Water plans to conduct monitoring for UCMR 5 in 2024; however voluntary monitoring will be conducted quarterly starting in 2023. The Washington Aqueduct collected voluntary monitoring samples in October 2022; DC Water is waiting for these results.

Maureen discussed the status of health advisories. The EPA proposed new health advisory levels in June 2022, which were below method detection limits. A table comparing the proposed health advisory limits with the UCMR 5 Minimum Reporting Limits for PFOA, PFOS, GenX, and Perfluorobutane sulfonic acid (PFBS). In addition, Maximum PFAS results from utilities in the region were also shown; results were from sampling conducted by utilities in Virginia during 2021 and from military bases as required by the Department of Defense (see page 21 of the meeting package).

Maureen noted that in August, the EPA proposed adding PFOA and PFOS to the list of CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) hazardous substances. The limits have not yet been established; however, the EPA is currently developing the final rule. Depending on the wording of the final rule, public utilities are concerned they may be classified as potentially responsible parties, should there be a contamination site, the utility may be liable for some of the cleanup.

Wayne Griffith, Chief Strategy and Performance Officer and EVP DC Water, added that the purpose of the presentation was to give the Committee an overview of DC Water's position related to PFAS and the emerging regulations. It was emphasized that the long-term strategy for DC Water actions for PFAS relates to the healthy, safe, and well imperative established in the strategic plan. DC Water's objective is always to deliver world-class water services to all customers, and this guides the approach to all the emerging issues in the industry.

The Committee queried whether DC Water can remove PFAS if found in source waters and what type of remediation efforts currently exist. Maureen clarified that treatment technologies are available in the treatment industry; however, these require capital investment. It was noted that Granular Activated Carbon (GAC) is one such technology; however, this may not be universal and would depend on the mix of PFAS found in the particular source water.

The Committee enquired about the definition of contamination site related to the addition of PFOA and PFOS to the list of CERCLA hazardous substances. Marc Battle, Chief Legal Officer and EVP DC Water clarified that under CERCLA, the definition might be up to interpretation in future matters. The Committee noted that if public utilities become responsible for cleaning up the Potomac River, the potential burden on ratepayers and the resulting inequity would be enormous.

The Committee enquired about the effects of these forever chemicals on the human body and whether the EPA or medical industry has determined these effects. Maureen clarified that some epidemiological studies had been published; one recent study assessed the immune response of children with levels of PFAS.

V. ACTION ITEMS

JOINT USE

1. Contract No.: 20-PR-WWT-45A – High Pressure/High Vacuum Cleaning Services, Jet Blast, Inc.
2. Contract No.: 14-PR-DMS-01 - Maintenance of KSM Pumps, KSB, Inc.
3. Contract No.: 10121 - Repair and Rehabilitation of Various Process Assets, Electric Motor & Contracting Co. (EMC).
4. Contract No. 190070 - DC Water Fleet Maintenance Facility, Hess Construction.

NON-JOINT USE

1. None

Joel Grosser, Director of Procurement, Goods & Services, DC Water, presented Joint Use Action Items 1 and 2. David Parker, Acting VP of Engineering & Technical Services, presented Joint Use Action Items 3 and 4.

ACTION ITEM HIGHLIGHTS:

For Joint Use Action Item 3, the Committee noted that with the blowers installed almost 50 years ago, how much additional service life does DC Water expect to get from this equipment following the proposed rehabilitation? David clarified that the anticipated extension of service life was not known; however, it was noted that rehabilitation of this equipment is the more cost-effective alternative to extending service life compared to replacing the equipment. In addition, DC Water is currently planning modifications to treatment processes, which may result in revised aeration requirements. Rehabilitation of this equipment will ensure the blowers continue to operate efficiently while the capacity needs and configurations for the planned process modifications are

assessed. It was noted that this action item is part of the proactive maintenance program, which extends the service life of existing equipment.

VI. LEAD-FREE DC PROGRAM UPDATE

William Elledge, Director, Engineering and Technical Services, DC Water, presented the quarterly update for the Lead-Free (LFDC) Program. Details can be found in the meeting package on pages 31 to 47. A summary of progress is provided below.

A graph was presented summarizing replacements in FY22; there was a 100% increase in the number of replacements compared to FY21. Since the launch of LFDC, the program has saved customers more than \$5.4 million in costs that otherwise would've been paid by customers either directly for replacements or through charges built into rate increases. Expanded outreach and promotional efforts have improved homeowner participation metrics. The block-by-block program achieved 75% homeowner participation, a significant improvement from levels previously reported to the Committee.

William reported that the Lead-Free Group (LFG) was appointed as the new Program Management team for the LFDC program starting in October. The transition of management of the program from the Water Program Management (WPM) team to the LFG has been ongoing; LFG will take over in January 2023. Some of the critical transition activities for the 1st quarter of FY23 were discussed, and it was noted that all activities were completed within schedule. One of the activities was the development of an LFDC Program Charter, which defines how the LFG and DC Water plan to work together to achieve the goal of being lead-free by 2030. Key elements of the charter were discussed – the program commits to collaboratively informing and engaging the community, minimizing customer water service interruptions, and implementing the LFDC initiative equitably, safely, and efficiently.

Construction progress during FY22 was discussed, and charts showing Contractor production levels for completion of test pitting and lead service line (LSL) replacements were shown. The Contractor, who was previously lagging, has shown an increase in production following the submittal of a remediation plan to achieve the required production levels. Will noted that restoration-of-public-space activities were ongoing, and paving continues as the weather allows.

It was reported that 19 daycares had been identified as customers with possible partial LSLs; the goal was to complete test pitting of these locations to verify whether LSLs were present by December 16 and to complete any LSL replacements by December 31. test pitting was completed ahead of schedule - 8 of the 19 were found to be non-lead, and 11 were confirmed as having partial LSL. Of the 11 confirmed cases, four have been replaced, two are scheduled to be replaced, and five are scheduled for replacement after working hours before the end of 2022. Planned construction for FY23 was discussed, blocks have been selected, and design packages 5 and 6 have been approved by the Board. Outreach and permitting have commenced for package five and are planned to begin on package 6 in the 2nd quarter of FY23.

William discussed possible opportunities for federal funding through the Bipartisan Infrastructure Law (BIL). The funding would help public and private side replacement costs in disadvantaged communities as defined by the Climate and Economic Justice Screening Tool (CEJST). The LFDC Program plans to incorporate this tool into addressing LSL replacements for vulnerable communities. A map of the vulnerable communities was shown, consistent with the Justice40 Initiative; 47% of this funding would be allocated to these communities.

William discussed some of the LFDC program goals for FY23-FY24; most notably, the goal is to significantly increase LSLs through the by-block program and prioritize replacements for high-priority blocks. Lastly, procurement actions for the LFDC were discussed. Task order packages 7 through 9 are under the active solicitation, and the plan is to commence construction in May 2023. The material supply contract is also currently in procurement and is planned to be presented to the Committee in early 2023.

VII. DC CLEAN RIVERS PROGRAM UPDATE

Moussa Wone, Director Clean Rivers, DC Water, presented a quarterly update on the DC Clean Rivers Program. Key points from the presentation are summarized below.

Anacostia Area:

- a) The Anacostia Tunnel System continues to perform well. A graph was presented showing system performance since it was placed into service in 2018. Through November 2022, over 14.5 billion gallons of overflow and 9,100 tons of trash, debris, and other solids have been captured by the tunnel system. These capture rates exceed the rates anticipated at this stage of the project.
- b) The Northeast Boundary (NEB) Tunnel is the last leg of the Anacostia Tunnel System currently under construction. Tunnel mining is complete, and the construction of shaft/tunnel connections and surface diversion facilities is ongoing. The Tunnel is planned to be placed in operation in mid-2023, ahead of the Consent Decree deadline of March 2025.
 - i. Activities to take First St. Tunnel temporarily out of has commenced:
 - Contractor has mobilized to the site
 - Inspection activities ahead of the demolition of the concrete cunnette are planned for December 19, 2022.

Potomac Area:

- c) Procurement for the Final Design and Construction of the Potomac River Tunnel (Potomac River Tunnel Contract B) is ongoing. Four teams were shortlisted, and the 100% RFP was issued to these teams in June 2022. DC Water is currently conducting collaboration meetings with each team to clarify project scope and risks prior to the submittal of final bids.
 - i. Technical and Price Proposals are due in April 2023. Notice to Proceed (NTP) for the tunnel construction is planned to be issued in November 2023.
 - ii. The Tunnel is planned to be completed by February 2030.
 - iii. The solicitation for Construction Management Services during construction is currently ongoing. NTP for this work is planned to be issued in August 2023.
- d) Potomac River Tunnel Contract A (Advanced Utility Construction Project for the Potomac River Tunnel) is ongoing. Work for the contract involves the construction of high-voltage electric duct banks to power the tunnel boring machine and West Potomac Park job site for Contract B. This work is estimated to be completed in July 2023.
- e) CSO 025/026 Sewer Separation Project is ongoing. Separation work is complete. Work at Str. 44 has commenced.

Rock Creek Area:

- f) Green Infrastructure Rock Creek Project B – construction for this project commenced in March 2022. There are six areas where GI facilities will be constructed, and the project is planned to be completed in January 2024.
 - i. 15 of the 37 Alley Permeable Pavement (APP) facilities on the contract have been constructed.
 - ii. 4 of the 19 Bioretention facilities have been constructed.

General:

- g) The Clean Rivers Program continues to engage the public through outreach efforts on all projects. Mr. Wone details the various activities that have taken place across the District, including community partnerships, critical meetings, and numerous outreach programs.
- h) Overall, the Clean Rivers Program is \$42.6 million under budget. A graph was presented showing contract amounts and final costs for projects forming part of the program.

Moussa discussed the ongoing surface work associated with the NEB Tunnel construction.

VIII. OTHER BUSINESS / EMERGING ISSUES

No Other Business

IX. EXECUTIVE SESSION

No Executive Session was held.

X. ADJOURNMENT

The meeting was adjourned at 10:33 am.

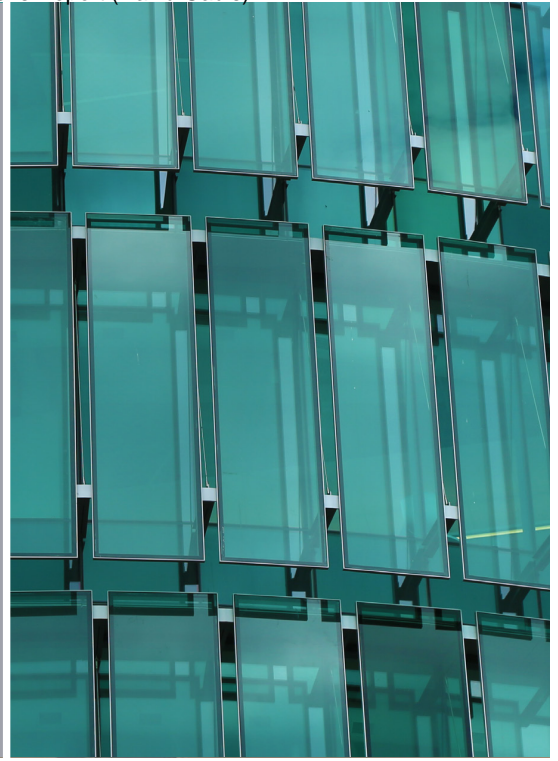
Follow-up Items

- 1. None.



CEO's Report

JANUARY
2023



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

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dc Highlights

Chairman Wells and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for January 2023. This report captures the highlights of the team's efforts over the past month, across the five cascading imperatives of the Blueprint 2.0 strategic plan: **Sustainable, Equitable, Reliable, Resilient, and Health, Safe and Well**. This is our final report out on our activities in calendar year 2022, and I wish all of you a Happy New Year.



Government Finance Officers Association Keynote Speech

On Thursday, December 15, it was my honor to deliver the keynote address at the Government Finance Officers Association (Washington Metropolitan Area) Annual Conference.

I used the opportunity to speak to attendees about the many exciting initiatives underway at the Authority that advance equity and an economic lifeline to the small business community through our Business Diversity and Inclusion Advisory Council, apprenticeship programs, and our reorganized Capital Procurement team, all of which have garnered accolades and acclaim within the small business community.



I would like to thank **Matt Brown** (Chief Financial Officer and EVP / Finance and Procurement) for facilitating my participation and amplifying our approach and commitment beyond the water sector.



Capital Region Minority Supplier Development Council Master Class

The prior week, I had the pleasure of delivering a Master Class speech at the Annual Meeting of the Capital Region Minority Supplier Development Council. Master Class presentations feature regional experts in conversation, discussing perspectives on equity, inclusion, and the impact of their life experiences.

In my remarks, I highlighted my own personal journey relative to equity, which began as a child, and reviewed my path to water equity, inspired by my father's advice. The speech also offered an excellent opportunity to celebrate the incredible work happening at the Authority, delving into Blueprint 2.0, the strategic imperatives, leveling the economic playing field and developing purposeful partnerships.


Sustainable
Transforming the Water Workforce

The U.S. Environmental Protection Agency's (EPA) Office of Water hosted a water workforce webinar, entitled 'Transforming the Water Workforce,' on December 15. The program explored some of the tools and techniques that can be used to develop a truly sustainable workforce.

The featured presenters included our own **Korey Gray** (Vice President, Compliance and Business Development / Finance and Procurement) and **Sharon Talley** (Compliance Specialist / Finance and Procurement), alongside Barbara Martin, Director of Engineering and Technical Services for the American Water Works Association.

'Transforming the Water Workforce' is part of an ongoing series of webinars that provide information across the water sector on how utilities are addressing the challenges of building and maintaining a sustainable water workforce for the future.

Sustainable Water Infrastructure Management (SWIM) Conference

At the 2022 Sustainable Water Infrastructure Management (SWIM) Conference, held this week, **Alireza Parhami** (Supervisor, Systems Assessment / Engineering and Technical Services) led a presentation that generated significant interest among attendees.

During his presentation, Mr. Parhami described how DC Water is transforming itself into a Smarter Digital Utility based around the strategic imperatives of Blueprint 2.0: Sustainability, Resilience, Reliability, Equity, and Healthy, Safe, and Well. The panel discussion was centered around digital transformation, advanced analytics, and smart applications of these technologies.

DC Water Engineers **William Elledge** (Director, Engineering and Technical Services) and Mr. Parhami stimulated discussion among attendees at the Sustainable Water Infrastructure Management (SWIM) Conference at Virginia Tech's campus in Northern Virginia on December 6 - 8.

The conference's focus was on the Utility of the Future. Mr. Elledge talked about what DC Water is doing to advance its Blueprint 2.0 strategic imperatives. Mr. Parhami's presentation and expert panel discussion focused on digital transformation, analytics, and proactive actions.

Both presentations also tied into DC Water's Environmental, Social, and Governance (ESG) report (currently being updated for 2022). While Reliability and Sustainment were discussed as important strategic imperatives, the audience sensed how Resilience stood out as a key building block to what a utility of the future should look like, and the critical role that innovation, infrastructure, and internal capabilities play in realizing this vision and managing the impact of climate change to our customers, communities, and employees. Well done, Will and Alireza.





Progress on the Clean Rivers Project



I am pleased to share with the Board that the Authority is entering the home stretch of the construction of the Northeast Boundary Tunnel (NEBT). Completion of the NEBT represents a major milestone in that it will increase the combined storm runoff capacity of the Anacostia River Tunnel (ART) system and significantly reduce chronic flooding events in the Bloomingdale and LeDroit Park areas.

Achieving this milestone requires DC Water to temporarily remove the First Street Tunnel (FST) from service between December 2022 and February 2023. Once the NEBT and FST are connected, with the NEBT in service, the Authority will have completed a tunnel that will extend 13 miles at a depth of 100 feet, creating the capacity to convey 190 million gallons of stormwater from Bloomingdale to Blue Plains.

Tom Kuczynski Added to Water 2050 Think Tank

In early December, the American Water Works Association (AWWA) convened a 'Water 2050: Technology Think Tank' strategy session, and **Tom Kuczynski** (Vice President, Information Technology / Operations and Engineering) participated on behalf of DC Water.

AWWA invited technology leaders and innovators to help the water sector take a longer view of the potential and emerging tools to help prepare our industry for the future. Mr. Kuczynski was asked to participate based on his deep knowledge base and strategic insight into applying such technologies in water-related initiatives.

Specifically, the participants focused on the themes of accelerating innovation, leveraging intelligent water systems through artificial intelligence, the Internet of Things (IOT), cybersecurity, and adapting and utilizing technologies from other sectors.

Authority Support to U.S.-Africa Leaders Summit



From December 13-15, the U.S.-Africa Leaders Summit was held in Washington, D.C. The three day summit welcomed roughly 50 heads of state and their families to the city. Due to sensitivity and criticality, this event was designated as a National Special Security Event, with the United States Secret Service (USSS) serving as the lead coordination agency.

Over the past several months, the Office of Emergency Management (OEM) supported planning efforts and coordinated closely with USSS, the Federal Emergency Management Agency, and the District of Columbia Homeland Security and Emergency Management Agency, among others, to prepare for this event. Just prior to the summit, in the middle of the night on two occasions, Sewer Services, Water Services, OEM, and USSS staff conducted manhole inspections in the secure perimeter around the Washington Convention Center.

During the event, DC Water employees from OEM and the Emergency Command Center staffed intel platforms and were present in the District's Emergency Operations Center and USSS Multi-Agency Coordination Center as part of the Critical Infrastructure Coordination Center. These employees were prepared to coordinate with District and Federal agencies if an emergency were to occur near or within the event perimeters. Additionally, On Monday, December 12, OEM provided a brief to align internal efforts, review the developed concept of operations plan, and to provide additional logistical information including activating a Teams Chat for continuous internal coordination between the Emergency Command Center, OEM, Security, and Safety. Our collective team provided me with timely situational updates, and I encouraged eligible employees to telework throughout the Summit to minimize the impact of road closures and enhanced security on our employees.

This collaboration, across DC Water departments and external agencies, before and during the event, ensured DC Water was prepared to support and respond.

dc Highlights



Authority Staff Present at International Maintenance Conference

The week of December 5, a contingent of Authority operations and maintenance personnel served as expert panelists and presenters at the 2022 International Maintenance Conference (IMC). Held annually, the IMC provides a forum for advancing reliability and asset management through leveraging employees skills, process improvements, expanded data sets and emerging technologies.

DC Water employees contributed to the IMC with a suite of presentations:

- Data Driven Maintenance Strategy**
Victor Edozie (Maximo Administrator, DDCS / Pumping) and **Gregory Stephens** (Foreman, Operations / Pumping Operations) led a presentation that articulated how the Department of Pumping and Sewer Operations developed a data-driven maintenance strategy, through the analysis of vast amounts of Maximo data, to significantly reduce its operational budget.
- DC Water Seal Saga**
Ryan Little (Technician / Process Engineering) and **Dennis Morris** (Program Manager, Plant Maintenance / Maintenance Services) led a discussion of DC Water's upgrade to Class A biosolids treatment, and the problems encountered when the seals were of an incompatible material and caused failures leading to shaft abrasion and severe sludge leaks. The presentation underscored the important of including front line workers in every phase of maintenance, and that work execution is only one piece of the maintenance puzzle.
- Implementation and Use of Infrared Thermography at Blue Plains**
Timothy Belt (Industrial Electrician / Maintenance Services – Electrical) and **James Neal** (Industrial Electrician / Maintenance Services) led a presentation describing the use of infrared thermography at Blue Plains and the many applications of this technology benefiting the Authority.
- Taming the Process Butterfly Valves**
Laura Knox (Manager, Wastewater Treatment Maintenance / Maintenance Services – Mechanical) gave a presentation on a case study of leaking butterfly valves that were preventing proper function of the effluent filters at the Blue Plains Advanced Wastewater Treatment Plant. Ms. Knox described how the problematic valves were assessed and prioritized for systematic replacement to increase system reliability and extend the life of the system's process capabilities.

I would like to highlight the efforts of **Salil Kharkar** (Vice President and Senior Technical Advisor to the COO / Office of the COO) in organizing our contingent and coordinating their presentations in a manner that effectively showcases DC Water's thought leadership relating to the optimization of asset management practices.

Success with Artificial Intelligence (AI)

As the first project approved through our Innovation Refresh program, Water Operations staff have since tested and validated advanced acoustic sensor and artificial intelligence (AI) technology to detect water main leaks and defective water valves. By proactively identifying the location of large and medium-sized leaks, valuable time and resources were saved in making the necessary repairs. One such leak (now repaired) was discharging over 200 thousand gallons of treated water per day.

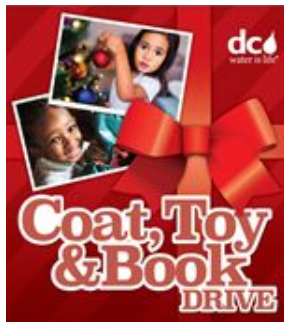
Plans are underway to implement this innovative technology in FY23. Meanwhile, new features are being considered for added value, like real-time communication, consumption profiling, and sensor clustering.

Participants on this November 29th Field Demonstration included: Robert Bornhofen, Sylvia Okogi, **Churchill Okonkwo** (Assistant Program Manager / Water Services – Distribution Branch), **Renard Blanchard** (General Foreman / Water Services – Distribution Branch), **Donald Yearwood** (Foreman / Water Services – Distribution Branch), and Water Services Workers **Juan Flores-Ayala**, **James Herndon**, **William Proctor**, **Dale Watson**, **Kevin Speight** and **Christopher Armstrong**. Well done, Team Blue.



dc Highlights

Healthy, Safe and Well



2022 Bread for the Soul Campaign

On December 16, DC Water wrapped up another highly successful Coat, Toy, and Book drive in support of Bread for the Soul, a tax-free, all volunteer organization that provides coats, toys, books, and gift cards to local families affected by HIV/AIDS.

This donation drive marks the 23rd year consecutive year that the Authority has supported Bread for the Soul. **Lisa Barton** (Senior Executive Coordinator to the CEO / Office of the CEO), who has led the last 10 donation drives, informs me that we had excellent participation this year, with employees from the Department of Sewer and Pumping Operations, Wastewater Treatment, as well as strong support from staff COF and HQO as well.

I would like to thank Ms. Barton for organizing and executing the campaign, and the Facilities team - for offering their logistical support. **Angela Orozco, Shanae Gordon, Lawrence Young, Shawntaveus Fautleroy, Randy Harris and Tavone Ruth.**

Stars of Water Employee Recognition Gala

On December 16, DC Water wrapped up another highly successful Coat, As you know, in November, DC Water held the Sixth Annual Stars of Water Employee Recognition Gala, at the MGM National Harbor. Nearly 600 employees and spouses attended the event, which once again featured emcee Ellen Bryan, a broadcast journalist with WUSA-9.

Each year, the Stars of Water event provides a forum for public recognition of the best and brightest Authority employees, recognizing both employees who have completed more than 20 years of service and/or employees who have been nominated by their peers in one of several merit award categories.

The full list of honorees from this year's event is as follows:

Longevity Awards

20 Years of Service:

Temi Abosede

(Program Manager, AFP / Finance and Procurement)

Val Blinkoff

(Manager, ERP System Controls / Finance and Procurement)

Andre Carter

(Foreman, Distribution Branch / Water Services)

Gregory Frazier

(Screening Removal Operator / Pumping and Sewer Operations)

David Heath

(Buildings and Grounds Maintenance Worker / Facilities)

Carrie Martin

(Civil Engineering Technician / Engineering and Technical Services)



Duane McCoy

(Foreman, Wastewater Treatment / Wastewater Treatment)

Brian McNeil

(Plant Operator / Wastewater Treatment)

Anthony Swann

(General Foreman, Wastewater Treatment)

25 Years of Service:

Vera Philson

(Utility Services Worker II / Sewer Inspection)

30 Years of Service:

Kevin Tucker

(Sewer I/M Worker Leader / Sewer Inspection)

40 Years of Service:

Leonard McAlpine

(Mechanic I, Process Systems / Maintenance Services)

50 Years of Service:

Roscoe Belk

(Plant Operator / Wastewater Treatment)

– continued

dc Highlights

Healthy, Safe and Well

Stars of Water Employee Recognition Gala – continued

Merit Awards

Administrative Professional of the Year

Michelle Flowers (Executive Assistant / Government and Legal Affairs)

Shante Thomas (Office Assistant III / Engineering and Technical Services)

Community Service Award

Seth Ansah (Customer Care Associate / Customer Service)

Yvette Judge (Director, Business Analysis / Office of the CEO)

Ambassador of the Year

Frankie Ball (Technician III, Asset Management / Water Services)

Eyasu Yilma (Manager, Potomac Interceptor / Pumping and Sewer Operations)

Team Blue Safety Award

Taiwo Badmus (Meter Warehouse Technician / Customer Service)

Teamwork Award

– DC Water Basketball League Planning Committee

– ‘Four Horsemen’ Mechanical Maintenance Team

– Payroll Success Team

Team Blue Creativity / Innovation Award

Team Potomac Interceptor Blue Plains Reliability Department

‘We Are DC Water’

Star of the Year

Tiffany Dagley (Plant Operator / Wastewater Treatment)

James Jackson (General Foreman / Facilities)

CEO / General Manager's Award

Tina Byrd (Acting Payroll Manager / Finance and Procurement)

Gina Watson (Mechanic I, Process Systems / Maintenance Services)

This year's Gala was well organized and executed, thanks to our Stars of Water Planning Committee, led by **Toymeika Dingle** (Program Manager, Talent Management and Communications / People and Talent). I would like to recognize Ms. Dingle, and the Committee, for delivering another exceptional employee recognition event.

2023 DC Water Summer Internship Program

In December, the People and Talent team kicked off the 2023 DC Water Summer Internship Program by alerting staff that requests for interns are now being accepted. The successful program will return from May 22, 2023, and continue through August 11.

Passing of Former Interim General Manager Larry King



I am saddened to share the news that former Interim General Manager Larry King passed away on December 9, 2022.

Following the creation of the independent DC Water and Sewer Authority in September 1996, Mr. King, who at the time was Director of the District's Department of Public Works, was appointed by former Mayor Marion Barry to serve as the interim general manager. His appointment came at a challenging time for the Authority, as the city's water system had exceeded federal safety standards for bacteria for three consecutive months preceding his appointment. Mr. King was tasked with overseeing corrective steps while also leading the establishment of the Authority's administrative hierarchy, and initial policies and procedures.

Mr. King ably led the Authority until May 1997, when the Board of Directors selected Jerry N. Johnson to serve as the Authority's first permanent general manager.

The Authority extends heartfelt condolences to Mr. King's family, friends, and former colleagues.



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	Aug-22	Sept-22	Oct-22	Nov-22
Operating Cash Balance (millions \$)	\$235.6	\$270.6	\$258.2	\$257.9	\$263.6
Delinquent Account Receivables (%)†	3.3%	4.5%	4.5%	4.4%	4.5%
On-time Vendor Payments (%)††	97%	96%	96%	96%	96%
Investment Earnings Data (Thousands \$)	\$2,234.0	-\$7.3	\$111.8	\$200.3	\$340.4
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		3.5%	4.3%	4.6%	4.4%
Core Investment Yield Data (%) - Actual Monthly Yield †††	0.2%	1.5%	1.7%	1.8%	2.6%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		2.9%	3.2%	4.0%	4.2%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	0.1%	1.3%	1.6%	1.8%	2.4%
Days of Cash on Hand ** and ***	250.0**	337	320	339	343***

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor.
 ** 250 days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization Fund.
 ***343 days of cash is made up of 41 days in the Rate Stabilization Fund and 302 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

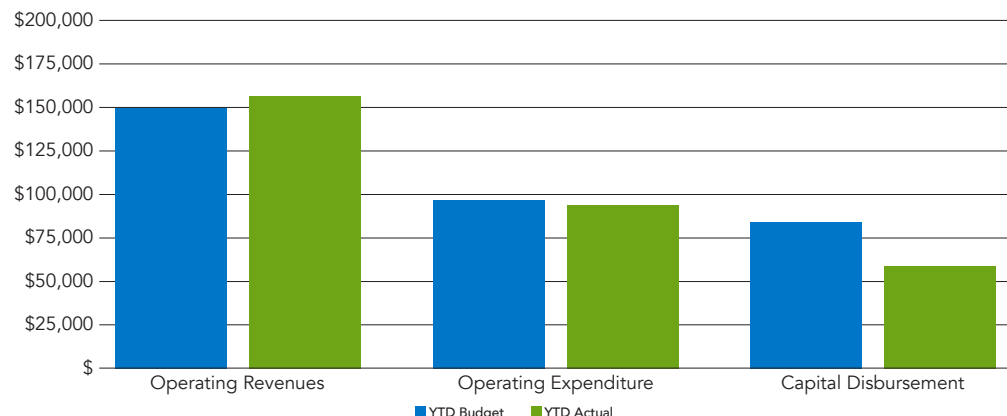
FY 2024 Budget Process

The Proposed FY 2024 Operating Expenditure, FY 2023 – 2032 Capital Improvement program and FY 2023 – 2032 Financial Plan are being formulated. This budget proposal will be delivered to the Board of Directors during the Budget Workshop on January 5, 2023, immediately after the Board meeting. Management will also be providing the proposed revisions to the FY 2023 budgets for Operating Expenditure, Operating Revenues and Capital Disbursements. The proposed budgets will be reviewed with the various Board Committees over a two-month process with budget adoption anticipated by the full board on March 2, 2023.

1998 Debt Service Reserve Fund Credit for FY 2023

DC Water was able to release the amount of \$2.3 million in excess reserves from the Series 1998 Debt Service Reserve Fund (DSRF). The DSRF is required to maintain a certain balance above the minimum requirement each year, with the minimum balance requirement depending on the remaining debt. If the balance requirement is met, any excess reserves will be available to DC Water for certain uses. The release was applied to reduce the required debt service contributions for FY 2023, and will be reflected in the revised budget.

FY 2023 Year to Date Performance Budget vs. Actuals (\$000's)



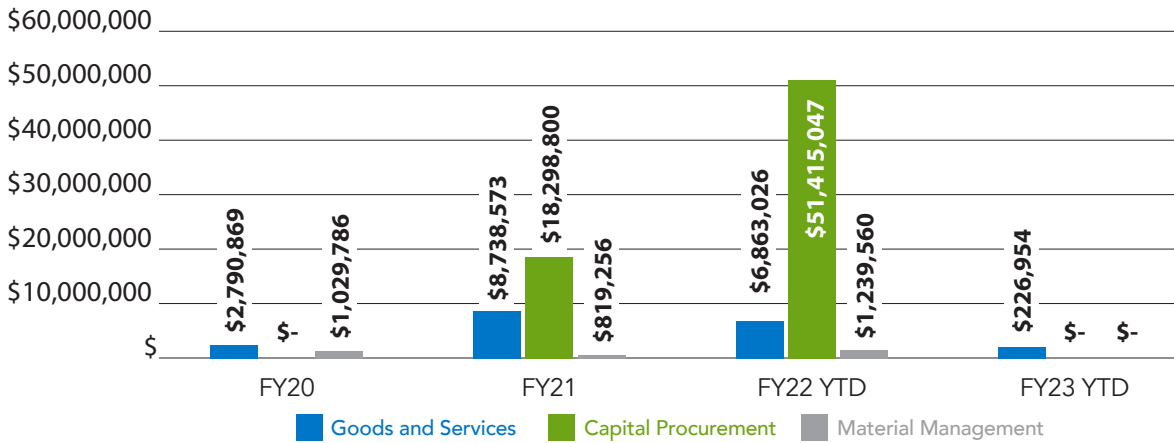
Procurement

Highlights

- Awarded the Sand, Gravel, Stone, Topsoil and Cold Mix supply contract to a certified LSBE. 15 out of 20 vendors invited were certified LBE/LSBE.

Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings from FY 2020 to FY 2023 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.



Upcoming Business Opportunities

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

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
February, 2023	Non-Process Facilities Design BOA	RFP	\$3M	Professional Service Agreement	DBE/WBE
March, 2023	Construction of Flood Seawall Segment A, B, D	RFP	TBD	Design Build	DBE/WBE
March, 2023	Main and O Seawall	RFP	TBD	Design Build	DBE/WBE
March, 2023	Floatable Debris Dock	RFP	TBD	Design Build	DBE/WBE
March, 2023	Sanitary Sewer Rehabilitation 10	TBD	TBD	TBD	TBD
March, 2023	Major Sewer Rehab 1-5 Northeast Boundary	TBD	TBD	TBD	DBE/WBE
March, 2023	COF/IT Electrical System Upgrade	RFP	\$10M	Bid Build	DBE/WBE
April, 2023	Service Life Restoration Program (SLRP) 2	TBD	TBD	TBD	DBE/WBE
April, 2023	Glover Park	RFP	TBD	CMAR	DBE/WBE
April, 2023	Headworks Influent Structures	RFP	\$12M	Bid Build	DBE/WBE
May, 2023	Pre-Dewatering Centrifuges	TBD	TBD	TBD	DBE/WBE

Procurement - continued

Goods and Services Procurement:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
December, 2022	Investment Advisory Services	RFP	< \$1M	LSBE
January, 2023	Financial Advisory Services	RFP	< \$1M	LSBE

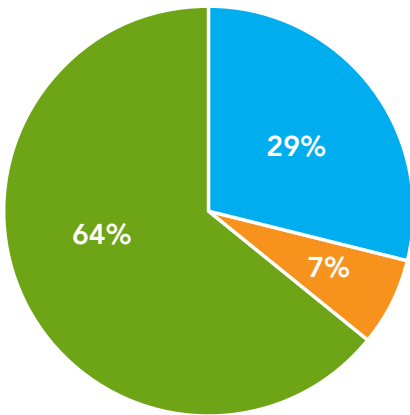
Compliance

Certified Business Utilization

As part of its strategic initiatives, DC Water continues to ensure certified businesses (Disadvantaged Business Enterprises, Local Small Business Enterprises, Minority Business Enterprises, and Women Business Enterprises) have meaningful participation in its procurement activities.

During this reporting period, DC Water approved five (5) different procurement actions, totaling \$30.7 million. Of this total, certified firms were awarded \$11.8 million in prime and subcontracting opportunities.

**Certified Firm Participation
October 2022 Awards**



Participation

DBE: \$65.9M

WBE: \$16.3M

Non-certified: \$144.1M

The following table summarizes the certified firm participation:

Construction Projects / Programs (7 Award)	
Total Value	\$176.9M
DBE Participation (TBD)	\$57.8M Planned (32.7%)
WBE Participation (TBD)	\$13.0M Planned (7.4%)

Goods & Service Projects (6 Award)	
Total Value	\$49.3M
DBE Participation (1 firm)	\$21K (0.02%)
WBE Participation (2 firms)	\$8.0M (16.3%)
WBE Participation (2 firms)	\$3.3M (6.7%)

Also during this period:

- One certified firm (DBE) won a contract as a prime (Goods and Services project)
- One firm obtained its first subcontract with DC Water

Procurement - continued

New Diversity, Equity and Inclusion Initiatives Launched

During this reporting period, DC Water launched a new initiative in support of its certified business utilization and local hiring goals:

- I. **Pathway to Business Equity** – In support of the Miscellaneous Facilities Upgrade and Small Diameter Water Main Programs, DC Water engaged prime contractors and the certified business community to better understand their needs and challenges related to MSA contracts.

Key Challenges identified:

- Demand on Resources.
- Inability to Plan.
- Lack of Competition/ Perception that these are “Closed” Projects – No Real interest in new or small firm participation.
- Lack of Consistent Opportunity/ Regular Work.
- Maintaining Staff during periods of inactivity.
- Slow Invoicing/ Cashflow.
- Too much consolidation limits opportunities for firms to lead.

In response, DC Water has established an approach to address the concerns of the community and to promote greater equity and inclusion of certified firms.

Pathway to Business Equity Plan

- Three Year plan to engage 5 – 10 certified firms in disadvantaged business communities and prepare them to take on key/lead roles.
- Plan is supported by the qualified primes for the MFU and SDWM programs.
- 4 Main Components:

Component 1

Setting “Key Partner” Utilization Goals for certified firms in disadvantaged business communities (Justice 40).

Component 2

Comprehensive Three-Year Mentor Protégé Program (with DC Water Support).

- As part of the certified firm utilization, each Prime will take on one protégé for the initial three-year period.
- Modified Mentor Protégé standards to incorporate a training plan that provides proteges with the experience and knowledge necessary to take the lead/larger roles on tasks averaging \$50k to \$200k.
- Prompt pay arrangements between mentors and proteges.
- Training for the Proteges to include a DC Water Led “Contractor Training and Growth Accelerator” Program.

Component 3

Structured Capacity Building Support.

- Connect the proteges DC Water's Support Network:
 - Financial Support (WACIF, etc).
 - Project Management Support (Construction Management Association of America).
 - Bonding Agencies.
 - Workforce Development Providers.

Component 4

Active Removal of Barriers To Participation.

- Active engagement between Compliance, Engineering, and Procurement during CIP Planning.
- Reducing Bond requirements by setting them at the Task Order Level.
- Removing materials purchasing responsibility from contractors.
- Leveraging task orders to allow for faster work times, reduction of idle time, and faster cash flow.
- Designing tasks that are right sized and structured in a manner that increases competition.
- Preparing annual forecasts for tasks to allow for better planning by firms.

Fleet, Facilities, Safety, Security and Emergency Management

Facilities: Non-Process Facilities Master Plan (NPFMP) and Capital Equipment Update

Fiscal Year 2022 Accomplishments

- NPFMP: Completed Historic Preservation Scope of Work Studies (Bryant Street Pump Station, Fort Reno Pump Station [3 buildings], Anacostia Pump Station, and Main Pump Station).
- NPFMP: Anacostia Field Operations East - completed discovery phase. Stakeholders were engaged to determine the future needs and preliminary visual site inspections were conducted.
- NPFMP: Bryant Street Parking - completed discovery phase. Stakeholders were engaged to determine the current needs and preliminary visual site inspections were conducted. Scope of work and requirements provided to Procurement for soliciting a vendor who can

complete the design.

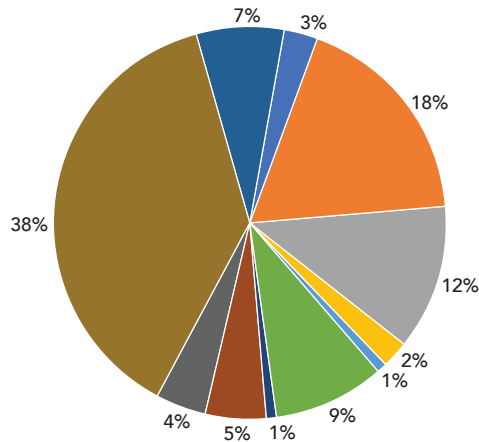
- NPFMP: Main & O Seawall Restoration - completed discovery phase. Stakeholders were engaged to determine the current needs and preliminary visual site inspections were conducted.
- Department of Facilities Management procures all projects over \$25,000 closely with Procurement to maximize opportunities for small and local business enterprises.
- Martin Perez (Coordinator, Construction/Data Management) supports Blue Drop contracts for cell tower installations by facilitating plans review and coordination of site visits.

Fiscal Year 2023 Look-Ahead

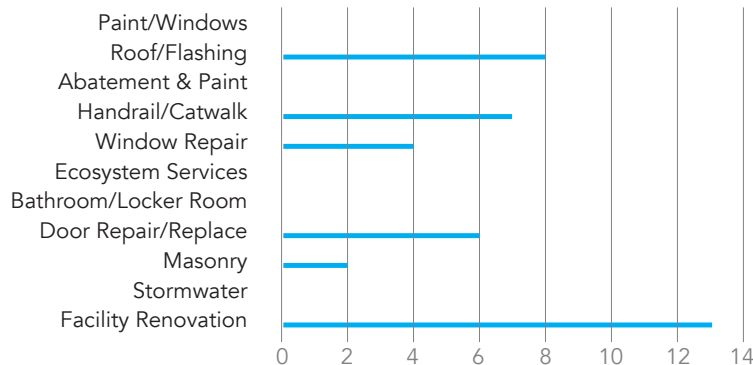
Planned increase of Non-Process Facilities spending from \$1.7M (FY22 projected budget) to \$6.4M; equivalent to just under 10% of overall Non-Process Facilities CIP projected budget that began in FY21. Project list: Floatable Debris Dock Replacement, HVAC Assessments, Roof Assessments, Anacostia Field Operations East, Bryant Street Parking, Main & O Seawall Restoration, Main Pump Station Building Modifications, Canal Street Fencing, Fort Reno Watchman's Lodge, LEED Recertification, Indoor Air Quality Monitoring, Wellness Certification, and Space Planning.

NPFM CIP FY23 Budget Projection*

- Floatable Debris Dock Replacement
- Non-Process Area HVAC
- Non-Process Area Roofs
- Anacostia Pumping Station Fields Ops
- Bryant Street Parking
- Main & O Seawall Restoration
- Main Pumping Station Bldg. Modifications
- Fort Reno
- Other
- Non-Process Facilities Program Management Service
- Space Planning



FY23 Facilities Planned Capital Equipment Projects





Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Aug-22	Sept-22	Oct-22	Nov-22
Security: Camera operational uptime	90%	97%	96%	97%	96%
Security: Smart card readers operational uptime	90%	100%	99%	99%	99%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	89%	41%	39%	38%
Facilities: Service Request Completion Rate	90%	56%	44%	59%	45%
Fleet: Preventive Maintenance (PM) on Schedule	96%	22%	14%	79%	39%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	77%	76%	77%	77%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	2.8	3.1	3.1	2
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	1.8	2	2.1	1.5
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	2.2	2	3.6	2.6
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0.5	0.5	0	0.9

Facilities:

The Facilities completion rate for November 2022 is 38% for Preventive Maintenance work orders and 45% for Service Request work orders. Facilities started monthly work order review meetings with the Facilities General Foreman, Shop Foremen and Director to identify issues and prioritize work orders for response. Facilities continues to work with People & Talent to recruit 5 open crew positions (3 HVAC workers and 2 B&G workers) and 1 open HVAC Foreman position.

Facilities:

The Fleet team scheduled a larger number of PMs in November compared to October, as all relocation activities have been planned for the last 2 weeks of December, 2022. There were 70 PMs scheduled for the month, and 27 of those were brought in within the 5-day target, resulting in 39% rate for the KPI. This is much less than last month's metric, but was expected as we scheduled nearly four times more work which requires much more coordination with operational departments. Fleet continues to engage everyday with all departments on their immediate needs with winter weather operations, and is expanding the services offered at Blue Plains (tire and light replacements, minor body work, etc.) so that we can maintain vehicle availability during the transition to the new Fleet facility in 2023.

Safety:

There was 1 recordable injury in the Rolling Owner Controlled Insurance Program for the month of November. Though there was an improvement from October (2 recordable injuries), the total recordable incident rate slightly exceeded the Bureau of Labor Statistics (BLS) benchmark of 2.5.



Customer Experience

Customer Assistance Programs (CAP)

Customers are taking advantage of the assistance offered this fiscal year. With the ending of LIHWAP, DC Water can offer more RAP support and has assisted 337 more customers than at the same time last year. Through marketing and increased notification, we hope to reach FY22 participation levels.

Customer Assistance Programs (CAP)

Program	FY2022 Enrolled	FY2022 Dollars	Nov. # Enrolled	Nov. Dollars	# FY23 Enrolled	FY2023 Dollars	FY2023 Budget
CAP I	6,949	\$4,871,357	593	\$36,723	1,027	\$203,982	\$2,500,000
CAP II	679	\$338,362	73	\$1,987	91	\$12,564	\$400,000
CAP III	204	\$33,026	10	\$509	10	\$509	\$50,000
Non-Profit CRIAC Relief	186	\$866,375	48	\$76,312	48	\$76,312	\$905,608
DC Water Cares Residential	1,690	\$1,318,242	237	\$256,281	345	\$389,700	\$1,681,758
DC Water Cares Multifamily (number of units)	4,313	\$1,880,830	125	\$49,559	181	\$67,517	\$4,545,195

Customer Care

The department met most of its metrics. The Unbilled target is <1%, but the team obtained 2%. This was due to the last bill cycle of the month falling on the last day of the month. The team did not have time to manually clear exceptions. This happens when the system rejects an account because either the dollar amount or usage amount is outside of set thresholds per account type. When the exception is created on the last day of the month, the manual corrections happen in the new month, therefore increasing the unbilled for the previous month. The bill calendar is set at the beginning of the fiscal year and this occurrence happens twice a year. DC Water will also stop disconnects for residential accounts during the Winter Moratorium from 12/15/2022 to 3/31/2023. Commercial accounts will be subject to disconnection. However, during the Winter Moratorium, we will not disconnect if winter temperatures are below freezing. We are also mapping out a Customer Catch-Up Program that will incentivize customers to make payments on their bills before 5/31/2023. The incentive will include an adjustment of all late fees and 10% of the remaining balance. The Program will begin on 2/1/2023 and adjustments will be applied in June 2023 to customer accounts that have satisfied the required payment. The goal is to offer the program to delinquent customers to reduce AR and help targeted customers bring their delinquent bills back in line with monthly costs and avoid disconnection once the moratorium ends.

Key Performance Indicators

Metric	Target/ Service Level	Oct 22	Nov 22
% of Bills issued on time (w/in 5 days)	97%	97.0%	98.4%
% Unbilled (NEW)	1%	3%	2%
Estimated bills as a percent of meters read	4%	4.1%	4.4%
% AMI Transmission (NEW)	95%	93.5%	93.1%
# of Bill investigations (Disputes)	trend only	59	68
% of OPC inquiries resolved within 14 days	98%	100%	100%
% of Calls Answered in 40 Seconds (Call Center)	85%	83%	92%
Monthly Call Volume Served (Call Center)	trend only	9,055	7,718
Abandon Rate	<10%	2%	2%
Emergency Dispatch <= 10 Min (ECC)	92%	100%	100%

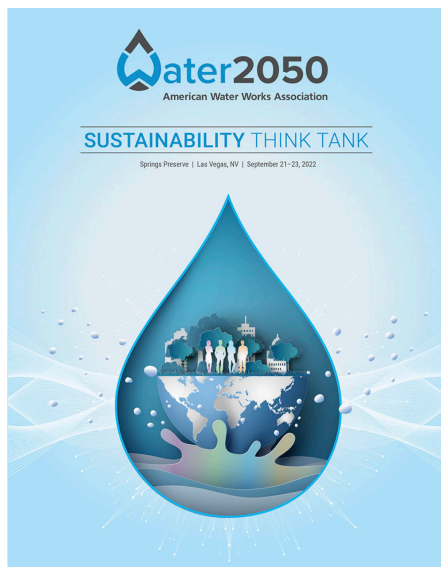
dc Information Technology

November:

One project launched

DC Water – 311 integration

This project will allow for real-time integration between 311 and DC Water’s Report-a-Problem and Event Managements Systems. When a citizen calls 311 about a flooding and/or water emergency, the 311 call taker will enter the call in the 311 system which will then electronically transfer the data to DC Water’s Report-a-Problem application. Additionally, the project will allow DC Water to automatically transfer overflow call volume to 311 when call reach a specific threshold. Once call volumes drop transfer will cease.



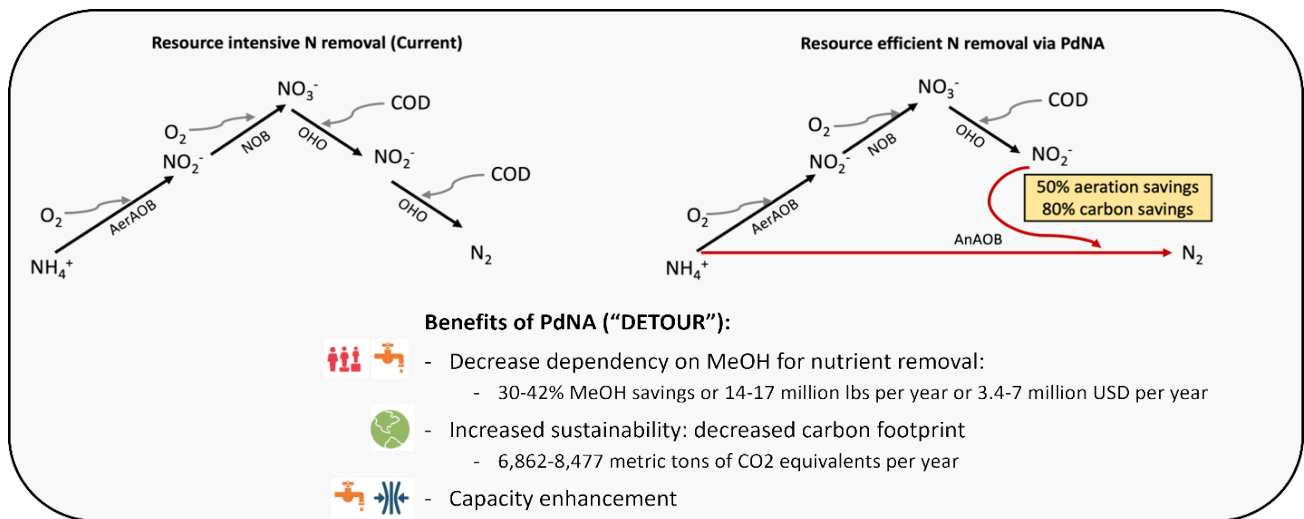
Tom Kuczynski (Vice President, Information Technology) participated in the American Water Works Association (AWWA) ‘Water 2050: Technology Think Tank’ strategy session, representing DC Water. AWWA invited 25 technology leaders and innovators to help the water sector envision the future of water. Specifically, the participants focused on the themes of accelerating innovation, leveraging intelligent water systems through artificial intelligence, the Internet of Things (IOT), cybersecurity, and adapting and utilizing technologies from other sectors. The 3-day session was held in the heart of Silicon Valley at the Computer History Museum from December 5th through the 7th. AWWA expects to publish the Think Tank report at the end of January 2023.

IT Monthly Report

SR/WO Type	SL Target / SLA	Sept 22	Oct 22	Nov 22
Number of tickets submitted	Trend only	947	1074	862
Number of open tickets	Trend only	20	33	13
Helpdesk SLA	96%	98.8%	100.00%	99.20%
Number of active projects	Trend only	18	21	23
Number of completed projects	Trend only	5	1	0
On schedule performance	90%	94.59%	94.87	95.12
On budget performance	90%	97.30%	94.87	95.12

Featured Projects of the Month – Wastewater Operations

Over the past 12 years, DC Water has undertaken an extensive engineering and applied research program to identify and develop novel cutting-edge technologies with the goal of implementing a truly sustainable and affordable advanced nutrient removal wastewater treatment plant. Research focused on technologies to short-cut conventional nitrogen removal cycle and reduce use of energy and chemicals. Research results show that short-cut nitrogen removal systems developed based on partial denitrification of nitrate to nitrite, provided a more reliable supply of nitrite to anammox bacteria, accelerating full-scale implementation of such technologies. This short-cut route is referred to as partial denitrification anammox or PdNA (refer to Figure below)



Early fundamental research was performed by DC Water with constant input and guidance from the global collaborative research team. Once the fundamentals were established, DC Water and Hampton Roads Sanitation District (HRSD) in collaboration with the Water Research Foundation focused on the development of integrated process controls and technology pilots. Successful testing has led to two full-scale implementations at HRSD, and commercialization of the technology with NEWhub under the name "DETOUR". Furthermore, it has moved DC Water towards a full-scale demonstration plan for PdNA integration at Blue Plains (design started). The demonstration pilot will involve the conversion of one of the full-scale nitrification tanks to a PdNA system and will allow to better inform final design of the PdNA system as well as confirm the potential performance outcomes. Current piloting showed the potential for 30-40% methanol savings and decrease of the carbon footprint with 7000-8000 metric tons of CO₂ eq. per year by implementation of PdNA at Blue Plains. Moving away from methanol will not only decrease the burden on our rate payers by decreasing cost but will move us towards a sustainable and resource efficient treatment facility. Further research is planned to develop improved carbon recovery concept to increase methanol savings even more.

We are convinced that this relatively simple approach to achieve shortcut nitrogen removal will make mainstream anammox more approachable and reliable, enabling world-wide implementation of this intensified technology. DC Water in collaboration with HRSD has shown great leadership in the development of this technology which was recognized by the selection of this work for the "National Environmental Achievement Award" which will be received in February 2023.


Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Aug-22	Sept-22	Oct-22	Nov-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%	23%	25%	26%	27%
Reactive Maintenance	<20%	35%	35%	31%	30
Critical Asset Availability	>95%	99%	97%	97%	97%
Sewer Operations					
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%
* Municipal Separate Stormwater System (MS4) requirement to clean all catch basins in the MS4 Permit Area at least once annually (Jul 01- Jun 30)	14,700	315	482	600	1,757
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	6,596	7,962	10,138	10,790
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	4,707	6,643	9,347	10,213
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	58	38.17	1.9	3.4
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Sanitary Sewer Overflow 1.4 per 100 Miles of Sewer/Yr	2	0	0.46	0.08	0.3
Combined Sewer System Overflows	0	0	0	0	0
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	10%	11%	15%	6%
Critical Asset Availability	>95%	98%	98%	98%	98%

* Month-to-Month Cumulative Total for Catch Basin Inspection and Cleaning


Operations and Engineering

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

Key Performance Indicators continued

Metric	Target/Service Level	Aug-22	Sept-22	Oct-22	Nov-22
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	18	7	10	9
Hydrant Flow Tests (Non-Winter Months)	>180	433	336	175	154
Fire Hydrant Operational Rate	99%	99.72%	99.76%	99.83%	99%
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%	86%	91%	96.20%	95.8%
Water Main Breaks	<28/Month	29	34	26	36
Water Main Break Rate /100 Miles (National Average is 25)	25	34.81	36.28	36.57	34.37
% of Hydrant Leaks in inventory that are not leaking	>90%	98%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	92%	94%	91%	92%

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.

Sewer Cleaning and Inspection (Miles) 10Yr Cycle

- The missed target is due to the contract fiscal year close-out and demobilization of the contractor. Administrative and planning activities are ongoing with contractor remobilization expected in December 2022

Total Fire Hydrants Replaced (>20/Month)

- The Department did not meet the target or exceed expectations due to limited availability of vehicles and staff that were away on scheduled leave.

Hydrant Flow Tests (>180 Non-Winter Months)

- The Department did not exceed expectations due to limited availability of vehicles and staff that were away on scheduled leave.

dc DC Water Capital Improvement Program

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



- We are onboarding the LFG (Lead Free Group, a Joint Venture of CDM and Ramboll) as our Program Management consultant team. The transition is following a detailed, written transition plan.
- Startup of construction packages 5 & 6 is proceeding. Contract change orders were executed using Capitol Paving (160100) and Fort Myer construction (170070) totaling ~\$17M.

- BIL funding requirements for competitive bidding mean our work in disadvantaged communities cannot be addressed until our next construction packages (7 & 8). These packages are in early planning phases.
- We are in the procurement process for a Master Service Agreement (MSA) for contractors to be used for the Lead-Free Program. This will help with available contracting capacity and expedite work package authorization. Eight contractors submitted qualification packages for this work.
- Procurement activities for prepurchase of select materials for the Lead-Free program is in progress. This will help reduce supply chain impacts and also expedite construction starts.
- DDOT final restoration has been completed on five blocks. An additional five blocks have been released for paving in November 2022. Restoration will continue through Spring.
- Construction continues on two existing contracts to replace lead and galvanized pipe, perform test pitting, resurface roadways, and provide information to allow DC Water to update our inventory database.
- Service line replacements began in November 2021. ~3100 service line replacements have been completed to date.
- Construction management and inspections and scheduling for replacement and test pitting activities continues.
- Communications and outreach efforts continue. This includes door-to-door campaigns, phone calls, and appointment scheduling. Signed agreements have been received from approximately 80% of customers, a significant improvement in achieving agreements compared to earlier this year.

Fiscal Year	LPRAP (Assistance Program)	Voluntary Full	CIP Full	CIP Partial	Emergency Full	Emergency Partial	Total LSRs	FY22 Goal	Total Partial	Partials %	Goal %
FY2023	17	28	112	1	7	0	165	3324	1	.6%	2.1%

Major Sewer and Local Sewer Condition Assessment Projects

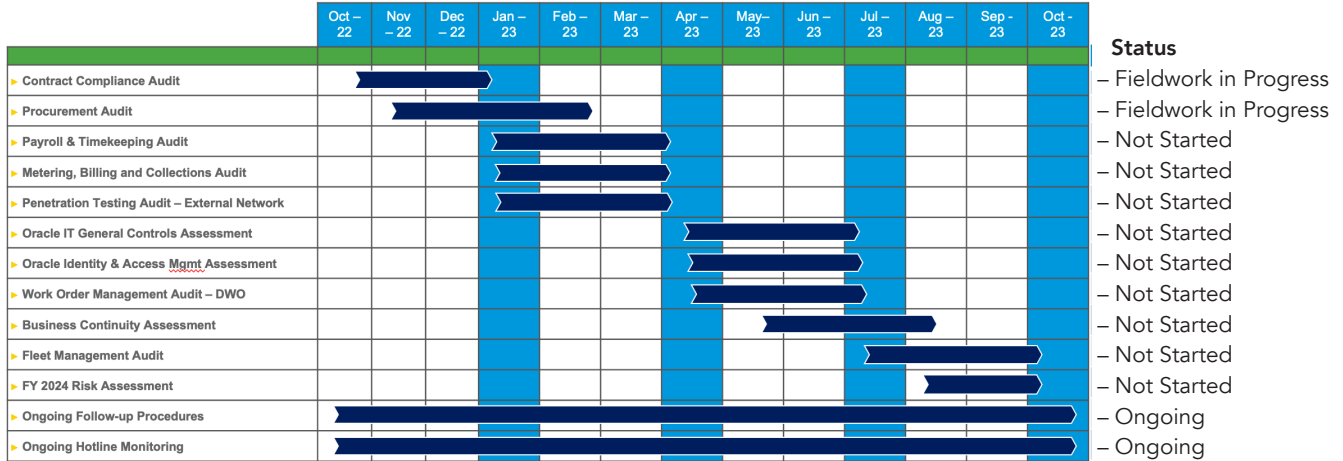
- CCTV inspection of 7,616 LF of pipes and 44 manholes of Sewers Under Buildings (SUBs) have been completed.
- CCTV inspection of 26,099LF and 28 manholes of Upper Potomac Interceptor Relief Sewer (UPIRS) have been completed.
- CCTV inspection of 5,847 LF and 10 manholes of Little Falls Trunk Sewer (LFTS) are complete.
- CCTV inspection of 24,809 LF and 44 manholes of Anacostia Main Interceptor (AMI) have been completed.
- In the final stages of starting assessment of Easby Point Trunk Sewer Assessment, Northwest Boundary Trunk Sewers Assessment, East & West Outfall Sewers, East & West Outfall Relief Sewers and North & South Interconnecting Branch Sewers.
- 484 manholes and 7.45 miles of local sewer inspections have been completed in FY23.



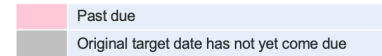
- Northeast Boundary Tunnel (NEBT): Remains in construction. Work at Satellite sites that will connect the Near Surface Structures to the Northeast Boundary Tunnel is ongoing. Mobilized for First Street Tunnel shutdown in December 2022.
- CSO 025/026 Sewer Separation: In construction. Work completed on Wisconsin Avenue except for final restoration. Mobilized and started work at Structure 44.
- Green Infrastructure (GI) Maintenance Contracts: GI facilities maintenance is ongoing.

Internal audit plan FY2023 timeline

This timeline represents the FY 2023 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.



Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
1	2022	7/28/2022	Strategic Plan Monitoring	Missing, incomplete, or outdated goals data	3/31/23	N/A	0
				<i>Status notes: The Goal Master List has been updated to include an "as of" field to more easily monitor timeliness of inputs from the business units. The Strategic Management team will develop formal SOPs to address a notification / escalation protocol for goal data updates. The Strategic Management team is developing a process to validate the completeness, accuracy, and quality of data used to monitor progress of the strategic goals aligned to Blueprint 2.0.</i>			
2	2022	10/27/2022	DSO Work Order Management	Failure to capture work order labor and materials on a consistent basis	1/25/23	N/A	0
				<i>Status notes: DSO is working on an upgrade to the catch basin application, implementing manual review controls (weekly labor report review, weekly material report review), and conducting a mandatory Maximo training program.</i>			



***Open Prior Audit Findings**

Audit Report / Subject	Issue Date	Open
Fleet Management Review	1/24/2019	1
Occupational Safety and Health	4/25/2019	1
Customer Billing and Collections Audit	10/22/2020	1
Contract Compliance Audit	7/22/2021	1
Strategic Plan Monitoring Audit	7/28/2022	2
Work Order Management Audit – DSO	10/27/2022	2
		total 4

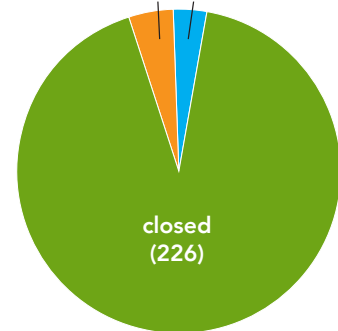
At least 1 original remediation target date has been extended

In total, 96% of all prior audit findings from FY16 – FY21 are closed. Management's target closure rate is 90%.

*Note that the audit findings reported above represent open findings through the FY21 Audit Plan year.

FY16 – FY21 prior audit findings status

pending testing (11) open (8)



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







**Summary of Contracts on Consent Agenda
293rd Meeting of the DC Water Board of Directors
Thursday, January 5, 2023**

Joint-Use Contracts

Resolution No. 23-00 – execute Additional Funding and Exercise Option Year Two (2) of Contract No. 20-PR-WWT-45A, Jet Blast, Inc. The purpose of the contract is to add funding for continued High Pressure/High Vacuum Cleaning Services to DC Water Facilities. The additional funding amount is \$654,000.00 (Recommended by the Environmental Quality and Operations Committee 12/15/2022)

Resolution No. 23-01- execute additional funding for Contract No. 14-PR-DMS-01, KSB, Inc. The purpose of the contract is to supply inspection, maintenance, and pump rebuild services for seven KSB 450 HP 178 MGB pumps located in the Enhanced Nitrogen Removal Facilities. The additional funding amount is 1,560,000.000. (Recommended by the Environmental Quality and Operations Committee 12/15/2022)

Resolution No. 23-02- execute additional funding for Contract No. 10121, Electric Motor & Contracting Co. (EMC). The purpose of the contract is to provide additional funding for the rehabilitation of four (4) nitrification blowers (NBU). The additional funding amount is \$3,004,424.00. (Recommended by the Environmental Quality and Operations Committee 12/15/2022)

Resolution No. 23-03 - execute Change Order No. 09 of Contract No. 190070, Hess Construction & Engineering Services, Inc. The purpose of the contract is to construct a new fleet facility at Walker Mill Road in Prince George's County, Maryland. The change order amount is \$110,000.00. (Recommended by the Environmental Quality and Operations Committee 12/15/2022)

Presented and Adopted: January 5, 2023

SUBJECT: Approval to Execute Additional Funding and Exercise Option Year Two (2) of Contract No. 20-PR-WWT-45A, Jet Blast, Inc.

**#23-00
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 January 5, 2023, upon consideration of a joint use matter, decided by a vote of _____ () in favor and _____ () opposed to approve to add Funding and Exercise Option Year 2 of Contract No. 20-PR-WWT-45A, Jet Blast, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the CEO/ General Manager to execute additional funding and exercise Option Year 2 of Contract No. 20-PR-WWT-45A, Jet Blast, Inc. The purpose of the contract is to add funding for continued High Pressure/High Vacuum Cleaning Services to DC Water Facilities. These services are required to help DC Water manage high-pressure water blasting and vacuum services for structures and equipment located at DC Water’s Blue Plains Advanced Wastewater Treatment Plant (BPAWWTP). The additional funding amount is \$654,000.00

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT AWARD
High Pressure/High Vacuum Cleaning services
(Joint Use)**

Approval to add funding for continued High Pressure/ High Vacuum Cleaning Services in the amount of \$654,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Jet Blast, Inc. 6800 Fort Smallwood Rd Baltimore, MD 21226	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$322,225.00
Base Period Contract Dates:	10-01-2020 - 09-30-2021
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$602,775.00
Prior Option Year 1-2 Dates:	10-01-2021 - 09-30-2023
Add funding to OY 2 (This request):	\$654,000.00
Option Year 2 Dates:	10-01-2022 – 9-30-2023

Purpose of Request:

Additional funds for Option Year 2 are being requested as funds were used for the unanticipated cleaning of anaerobic digestors and headworks influent screens. Additional funding will be required to adequately maintain these process systems.

Purpose of the Contract:

To provide high pressure/ high vacuum cleaning services to DC Water facilities. These services are required and help DC Water manage high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water’s Blue Plains Advanced Wastewater Treatment Plant (BPAWWTP).

Scope of the Contract:

WWT has a continued need for these services to provide high pressure water blasting and high vacuum cleaning services for structures and equipment located at DC Water’s Blue Plains Advanced Wastewater Treatment Plant (BPAWWTP). This includes the use of commercial multi-pressure, water blast equipment, high vacuum wet/dry trucks, combination jet/vacuum trucks, and physical to clean various facilities equipment and structures at the plant.

Spending Previous Year:

Cumulative Contract Value:	10-01-2020 – 11-16-2022: \$925,000.00
Cumulative Contract Spending:	10-01-2020 – 11-16-2022: \$909,125.00

Contractor’s Past Performance:

According to the COTR, the Contractor’s quality of services; timeliness of responses; conformance to DC Water’s policies, procedures, and contract terms; and invoicing all meet expectations.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	High Pressure/ High Vacuum Cleaning Service	Contract Number:	20-PR-WWT-45A
Project Area:	Blue Plains		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Nicholas Passarelli

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	42.74%	\$279,519.60
Washington Suburban Sanitary Commission	42.85%	\$280,239.00
Fairfax County	9.16%	\$59,906.40
Loudoun Water	4.53%	\$29,626.20
Other (PI)	0.72%	\$4,708.80
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$654,000.00

Aklile Tesfaye, 12/06/22
 Aklile Tesfaye Date
 VP of Wastewater Operations


 Dan Bae Date
 VP of Procurement

Dan Bae
 C=US, E=dan.bae@dcwater.com,
 O=District of Columbia Water and
 Sewer Authority, OU=VP of
 Procurement & Compliance, CN=Dan
 Bae
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Matthew T. Brown
 Digitally signed by
 Matthew T. Brown
 Date: 2022.12.06 16:44:09
 -05'00'

Matthew T. Brown Date
 CFO and EVP, Finance and Procurement

David L. Gadis, 12/15/2022
 David L. Gadis Date
 CEO and General Manager

Presented and Adopted: January 5, 2023

SUBJECT: Approval to Execute Additional Funding for Contract No. 14-PR-DMS- 01, KBS, Inc.

**#23-01
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 January 5, 2023, upon consideration of a joint use matter, decided by a vote of _____ () in favor and _____ () opposed to execute additional funding for Contract No. 14-PR-DMS-01, KSB, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the CEO/ General Manager to execute additional funding for Contract No. 14-PR-DMS-01, KSB, Inc. The purpose of the contract is to supply inspection, maintenance, and pump rebuild services for seven KSB 450 HP 178 MGB pumps located in the Enhanced Nitrogen Removal Facilities. The ten-year term maintenance contract with KSB (the manufacturer of pumps) is to ensure the safe operation of the Amacan pumps. This is a ten-year contract term, 2015-2025. Purchase orders will be issued annually based on the availability of funds. The additional funding amount is 1,560,000.000.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT ADDITIONAL FUNDING

**MAINTENANCE OF KSB PUMPS
(Joint Use)**

Approval to add funding in the amount of \$1,560,000.00 for continued maintenance services of the Enhanced Nitrogen Removal Facilities KSB Pumps. Purchase Orders will be issued annually based on availability of funds.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: KSB, Inc. 4415 Sarellen Rd. Richmond, VA 23231-4428	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Award Contract Value:	\$277,731.00
Base Award Contract Dates:	09-18-2015 - 09-17-2025
Number of Option Years:	0
Value of Previous Modifications:	\$610,000.00
Period of Previous Modifications:	09-18-2018 – 05-13-2022
Contract Modification Value:	\$1,560,000.00
Contract Modification Dates	01-15-2023 – 09-17-2025

Purpose of the Contract:

This contract is to supply inspection, maintenance and pump rebuild support services for seven KSB 450 HP 178 MGD pumps located in the Enhanced Nitrogen Removal Facilities.

Contract Scope:

This contract provides inspections, repairs, rebuild and maintenance services for seven KSB 178 MGD submersible pumps for the Enhanced Nitrogen Removal Facilities (ENRF), at Blue Plains' Advanced Wastewater Treatment Plant (AWTP). The ten-year term maintenance contract with KSB, (the manufacturer of pumps), is to ensure safe operation of the Amacan pumps. This is a ten-year contract term, 2015-2025.

Spending Previous Year:

Cumulative Contract Value:	09/18/15 - 10/30/22: \$887,731.00
Cumulative Contract Spending:	09/18/15 - 10/30/22: \$867,542.00

Contractor's Past Performance:

According to the COTR, the Contractor's quality of product and services, timeliness of deliverables; conformance to DC Water's policies and contract terms and invoicing met requirements.

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Maintenance and Repairs	Contract Number:	14-PR-DMS-01
Contractor Market:	Sole Source		

BUDGET INFORMATION

Funding:	Operating and Capital	Department:	Maintenance Services
Project Area:	Blue Plains	Department Head:	Elkin Hernandez

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	42.74%	\$ 153,864.00
Washington Suburban Sanitary Commission	42.85%	\$ 154,260.00
Fairfax County	9.16%	\$ 32,976.00
Loudoun Water	4.53%	\$ 16,308.00
Other (PI)	0.72%	\$ 2,592.00
TOTAL ESTIMATED DOLLAR AMOUNT	100%	\$ 360,000.00

ESTIMATED USER SHARE INFORMATION

User - Capital Equipment	Share %	Dollar Amount
District of Columbia	43.57%	\$ 494,640.00
Washington Suburban Sanitary Commission	42.12%	\$ 550,080.00
Fairfax County	9.02%	\$ 100,560.00
Loudoun Water	4.50%	\$ 44,760.00
Other (PI)	0.79%	\$ 9,960.00
TOTAL ESTIMATED DOLLAR AMOUNT	100%	\$ 1,200,000.00



 Akliie Tesfaye Date 1/12/22
 VP of Wastewater Operations



 Dan Bae Date
 VP of Procurement

Dan Bae
 C=US, E=dan.bae@dewater.com,
 O=District of Columbia Water and
 Sewer Authority, OU=VP of
 Procurement & Compliance, CN=Dan
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 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement



 David L. Gadis Date 12/15/2022
 CEO and General Manager

Presented and Adopted: January 5, 2023

SUBJECT: Approval to Execute Additional Funding for Contract No. 10121, Electric Motor & Contracting Co. (EMC)

**#23-02
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 January 5, 2023, upon consideration of a joint use matter, decided by a vote of _____ () in favor and _____ () opposed to execute additional funding for Contract No. 10121, Electric Motor & Contracting Co. (EMC)

Be it resolved that:

The Board of Directors hereby authorizes the CEO/ General Manager to execute additional funding for Contract No. 10121, Electric Motor & Contracting Co. (EMC). The purpose of the contract is to provide additional funding for the rehabilitation of four (4) nitrification blowers (NBU) and provide inspections, rehabilitation, or replacement services for various process assets, including the mechanical and electrical elements of the equipment. Approximately 1500 critical assets exist that require support. The additional funding amount is \$3,004,424.00

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT ADDITIONAL FUNDING

REHABILITATION OF VARIOUS PROCESS ASSETS

(Joint Use)

Approval of additional funds for Rehabilitation of four (4) nitrification blowers (NBU) in the amount of \$3,004,424.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Electric Motor & Contracting Co. (EMC) 3703 Cook Blvd Chesapeake, VA 23323	SUBS: M & M Electric Motor Repair, Inc. (DBE) Day and Night Labor Services, L.L.C (WBE)	PARTICIPATION: 30% 5%
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DESCRIPTION AND PURPOSE

Contract Value:	\$8,000,000.00
Contract Dates:	11-01-2021 — 10-31-2026
Base Period Contract Value:	\$1,600,000.00
Option Year 1 Contract Value:	\$1,700,000.00
Total Option Year 2-4 Value:	\$4,700,000.00
Contract Modification No. 1 Value:	\$3,004,424.00

Purpose of the Contract:

Department of Maintenance Services (DMS) and Department of Pumping and Sewer Operations (DPSO) require the services of a qualified Contractor to provide inspections, rehabilitation, or replacement services for various process assets, including the mechanical and electrical elements of the equipment. Approximately 1500 critical assets exist that require support.

Contract Scope:

The contract scope covers major overhauls and preventative maintenance necessary to ensure the availability of identified equipment for reliable operation. To avoid interruption in operations, the Contractor will coordinate all work, including emergency after hour services

Contract Additional Funding:

The additional funding covers rehabbing 4 Nitrification Blower and Motors and PLC work.

The motors are G.E., HP:4000, RPM:3570, FRAME:8512S, VOLTS:4000 installed in 1976. The standard scope per below:

- Inspect the motor for any anomalies and deficiencies
- Performs standard Rehabilitation of motor

The blowers OEM is Turblex and the machines are multi-stage centrifugal compressors capable of 55,000 SCFM at 14.6psig, maximum rpm 3,570 installed in 1976. The standard scope per below:

- Performs standard rehabilitation of blower.
- Inspect the blower for any anomalies and deficiencies, rehabilitate the known deficiencies such as the needle bearings.

Spending Previous Year:

Cumulative Contract Value:	11-01-2021 – 10-31-2023: \$ 3,300,000.00
Cumulative Contract Spending:	11-01-2021 - 10-21-2022: \$ 1,099,228.71

Contractor's Past Performance:

According to the Contracting Officers Technical Representative (COTR), the Contractor's quality of services; timeliness of responses; conformance to DC Water's policies, procedures, and contract terms; and invoicing all meet expectations.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Maintenance Services	Contract Number:	10121
Contractor Market:	Open Market with Goals for DBE and WBE Participation		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	David Parker
Project:	LF		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 1,238,423.57
Federal Funds	0%	\$ 0.00
Washington Suburban Sanitary Commission	45.84%	\$ 1,377,227.96
Fairfax County	8.38%	\$ 251,770.73
Loudoun County & Potomac Interceptor	4.56%	\$ 137,001.74
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$ 3,004,424.00

Kishia L. Powell

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Kishia L. Powell
COO and EVP

Matthew T. Brown

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Matthew T. Brown
CFO and EVP
Finance and Procurement



Dan Bae
E-Mail: Dan.Bae@wssw.com
District of Columbia Water and Sewer
Authority, Vice President of Procurement &
Capital Construction
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Dan Bae
VP of Procurement



David L. Gadis
CEO and General Manager

12/15/2022

Presented and Adopted: January 5, 2023

SUBJECT: Approval to Execute Change Order No. 09 of Contract No. 190070, Hess Construction & Engineering Services, Inc.

**#23-03
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 January 5, 2023, upon consideration of a joint use matter, decided by a vote of _____ () in favor and _____ () opposed to execute Change Order No. 09 of Contract No. 190070, Hess Construction & Engineering Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the CEO/ General Manager to execute Change Order No. 09 of Contract No. 190070, Hess Construction & Engineering Services, Inc. The purpose of the contract is to construct a new fleet facility at Walker Mill Road, in Prince Georges County, Maryland, in accordance with the agreement between DC Water and the District of Columbia to relocate Fleet operations from 125 O Street. The change order amount is \$110,000.00

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**DC Water Fleet Maintenance Facility
(Joint Use)**

Approval to execute Change Order No. 09 for \$110,000.00 The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
HESS Construction & Engineering Services, Inc. 804 West Diamond Ave. Suite 200 Gaithersburg, MD 20818	Grounded Electrical Construction Glen Burnie, MD DBE	93.6%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$17,800,000.00
Value of this Change Order:	\$110,000.00
Cumulative CO Value, including this CO:	\$ 2,376,336.49
Current Contract Value, including this CO:	\$20,176,336.49
Original Contract Time:	330 Days (11 Months)
Time extension, this CO:	402 Days
Total CO contract time extension:	747 Days (23 Months)
Contract Start Date (NTP):	06-10-2020
Anticipated Contract Completion Date:	05-21-2023
Cumulative CO % of Original Contract:	13.4%
Contract completion %:	92.0%

Purpose of the Contract:

To construct a new fleet facility at Walker Mill Road, in Prince Georges County Maryland in accordance with agreement between DC Water and the District of Columbia to relocate Fleet operations from 125 O street.

Original Contract Scope:

- To construct a 26,200 sq ft fleet maintenance facility on 6.25 acres site on Walker Mill Road Prince Georges County Maryland. Of the 6.25 acres approximately 3.51 acres will be developed as part of the project for the building and site. Remaining area is partly wet-land and/or to be used for future needs.

Previous Change Order Scope:

- Due to the delay in obtaining required permits to begin construction post-Notice To Proceed (NTP), subcontractors incurred additional costs for material price escalations and storage fees. Subsequently, a new requirement was added to the project scope by local authorities to incorporate CBIR (Commercial Building Inspector of Record) services. Lastly, owner-requested modifications continue being implemented to accommodate end-users' needs.

Current Change Order Scope:

- The electrical subcontractor could not begin work by NTP due to the delay in obtaining the required permits to begin construction. Due to the Contractor's delayed start in April 2021, compensation was requested for material price escalation and labor costs for stored materials and associated fees.

- Anticipated non-compensable time extension through 21-May-2023, 402 calendar days from current completion date 15-Apr-2022. Main factors include design changes to the underground storage tank post-fabrication, elevator certification delays, and changes to the perimeter security fence for safety fall-protection.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	190070
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Non-Process Facility	Department Head:	William Elledge
Project:	HH		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia*	87.69%	\$ 96,459.00
Washington Suburban Sanitary Commission	8.43%	\$ 9,273.00
Fairfax County	2.48%	\$ 2,728.00
Loudoun County & Potomac Interceptor	1.40%	\$ 1,540.00
Total Estimated Dollar Amount	100.00%	\$110,000.00

*\$13 million of the total contract will be paid to DC Water from District of Columbia.

**Kishia L.
Powell**

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Kishia L. Powell
Date: 2022.12.01
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Kishia L. Powell Date
COO and EVP



Dan Bae
C=US, E=dan.bae@dcwater.com,
O=District of Columbia Water and
Sewer Authority, OU=VP of
Procurement & Compliance,
CN=Dan Bae
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Dan Bae Date
VP of Procurement

**Matthew T.
Brown**

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Date: 2022.12.05 10:22:51
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Matthew T. Brown Date
CFO and EVP
Finance and Procurement



David L. Gads Date
CEO and General Manager