



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
311th MEETING OF THE BOARD OF DIRECTORS
Thursday, September 5, 2024
9:30 am

This meeting will be broadcasted via livestream: <https://dcwater.com/watch-board-meetings>

- I. **Call to Order (Rachna Butani Bhatt, Acting Chairperson)**
- II. **Roll Call (Michelle Rhodd, Board Secretary)**
- III. **[Approval of the July 3, 2024, Meeting Minutes](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 1. [Governance Committee \(Christopher Herrington\)](#)
 2. [Executive Committee \(Rachna Butani Bhatt\)](#)
 3. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
 4. [Audit and Risk Committee \(Floyd Holt\)](#)
 5. [Strategic Management Committee \(Rachna Butani Bhatt\)](#)
 6. **Special Meeting of the Audit and Risk Committee (Floyd Holt)**
- VI. **[CEO and General Manager's Report \(David L. Gadis\)](#)**
- VII. **Consent Items (Joint Use)**
 1. [Approval to Award Base Year and Two Option Years of Contract No. 10465, Sodium Bisulfite, PVS Chemical Solutions, Inc. – Resolution No. 24-62](#) (Recommended by the Environmental Quality and Operations Committee 07-18-24)
 2. [Approval to Award Base Year and Two Option Years of Contract No. 10466, Sodium Bisulfite, Southern Ionics Inc. – Resolution No. 24-63](#) (Recommended by the Environmental Quality and Operations Committee 07-18-24)
 3. [Approval to Award Base Year and Two Option Years of Contract No. 10467, Sodium Hypochlorite, Kuehne Chemical Co. Inc. – Resolution No. 24-64](#) (Recommended by the Environmental Quality and Operations Committee 07-18-24)
 4. [Approval to Execute Change Order No. 001 of Contract No. 200110, Public Space Restoration Contract FY22 – FY25, Capitol Paving of D.C. – Resolution No. 24-65](#) (Recommended by the Environmental Quality and Operations Committee 07-18-24)
 5. [Approval to Award Three Base Years and Two Option Years of Contract No. 10487, Internal Auditing Services, Cherry Bekaert Advisory LLC – Resolution No. 24-67](#) (Recommended by the Audit and Risk Committee 09-04-24)
- VIII. **Consent Items (Non-Joint Use)**
 1. [Approval to Execute Change Order No. 03 of Contract No. 220010, Inspection and Cleaning for Local Sewers, RedZone Robotics, Inc. – Resolution No. 24-66](#) (Recommended by the Environmental Quality and Operations Committee 07-18-24)

IX. Executive Session¹ (Rachna Butani Bhatt, Acting Chairperson)

1. To obtain legal advice and preserve attorney-client privilege or settlement terms under DC Official Code § 2-575(b)(4)(A)
2. To discuss a personnel matter under DC Official Code § 2-575(b)(10)

X. Adjournment (Rachna Butani Bhatt, Acting Chairperson)

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.

Upcoming Committee Meetings | via Microsoft Teams

- September 11th @ 9:30 am Human Resources and Labor Relations Committee with Union Presidents
- September 19th @ 9:30 am Environmental Quality and Operations Committee
- September 24th @ 9:30 pm DC Retail Water and Sewer Rates Committee
- September 26th @ 9:30 am Finance and Budget Committee

Important Reminder | Next Board of Directors Meeting

October 3, 2024 @ 9:30 am (In-person)

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.



**310TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
JULY 3, 2024
(Via Microsoft Teams)**

DIRECTORS PRESENT

District of Columbia Members

1. Keith Anderson, Chairperson
2. Rachna Bhatt, Principal
3. Anthony Giancola, Principal
4. Howard Gibbs, Principal
5. Richard Jackson, Principal

Prince George's County Members

1. Floyd Holt, Principal
2. Jared McCarthy, Principal
3. Jonathan Butler, Alternate

Montgomery County Members

1. Amy Stevens, Alternate
2. Jeffrey Seltzer, Alternate

Fairfax County Member

1. Christopher Herrington, Principal
2. Sarah Motsch, Alternate

DC WATER STAFF

1. David Gadis, Chief Executive Officer, and General Manager
2. Mark Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew Brown, Chief Financial Officer Finance and EVP, Finance, Procurement and Compliance
4. Wayne Griffith, Chief Administration Officer, and EVP
5. Jeffrey Thompson, Chief Operating Officer, and EVP
6. Michelle Rhodd, Secretary to the Board

The 310th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Keith Anderson at 9:34 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

I. APPROVE MINUTES

Chairperson Anderson asked for a motion to approve the minutes of the June 6, 2024, meeting.

Upon a motion duly made the Board of Directors approved the minutes of the June 6, 2024, meeting as presented.

II. CHAIRPERSON'S OVERVIEW

Chairperson Anderson opened the meeting with a reminder that the Board would be on hiatus for the month of August and would resume meetings on September 5, 2024. He congratulated Board members Anthony Giancola, Howard Gibbs, and Richard Jackson on their reappointments to the DC Water Board of Directors. He also noted the release of the 2024 Drinking Water Quality Report, which confirmed that DC Water had surpassed the EPA's water quality standards.

III. COMMITTEE REPORTS

Environmental Quality and Operations Committee Report Reported by Sarah Motsch

Committee Chair Sarah Motsch presented a summary of the report on the meeting held on June 20. An update on the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) was presented. All parameters were within the National Pollution Discharge and Elimination Standard permit limits. The tunnel system and wet weather treatment captured 101 million gallons with no overflows. Onsite energy generation for the month was 28% of the average treatment plant consumption and 3,700 wet tons of biosolids were sold as Bloom in June toward a 2024 goal of 65,000 tons. Nine action items were discussed and recommended to the Board for approval.

Retail Water and Sewer Rates Committee Report Reported by Rachna Bhatt

Committee Chair Rachna Bhatt presented a summary of the report on the meeting held on June 25. Matthew Brown, Chief Financial Officer and EVP Finance, Procurement and Compliance presented the monthly revenue report, noting a reduction of approximately \$500,000 over last month in the 90 days delinquent account balances; however, the number of delinquent accounts increased. He noted that the Multi-Family category

accounts for approximately 57% of these accounts. Ogechi Okpechi, Director, DCW Permit Operations noted that the number of requests had increased since bill summaries were sent out, and the team is making progress on processing the permit refund requests. The Committee discussed actions to reduce delinquent accounts.

Mr. Brown presented a report on the comments received on the proposed rates for FY2025 and FY2026. Three comments were received from the Office of the People's Council, and two members of the public commented. Mr. Brown reviewed DC Water's budget priorities, noting that some staff roles with long-term vacancy had been reallocated to new roles to address emerging needs. He reviewed each of the comments received on the rate plan and discussed DC Water's responses.

Meisha Thomas, Director Customer Care provided an update and recommendation on an update to the Customer Assistance Program (CAP), to add Plus (CAP+). She reviewed the history of the program and amendment, and projections for CAP+ based on historical usage of CAP. She also reviewed public outreach methods, noting that no witnesses testified at the public hearing. She recommended that the Board approve and adopt a notice of final rule making to amend the Customer Assistance Program regulations as follows:

- To consider comments submitted during Public Comment Period and at Public Hearing
- To recommend amending 21 DC Municipal Regulations (DCMR) 4102 to add rules for Customer Assistance Program Plus (CAP+), effective October 1, 2024

The final presentation was on the final rule making for the Fire Protection Service Fee for FY2025—FY2027.

The Committee recommended three action items for full Board approval. Marc Battle, Chief Legal Officer and EVP Government and Legal Affairs was asked to provide and update on the Soldier's Home at a future meeting.

*Executive Committee Report
Reported by Keith Anderson*

Committee Chair Keith Anderson reported that the Executive Committee met virtually on June 25 and convened an executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

*Finance and Budget Committee Report
Reported by Anthony Giancola*

Committee Chair Anthony Giancola presented a summary of the report on the meeting held on June 27.

Lola Oyeyemi, Vice President, Budget presented the May 2024 Financial Report, reporting total operating revenues of \$610.4 million, or 68.5 percent of the budget, total operating expenditures of \$439.6 million, or 59.6 percent of the budget, and capital disbursements of \$303.1 million or 58.9 percent of the budget. She noted that overtime spending was high due to emergency responses over the winter months. Board member Jonathan Butler inquired if overtime expenditures were driven by the Family and Medical Leave Act. Ms. Oyeyemi did not have detailed overtime data but noted significant overtime expenditures in the water and sewer area.

The vacancy rate was 9.2 percent at the end of May based on the new calculation method of the authorized headcount less vacant positions that are over 180 days without recruitment. Board member Jared McCarthy inquired if it was statistically significant that vacancies of less than 180 days were being excluded. Ms. Oyeyemi noted that of the total vacancies of 170, only 54 are over 180 days without recruitment

Mr. Brown reviewed the mid-year projections and considerations for cash and management recommendations, and how surplus funds were used in the past. He noted a goal to increase cash to hand to 350 days and that allocating additional funding to the Permits Office would ensure that progress on processing refunds would not impact next year's budget. The FY2024 projected net cash position includes approximately \$14.1 million in surplus funds available for allocation. Mr. Brown presented management's recommendation to carry over \$8 million to FY2025 for the refund of developer deposits and allocate the remainder of \$6.141 million to PAYGO (pay-as-you-go) to reduce future borrowing for the capital program

The Committee recommended one action item for Board approval. Staff was asked to provide data on the impact of extended medical leave and vacancies on overtime.

Mr. Giancola informed the Board that due to a clerical error, incorrect versions of the regarding the bond deal were approved documents by the Board in June. Corrected versions of the resolutions were included in the board meeting materials.

IV. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David Gadis shared his report.

From June 10 – 13, many of the Authority's leaders attended the American Water Works Association (AWWA) annual conference and exposition, ACE 2024. The conference was attended by representatives from 90 countries and ten Authority leaders were featured on eight panels. DC Water's Director of Innovation, Dr. Robert Bornhofen, was honored with the One Team, One Dream Award for demonstrating a passion for collaboration and

partnership. It also recognized his commitment to inclusivity and engaging new and diverse values and thought leadership.

During the month of June, the Authority celebrated diversity by engaging employees on themes of civil rights and equity. On June 8 and 9, DC Water participated in the Capital Pride Block Party and on June 19 DC Water closed in observation of the Juneteenth holiday. Mr. Gadis noted the importance of the holiday as representing a pivotal milestone in American history and the pursuit of justice and equity.

The 2024 Drinking Water Quality Report which briefed consumers and customers on the results of 40,000 samples collected in 2023 will be shared with customers. The data demonstrated that the Authority again met all EPA drinking water standards, including the new EPA standards for PFAS. Mr. Gadis noted that the Authority was in full compliance even before the standards were released. Highlights of the report were mailed to customers, and a full version of the report is available on demand from the Marketing and Communications department and on the DC Water website.

Mr. Giancola inquired if new hire Chris Collier, VP Water Services and Operation Engineering, was in a new position or replacing an outgoing employee. Mr. Gadis stated that the position is not new and that Mr. Collier would report to Jeffrey Thompson.

V. CONSENT ITEMS (JOINT USE)

1. Approving the Final Form of Certain Documents, Authorizing Tender Offer and the Sale and Setting Terms and Details of the Series 2024A Bonds – **Resolution No. 24-39** (Recommended by the Finance and Budget Committee 05-23-24)
2. Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Series 20248 Bonds – **Resolution No. 24-40** (Recommended by the Finance and Budget Committee 05-23-24)
3. Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Commercial Paper Notes – **Resolution No. 24-41** (Recommended by the Finance and Budget Committee 05-23-24)
4. Approval to Execute Change Order No. 007 of Contract No. 190010, Rehabilitation of the Potomac Interceptor (PI) Between MH31 and MH30, Ulliman Schutte Construction, LLC. – **Resolution No. 24-49** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
5. Approval to Add Additional Funding to Option Year 4 of Contract No. 19-PR-DWT-21A, Supply and Delivery of Methanol, Colonial Chemicals, Inc. – **Resolution No. 24-50** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
6. Approval to Award Base Year and Two Option Years of Contract No. 10450, Supply and Delivery of Ferric Chloride, PVS Technologies – **Resolution No. 24-**

- 51** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
7. Approval to Award Base Year and Two Option Years of Contract No. 10449, Supply and Delivery of Ferric Chloride, Kemira Water Solutions, Inc. – **Resolution No. 24-52** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
 8. Approval to Add Additional Funding to Contract No. 18-PR-DFS-28, Small Construction Contract for Phase II Sidewalk Project, Mid-Atlantic General Contractors, Inc. – **Resolution No. 24-53** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
 9. Approval to Transfer the Projected FY 2024 Net Cash Surplus of \$14,141,091 to PAYGO and Ending Cash Balance – **Resolution No. 24-54** (Recommended by the Finance and Budget Committee 06-27-24)

Upon a motion duly made, the Board of Directors voted to approve Joint Use resolutions as presented.

VI. CONSENT ITEMS (NON-JOINT USE)

1. Approval to Award Contract No. DCW-SOL-23-103351 Public Outreach and Engagement Services for CIP Projects, LINK Strategic Partners – **Resolution No.24-55** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
2. Approval to Award Contract No. DCFA-542-WSA1 Creekbed Sewer Rehabilitation Glover Archbold Park, Brown and Caldwell – **Resolution No. 24-56** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
3. Approval to Award Contract No. 160070, Sanitary Sewer Rehabilitation 10, Insituform Technologies, LLC – **Resolution No. 24-57** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
4. Approval of a Commitment Between District of Columbia Department of Transportation (DDOT) and DC Water, Improvement of Pennsylvania Avenue and Minnesota Avenue Intersection – **Resolution No. 24-58** (Recommended by the Environmental Quality and Operations Committee 06-20-24)
5. Approval to Publish Notice of Final Rulemaking for Fiscal Years 2025 and 2026 Retail Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRIAC), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate – **Resolution No. 24-59** (Recommended by the DC Retail Water and Sewer Rates Committee 06-25-24)

6. Approval to Publish Notice of Final Rulemaking to Establish the New Customer Assistance Program, CAP Plus (CAP+) for Low-Income Residential Customers – **Resolution No. 24-60** (Recommended by the DC Retail Water and Sewer Rates Committee (06-25-24))
7. Approval to Publish Notice of Final Rulemaking to Amend the Fire Protection Service Fee Regulations – **Resolution No. 24-61** (Recommended by the DC Retail Water and Sewer Rates Committee 06-25-24)

Upon a motion duly made the Board of Directors voted to approve the Non-Joint Use resolutions as presented.

VII. ADJOURN

There being no further business to come before the Board, the meeting adjourned the meeting at 10:18 a.m.

Michelle Rhodd
Secretary to the Board of Directors



**GOVERNANCE COMMITTEE
MINUTES OF THE MEETING**

JULY 10, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Christopher Herrington, Chairperson, Principal, Fairfax County
2. Rachna Butani Bhatt, Principal, District of Columbia

OTHER BOARD MEMBERS PRESENT

1. Jonathan Butler, Alternate, Prince George's County
2. Richard Jackson, Principal, District of Columbia

DC WATER STAFF

1. David Gadis, Chief Executive Officer, and General Manager
2. Mark Battle, Chief Legal Officer & EVP Government and Legal Affairs
3. Wayne Griffith, Chief Administration Officer & EVP
4. Jeffrey Thompson, Chief Operating Officer & EVP
5. Michelle Rhodd, Secretary to the Board

The Governance Committee meeting was called to order by Christopher Herrington, Chairperson, at 9:31 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. GOVERNMENT AFFAIRS UPDATE

Barbara Mitchell, Associate General Counsel, and Interim Director of Government Affairs presented the government affairs update for March through May. On March 11, the Government Affairs, Customer Service, and Finance teams attended the Multi-Agency and Utility Discussion meeting hosted by the DC Council to discuss utility service disconnections and efforts in conjunction with the Customer Service Department to dispel disconnection myths. Government Affairs continued to work with the Finance team to understand the implications of the Mayor's budget. Matthew Brown, Chief Financial Officer and EVP Finance, Procurement and Compliance testified before the Council on

the importance of protecting monies for Leak Repair Assistance, LPRAP, and CRIAC/CAP.

The Authority issued letters to DC Water's jurisdictional senators to support S.3830 to assist low-income households with their water bills nationwide. The Government Affairs Office collaborated with the Metropolitan Washington Council of Governments on the Potomac second source feasibility study and with Office of Marketing and Communications to invite key figures to the Potomac River Tunnel groundbreaking ceremony. Letters of support were also issued to support the Low-Income Household Water Assistance Program (LIHWAP) Establishment Act, S.3830, and House Bill H.R. 7944, the Water Systems PFAS Liability Protection Act. The Department of Legal Affairs finalized the language of the Lead Free DC Mandate, which is now with senior leadership for review and approval to transmit to the DC Council.

Hamza Masud, Senior Program Manager, Government Affairs, Legal discussed a recent visit by the Government Affairs team to Kimball Elementary School to provide demonstrations to students on how science and the law intersect to direct the provision of clean drinking water.

Ms. Mitchell summarized DC Counsel budget activities, noting that the very tight budget meant some programs, such as the CAP3 Customer Assistance Program, could not be funded. However, the DC Council approved \$125,000 plus CPI to repair leaks on private property, and \$950,000 to DC Public Charter School for lead pipe replacement. The Council also provided \$22.4 million for the FY25 Federal Portion Budget Request Act of 2024, for a combined sewer overflow long-term control plan. Ms. Mitchell noted that the funding required final approval by the Council. The Council approved \$900,000 for floodproofing upgrades to homes in vulnerable floodplains, and a one-time transfer of \$150,000 to restore and maintain bioretention beds.

Committee member Rachna Bhatt asked which federal partners Government Affairs works with. Ms. Mitchell noted that her team primarily works through the mayor's office and the federal group led by Beverly Perry, Senior Advisor to the Mayor as well as some members of the executive group and Eleanor Holmes Norton.

Legislation updates included confirmation that the House passed H.R. 2964, the Wastewater Infrastructure Pollution Prevention and Environmental Safety (WIPPES) Act, which ensures do-not-flush labeling is placed on disposable wipes. The House also passed the emergency version of the DC Water Critical Infrastructure FOI Clarification Emergency Amendment Act of 2024. The temporary and permanent bills are pending review and approval by the House.

Some lobby groups have registered challenges to the EPA rule that seeks to limit the presence of toxic chemicals in drinking water, while the Supreme Court overturned the Chevron rule that required reviewing courts to apply a two-step framework in interpreting statutes administered by federal agencies.

In relation to the Freedom of Information Act (FOIA) changes to exempt DC Water from disclosure of critical infrastructure information or plans that contain information for the critical infrastructures of DC water, Ms. Bhatt asked how often the Authority receives requests for such information. Marc Battle, General Counsel & EVP Government and Legal Affairs stated that these requests are not frequent, though FOIA requests in general are received regularly. He noted that the recent FOIA changes bring DC Water infrastructure in line with how gas and electrical infrastructure are treated.

Committee Chairperson Christopher Herrington asked for clarification on the misconceptions about DC Water's disconnection policies. Ms. Mitchell noted that DC Water typically secures its debt via liens, which means the debt follows the property, not the person. She noted that this can create misunderstanding for tenants, who may not realize they are eligible to apply for customer assistance programs to avoid disconnections. Mr. Battle confirmed that there is a general lack of awareness of the programs available and current initiatives are focusing on how to better inform customers of these programs.

Mr. Herrington requested clarification on the objectives of the Potomac Second Source Feasibility study. Ms. Mitchell stated that the objectives are under review and would be submitted to the Board for approval once recommendations have been drafted. She noted that the draft report is available for review; Mr. Herrington requested a copy. Mr. Battle noted that one objective was to ensure any recommendations address DC Water's concerns, which may differ from others in the region.

Mr. Herrington asked if the \$900,000 approved for floodproofing upgrades to homes in vulnerable floodplains was for an existing program or a new one. Ms. Mitchell stated that the program is new and is based on recommendations by the flooding task force. Ms. Mitchell noted she could forward additional information on the program.

Ms. Bhatt noted that Korey Gray, Vice President Contract Compliance and Business Development normally presents to the Committee and asked if his report frequency had changed. Mr. Battle noted that Mr. Gray presents as needed but could be asked to provide an update at an upcoming meeting.

II. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:55 AM.

Follow-up Actions:

1. Ms. Mitchell will provide Mr. Herrington with the draft copy of the Potomac Second Source Feasibility study objectives.
2. Ms. Mitchell will provide Mr. Herrington with additional information on the floodproofing program for homes in vulnerable floodplains.
3. Mr. Battle to ask Korey Gray to provide an update on his activities at an upcoming Committee or Board meeting.



**MINUTES OF THE MEETING
EXECUTIVE COMMITTEE**

JULY 12, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Keith Anderson, Chairperson, District of Columbia
2. Rachna Bhatt, Vice Chairperson, District of Columbia
3. Christopher Herrington, Principal, Fairfax County

DC WATER STAFF

1. David L. Gadis, CEO and General Manager
2. Michelle Rhodd, Secretary to the Board

The Executive Committee meeting was called to order by Chairperson Keith Anderson at 2:07 pm. Board Secretary Michelle Rhodd called the roll.

I. COMMITTEE ASSIGNMENTS

Michelle Rhodd discussed the need to ratify committee assignments for new Board member Richard Jackson and to adjust assignments for Andrea Crooms. The proposal includes keeping Ms. Crooms on the Environmental Quality and Operations and Finance & Budget Committee and removing her from the Governance Committee.

Committee member Christopher Herrington expressed concern regarding the number of members of the Human Resources and Labor Relations Committee. He volunteered to serve as vice chair at least through December and to help recruit new members. It was noted that asking Jonathan Butler to serve on the Governance Committee would be a good fit for him due to his professional background. The Committee also agreed that adding Jeffrey Seltzer to the Strategic Management Committee would be appropriate due to his professional background and Montgomery County's lack of representation on that committee.

Finally, Ms. Rhodd noted that Prince George's County recently elected Jared McCarthy to serve as 1st Vice-Chair and Jonathan Bulter as 2nd Vice-Chair for Prince George's County representation. As such, Mr. McCarthy will become a member of the Executive Committee.

He would also serve on the Strategic Management Committee as Vice Chair as he replaces former Prince George's member Tara Jackson.

II. EXECUTIVE SESSION

The Committee moved into executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

III. ADJOURNMENT

The Committee reconvened in open session and hearing no further business, Mr. Anderson adjourned the meeting at 2:47 PM.



**MINUTES OF THE MEETING
EXECUTIVE COMMITTEE**

JULY 19, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Keith Anderson, Chairperson, District of Columbia
2. Rachna Bhatt, Vice Chairperson, District of Columbia
3. Christopher Herrington, Principal, Fairfax County

DC WATER STAFF

1. David L. Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Officer, and EVP Government & Legal Affairs
3. Michelle Rhodd, Secretary to the Board

I. CALL TO ORDER

Chairperson Keith Anderson called the Executive Committee meeting to order at 2:03 PM via Microsoft Teams. Board Secretary Michelle Rhodd called the roll for attendance.

II. EXECUTIVE SESSION

After a motion and majority vote, the Committee moved into executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

III. ADJOURNMENT

The Committee reconvened in open session and hearing no further business, Chairperson Anderson adjourned the meeting at 2:50 PM.



**MINUTES OF THE MEETING
EXECUTIVE COMMITTEE**

AUGUST 30, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Acting Chairperson, District of Columbia
2. Fariba Kassiri, Principal, Montgomery County
3. Christopher Herrington, Principal, Fairfax County
4. Jared McCarthy, Principal, Prince George's County
5. Richard Jackson, Principal, District of Columbia

DC WATER STAFF

1. David L. Gadis, CEO and General Manager
2. Wayne Griffith, Chief Administration Officer and EVP
3. Michelle Rhodd, Secretary to the Board

I. CALL TO ORDER

Acting Chairperson Rachna Bhatt called the Executive Committee meeting to order at 2:32 PM via Microsoft Teams. Board Secretary Michelle Rhodd called the roll for attendance.

II. EXECUTIVE SESSION

After a motion and majority vote, the Committee moved into executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

III. ADJOURNMENT

The Committee reconvened in open session and hearing no further business, Acting Chairperson Bhatt adjourned the meeting at 4:19 PM.



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
JULY 18, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Sarah Motsch, Chairperson, Alternate, Fairfax County
2. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
3. Jared McCarthy, Principal, Prince George's County
4. Chris Herrington, Principal, Fairfax County
5. Andrea Croombs, Alternate, Prince George's County
6. Richard Jackson, Principal, District of Columbia

OTHER BOARD MEMBERS PRESENT

1. Jonathan Butler, Alternate, Prince George's County
2. Amy Stevens, Alternate, Montgomery County

DC WATER STAFF PRESENT

1. David Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew Brown, Chief Finance Officer and EVP, Finance, Procurement and Compliance
4. Wayne Griffith, Chief Administration Officer and EVP
5. Jeffrey Thompson, Chief Operating Officer and EVP
6. Michelle Rhodd, Secretary to the Board

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 9:30 AM. The meeting was held via Microsoft Teams. Michelle Rodd, Secretary to the Board called the roll.

Minutes of the July 18, 2024 Environmental Quality & Operations Committee Meeting

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, Vice President, Wastewater Operations, presented a summary of the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) for June 2024. Specific details of the presentation can be found on pages 3 to 8 of the Environmental Quality and Operations Committee meeting package 07.18.2024 (the meeting package). The average flow through to complete treatment was 264 million gallons per day (MGD) for the month, and the peak daily flow was 302 MGD which occurred on June 5th. It was reported that all NPDES permit requirements were met.

Mr. Passarelli discussed the performance of the Anacostia tunnel system and wet weather treatment at BPAWTP. It was noted that precipitation for the month was just over 1 inch and the combined wet weather flows captured by the tunnel system was 16 million gallons. There were no flows through Outfall 001 and no overflows from the Tunnel System during the month.

Referencing page 6 of the meeting package, Committee member Howard Gibbs queried whether the reporting period for the table of data (total system performance from start-up) should match the reporting period for the graph (volumes captured by the tunnel system). Mr. Passarelli clarified that the data in the table is annual data through the end of calendar year 2023 and is updated annually, whereas the data in the graph is updated monthly. Mr. Gibbs requested that the table be updated to clarify that it reflects annual data through 2023.

Mr. Passarelli 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. The CHP Facility generated an average of 7.7 megawatts (MW), of which 6.3 MW was transferred to the Blue Plains grid. The solar system generated an average of 1.01 MW for the month. The average electrical consumption for the month was 27.6 MW and the total purchased power from PEPCO averaged 20.3 MW. It was noted that data for DC Water's cumulative savings due to power generated onsite at BPAWTP (instead of purchasing from PEPCO) was not updated since the last committee meeting. Through the end of April 2024, DC Water have saved over \$1.5 million cumulatively in FY24. Data will be updated ahead of the next committee meeting.

Mr. Gibbs enquired why the data had not been updated. Mr. Passarelli clarified that the data could not be assembled in time to be included in the meeting package, as staff responsible for accessing the billing data have been out of office. It was added that reporting on the cost savings includes several back calculations, and DC Water staff want to have all available data ahead of reporting this total.

Mr. Passarelli discussed biosolids production and Bloom marketing at BPAWTP. During June, over 13,700 wet tons of biosolids were produced; approximately 2,500 wet tons were sold as Bloom and the remaining 11,200 wet tons were land applied through existing land application contracts. Progress continues to be made to achieve Bloom marketing goals for FY24. To date, almost 49,000 tons have been marketed, compared to the goal of 65,000 tons for the fiscal year.

Minutes of the July 18, 2024 Environmental Quality & Operations Committee Meeting

II. DC CLEAN RIVERS PROJECT STATUS UPDATE

Moussa Wone, Vice President, DC Clean Rivers Project presented the quarterly update for the DC Clean Rivers Program. The presentation provided was aligned with the information on pages 9 to 20 of the meeting package. 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 March 2018. Through June 2024, over 17.2 billion gallons of overflows and over 10,800 tons of trash, debris, and other solids have been captured by the tunnel system.
- b) The Northeast Boundary (NEB) Tunnel is the last leg of the Anacostia Tunnel System. The tunnel was placed into operation in September 2023, ahead of the consent decree deadline of March 2025. Currently, site restoration and punchlist activities are taking place at various sites.
 - i. R St Construction Staging area – pavement restoration for 2 of the 3 roads impacted during construction is complete. For the remaining road, the Contractor is waiting on the District Department of Transportation (DDOT) to switch traffic signal equipment to the permanent cabinet installed for the location. In addition, landscaping activities for the adjoining park are ongoing.
 - ii. Lincoln Road NE - Added left turn lane during construction as a temporary measure and DDOT requested to leave it permanent. The Contractor is waiting on DDOT to switch the traffic signals from the temporary to the permanent poles.
 - iii. Ventilation Facility – testing of equipment is ongoing. Factory acceptance testing was conducted in June. MDCS cabinet equipment will be installed starting next week.

Potomac Area:

- a) The Design-Build Contractor for the Potomac River Tunnel (Potomac River Tunnel Contract B) is the CBNA-Halmar Clean Rivers Joint Venture. The Notice to Proceed (NTP) for the tunnel construction was issued in November 2023.
 - i. The Contractor is preparing design packages.
 - ii. The Tunnel is planned to be placed in operation by February 2030.
 - iii. The Contractor has mobilized to the main tunnel mining site at West Potomac Park (WPP). The following activities are ongoing:
 - Ohio Drive SW was closed on June 17th. Construction of the bypass road is ongoing, various activities are ongoing including undercutting of the subgrade, backfilling with suitable material and construction of drainage.

- Construction is ongoing for the temporary bridge to be installed over the twin Potomac force mains, which are located within the construction staging area for the project. One of the eight piles for the bridge have been installed.
- Investigations for existing electrical infrastructure on Independence Avenue SW are ongoing. This is needed for future traffic signals to be installed to connect Independence Avenue SW with the Ohio Drive SW bypass road currently under construction.
- Construction of the guidewall for the overflow and mining shaft is ongoing. The contractor is preparing to install secant piles for the wall.

Rock Creek Area:

a) Piney Branch Tunnel

- Piney Branch is the largest CSO discharging to Rock Creek. Piney Branch covers a drainage area of more than 2,300 acres.
- The purpose of the tunnel is to intercept and store CSOs at the outfall to Rock Creek. Flows captured in the tunnel will be discharged into the sewer system by gravity – no pumping stations will be constructed.
- Work is underway on an Environmental Assessment (EA) with the National Park Service (NPS). The EA is planned to be available for public comment in August 2024.
- Geotechnical investigations for the tunnel are ongoing (Phase 2 of the project). Two borings remain to be drilled for the investigations.
- Dye testing was conducted in June 2024. The design for the project is ongoing.
- Procurement is underway to select the Construction Manager at Risk (CMAR) Contractor to construct the tunnel.
 - The Request for Qualifications/Proposals (RFQP) was issued on May 9, 2024.
 - Responses were received on June 13th. Three respondents were requested to submit technical and price proposals.
 - Collaboration meetings with the three respondents will commence on July 22nd. The meetings will cover the cost drivers, preliminary estimates, and terms and conditions for preconstruction services for the project.

b) Green Infrastructure (GI) Project C

- The project is to manage stormwater from 25 impervious acres with GI to the 1.2 inches retention standard. The project is currently in planning, design and procurement phases – all three phases are being advanced simultaneously.
- The requirement from the consent decree is to submit the project description for this project to the Environmental Protection Agency (EPA)

six months prior to the award of construction. The final project description was issued to the EPA on June 10, 2024.

- iii. Procurement is underway to select the CMAR Contractor for the project.
 - The RFQP was issued on May 16, 2024.
 - The Statement of Qualifications/Proposals (SOQ/PS) were received on June 18th. For this solicitation, respondents were requested to submit qualifications, technical proposals, and price proposals. Technical and price proposals will be evaluated only for the shortlisted respondents to determine the preferred bidder.
 - Evaluation of the SOQs is ongoing.

General:

- a) The Clean Rivers Program continues to engage the public through outreach efforts on all projects.
 - i. Potomac River Tunnel – the groundbreaking ceremony for the project took place at West Potomac Park on May 21, 2024.
- b) Overall, the Clean Rivers Program is projected to be completed \$46.4 million below budget. A graph was presented showing contract amounts and final costs for projects forming part of the program.

III. LEAD FREE DC QUARTERLY UPDATE

William Elledge, Director, Engineering & Technical Services, presented the quarterly update for the Lead-Free (LFDC) Program. The presentation was aligned with the information on pages 21 to 34 of the meeting package. Mr. Elledge discussed some metrics from the program's data dashboards, shared key activities completed on the program in the last quarter and summarized some of the upcoming activities for the program.

Three of the program's dashboards were discussed – FY24 Key Performance Indicators (KPIs), Service Line Replacements and the Overall Program Dashboard. For the FY24 KPIs, it was noted that seven of the nine metrics were on target to be achieved, including budget spent on the program, which was at 102% spent through May 2024. Mr. Gibbs enquired whether the program was over budget. Mr. Elledge clarified that the program is ahead of schedule in terms of the number of service line replacements planned to be completed through May of FY24. This has resulted in accelerated spending beyond what was budgeted. It was requested that DC Water staff add this clarification when reporting on budget spent on the program.

Mr. Elledge discussed the two metrics for FY24 which were behind target – the average payment time and material verification. It was noted that the average time to pay contractors was at 31.2 days, compared to the target of 31 days. Numerous indicators related to this metric are being tracked to help improve performance and achieve the target of 31.

For the material verification, it was noted that the program had shifted strategy which has caused the metric to be behind target. The target through May was to verify the material of over 6,500 service lines through test pitting. This was budgeted to cost approximately \$100 million. A decision was taken on the program to use some of this budget to complete actual service line replacements, and in parallel, search for more cost-effective options to complete material verification. It is anticipated that the target for material verification for FY24 will not be achieved. Mr. Gibbs congratulated staff for achieving so many KPIs. Committee member Sarah Motsch enquired what alternative approaches for material verification are being implemented on the program. Mr. Elledge noted that a pilot study is underway to test other technologies beyond test pitting, and results from the study will be shared with the Committee when they are published. The goal of the pilot study is to identify a more cost-effective technology for implementation on the program. It was added that DC Water still conducts test pits for service lines of unknown materials and suspected lead service lines.

Mr. Elledge discussed that the rate of lead service line (LSL) replacements slowed between March and June 2024, compared to the period October 2023 through March 2024. This is due to multiple reasons including contracts being on hold due to funding constraints, Contractor issues with subsurface utility investigations and Miss Utility, and finding less LSLs than expected on certain blocks. The issues related to the three contracts have been resolved following the signing of a Memorandum of Understanding (MOU) with the District Department of Energy and the Environment (DOEE). Program staff are working to resolve Contractor issues related to subsurface utility investigations and official correspondence has been issued to non-performing Contractors as a step to improve performance. Finding fewer LSLs is good news for the program, however it affects the metrics and means fewer LSLs are being completed.

Mr. Elledge presented a summary of DBE and WBE Utilization for Master Service Agreement (MSA) contracts under the LFDC program. This was included in response to a request from the Committee during the May meeting. It was noted that a summary of the information will be included in the quarterly Capital Improvement Program (CIP) update moving forward.

Mr. Elledge discussed overall program performance. The current estimate of LSLs to be replaced is 41,157 and the overall program is almost 15% complete. In the third quarter (Q3) of FY24, 457 LSL replacements were completed. 176 of the completed replacements were private-side replacements, completed through the Lead Pipe Replacement Assistance Program (LPRAP). Through Q3, it was noted that construction commenced on two bid packages (packages 15 & 16) and solicitations were issued under the MSAs for construction packages 18 and 19. The first cohort of the community activators employment program was completed and 13 of the participants were extended full time employment opportunities and are employed via the LFDC program. The program is a partnership between DC Water and the District Department of Employment Services (DOES) and is led on DC Water's side by Korey Gray, Vice President, Contract Compliance and Business Development.

Mr. Elledge discussed progress on the MOU with the DDOT. It was noted that one of the items DC Water were asking for was a waiver of the permit fees, specifically the public inconvenience fees. DDOT was not able to waive these fees. As these fees were not included in the previous budget for the LFDC program, there will be an impact to the overall cost estimate for the program. The current estimate for these fees is approximately \$116 million over the life of the program. Mr. Elledge discussed upcoming activities for the program, noting that construction is planned to commence for construction packages 18 and 19, and the next cohort of community activators is scheduled to commence.

IV. FILTER INFLUENT PUMPS VIBRATION ISSUE RESOLUTION

Ryu Suzuki, Director, Department of Wastewater Engineering discussed DC Water's journey to resolve vibration issues for the filter influent pumps at BPAWTP. The presentation was aligned with the information on pages 35 to 44 of the meeting package. There are twelve filter influent pumps that are used to lift wastewater to the filtration facility at BPAWTP, which is the last treatment process prior to effluent discharge to the Potomac River. In 2009 it was discovered that rusted holes are developing on the pump impellers due to vane-tip cavitation. This occurs due to undesirable flow conditions in the influent to the pumps, which causes micro-bubbles to form and explode on the outer edges of the pumps, which cause these holes.

Mr. Suzuki noted that these pumps are critical to operations at BPAWTP. Given the size and installation of the pumps in the filtration facility, whenever one is taken out of service for maintenance activities, a large crane is required to be rented. This results in significant costs for maintenance; crane rental alone can cost in the order of \$20,000 per day, without factoring the cost of urgent repairs for the pumps. It was noted that since this problem became known, alternative repair projects were attempted on the pumps to address the cavitation issues, however none were successful at resolving the issues. DC Water decided to undertake the latest project, with the objective of addressing the influent conditions causing the pump cavitation.

Mr. Suzuki described that over the last 15 years, whenever project work on a critical pump station is planned in the department of wastewater engineering, procedures have been established to undertake physical hydraulic modeling. The process involves working with a vendor to build a scale model of the pump station to simulate the existing flow conditions. As part of this project, a 10:1 scale model of the filter influent pumps was constructed at the vendor's indoor facility in South Carolina. The model was used to troubleshoot the influent flow conditions before any rehabilitation work was completed at the filtration facility at BPAWTP. The same vendor has previously constructed a scale model of the tunnel dewatering pump station to resolve potential issues at that facility ahead of time.

Through the physical hydraulic model simulation, it was confirmed that a major hydraulic condition exists in the intake to the filter influent pumps. The condition causes the formation of a surface vortex in the pumps, which creates uneven flows and resulting low pressures at the pump impellers. This condition leads to the formation of micro-bubbles

and causes cavitation of the pumps. Mr. Suzuki discussed that this severe condition was caused by the existing pump configuration. The hydraulic model vendor recommended different remediation measures, including the installation of a flow conditioning basket and baffle wall to regulate flows entering the pumps. New filter influent pumps were installed with these enhancements in 2021 and 2022, however high pump and motor vibration issues were observed during pump commissioning.

Mr. Suzuki described that a vibration analysis of the pumps showed that the excessive vibration issues were due to resonance frequency issues at the pump station. Mr. Suzuki described what resonance frequency is and that excessive vibration can occur if the natural frequency of a pump is close to the operating speed of the pump. In this case, the filter influent pumps rotate at 600 RPM (revolutions per minute) and the natural frequency of the pumping system in the facility is at a similar frequency. To resolve this, the pump manufacturer performed finite element analyses (FEA), wherein a model was created to evaluate how different materials in the pumping system were responding under the operating conditions of the pumps. The pump manufacturer recommended slots be cut into specific locations of the exterior of the pump casing to reduce the pump stiffness. This reduced the vibration in the pumps, but vibration levels were still outside of the limits in the project specifications.

Mr. Suzuki detailed that DC Water staff engaged the services of a third-party contractor with expertise in vibration analysis. This contractor performed a secondary FEA of the pump system, ancillary piping and the foundations of the filtration facility. The contractor found that the natural frequency of the pumps was within 10% of the operating frequency of the system, even with slots cut into the pump exterior. This contractor recommended that additional bracing be added to the pump system, especially on the pump motors such that the margin of separation between the natural frequency of the pumps and the operating frequency of the system was at least 15%. After installing the bracing on the motors and testing the pumps, vibrations went down significantly across the board. All pumps operate within the recommendations of the Hydraulic Institute at all points within the operating range, and all pumps have greater than 20% separation margin between their operating range and natural frequencies.

The Committee commended the work of DC Water staff. David Parker, Vice President, Engineering & Technical Services commended the efforts of Mr. Suzuki and the staff to resolve these issues and work towards better solutions for DC Water. Resolution of the issues will ultimately result in significant savings for DC Water by reducing maintenance costs and improving the service life of the equipment.

V. CIP Planning Process Briefing

Mr. Parker gave a presentation which summarized processes for developing the budget for the CIP. The presentation was aligned with the information on pages 45 to 53 of the meeting package. The presentation covered the overview of the budget cycle, the driving principles that influence CIP planning and priorities, new CIP updates currently under review and some of the risks and opportunities that exist in the CIP.

A graphic was presented that summarized the cycle for the FY25-34 CIP budget. Key milestones for the budget process were discussed; the process kicked off with a series of meetings between March and July. In these meetings, progress on existing projects was reviewed and the needs that are not addressed in the current CIP were identified. Starting August, meetings will be held with the Senior Executive team including the CEO and CFO to discuss the spending plan and incorporate their recommendations. By January 2025, the updates will be presented to the Board across a series of meetings and workshops which culminate in approval of the budget in March 2025.

Mr. Parker discussed some of the driving principles which help guide the CIP. Some drivers include compliance with consent decrees, laws and regulations; improving Health and Safety issues; replacing assets with public exposure that show accelerated failure; actively managing risk of asset failure through proactive actions; consider projects that provide return on investment and reducing operations and maintenance (O&M) costs; improve customer service and satisfaction; invest in projects for resiliency and sustainability. The drivers align with the imperatives from the strategic plan.

Mr. Parker summarized some of the considerations for new proposed CIP requests. Most notably, increasing the rate of replacement and rehabilitation of water and sewer linear assets annually, from 1.5% and 1% respectively, to 2.5%. This will serve to reduce the average age of these assets and reduce the likelihood and frequency of failure. Mr. Parker further described that staff are focused on making sure that the cost forecasts for projects in the CIP incorporate more accurate inflation considerations and reflect market realities. Further, the CIP will look to address the needs arising from linear asset condition assessments and address high risk vertical assets at BPAWTP and at pumping stations across the water and sewer systems. The recent completion of the Water Pump Station Facilities Plan update will help to establish these needs.

Mr. Parker continued with discussions on considerations for new proposed CIP requests. For the LFDC Program, the lead and copper rule revisions released by the EPA are pushing the program to be completed within schedule. The planned completion date for the program is 2037. As noted during Mr. Elledge's LFDC update, the current approved budget for the program does not include public inconvenience fees from DDOT which is estimated to be around \$116 million.

Mr. Parker discussed that DC Water pay approximately 70% of the costs for capital improvements for the Washington Aqueduct. These costs are not proactively budgeted in the CIP. With the emerging regulations related to treatment of Per- and Polyfluoroalkyl Substances (PFAS), risks exist that may require the Aqueduct to incur significant capital costs. DC Water continues to consider water supply resilience in the CIP. There are projects currently in the CIP for some additional water storage and consultation is ongoing with the Aqueduct about additional water storage and further options for water supply resilience.

Mr. Parker discussed the approach of consolidating projects into larger groups to have fewer and larger contracts to manage and embrace collaborative delivery as the preferred project delivery method. Both CMAR and progressive design build (PDB) are the delivery models being implemented. It is anticipated that adopting these methods will increase the pool of contractors and attract larger national contractors to work with DC Water. Mr. Gibbs enquired whether this strategy would conflict with the objective to improve the ability of small local businesses. Mr. Parker responded that bundling the projects is an important tool to deliver a growing CIP and consideration is being given to maintain participation of DBEs and small local businesses in these project delivery methods. DC Water is engaging large contractors to establish how best to engage with this approach. Keith Lindsey, Chief of Staff added that DC Water is intently focused on increasing participation of MBE and DBE firms on all projects. In reference to comments by Mr. Parker about the Aqueduct's possible CIP needs, Mr. Lindsey added that DC Water are also focused on doing a better job at addressing the needs of the Aqueduct via the CIP in a more proactive manner.

Mr. Parker described more of the risks and some opportunities that are being monitored across the CIP. In addition to the needs of the Aqueduct's CIP and water supply resilience, other risks include the needs for unfunded major buried infrastructure identified through the condition assessment work. Other risks include, PFAS limits and regulations in wastewater treatment and biosolids, and any emerging issues that may develop from the new NPDES Permit for BPAWTP. Opportunities discussed for the CIP include establishing a programmatic approach to capture federal and industry funding opportunities; pilot studies for improved treatment processes at BPAWTP, implementation of resource recovery options including biogas utilization; implement of a microgrid within Blue Plains and diversification of bloom products marketing and storage to optimize sales.

VI. ACTION ITEMS

JOINT USE

1. Contract No. 10465 – Sodium Bisulfite – PVS Chemical Solutions, Inc.
2. Contract No. 10466 – Sodium Bisulfite – Southern Ionics, Inc.
3. Contract No. 10467 – Sodium Hypochlorite – Kuehne Chemical Co. Inc.
4. Contract No. 200110 – Public Space Restoration Contract FY22-FY25 – Capitol Paving of D.C.

NON-JOINT USE

1. Contract No. 220010 – Inspection and Cleaning for Local Sewers – RedZone Robotics, Inc.

John Pappajohn, Director of Procurement, Goods & Services presented Joint Use Action Items 1 through 3. Mr. Parker presented Joint Use Item 4 and the Non-Joint Use Action Item 1. The fact sheets associated with the action items are included on pages 54 to 63 of the meeting package.

Regarding the extension of the contract for Action Item 4, Committee member Christopher Herrington noted the difference in process for extension of this contract (via change order) and extension of the contract for Action Item 3 (via exercising the base year and two option years). Mr. Herrington enquired why these approaches are so different and why each of these were adopted as the procurement approaches. Rudy Gonzalez, Director of Procurement, Capital Programs explained that for the procurement of goods and services, different approaches are adopted for the different types of goods being procured. The procurement approach is selected based on obtaining maximum value for DC Water.

In the case of procurement of services associated with Action Item 4, the approach was selected as this is an emergency base contract. DC Water had additional activity this year for emergency repairs to sewer mains and water mains; and have used this contract more than initially planned. The extension of the contract is to provide additional funds to complete activities for FY24 and extend the contract using existing rates from the existing contract. As the Contractor has performed well on the contract, DC Water don't see value in completing a new solicitation for this work.

The Committee recommended moving all Joint Use and Non-Joint Use Action Items to the full Board for approval.

VII. ADJOURNMENT

The meeting was adjourned at 10:50 am.



**MINUTES OF THE MEETING
AUDIT AND RISK COMMITTEE
JULY 25, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Floyd Holt, Chairperson, Prince George's County
2. Jed Ross, Vice Chairperson District of Columbia
3. Howard Gibbs, Principal, District of Columbia
4. Anthony Giancola, Principal, District of Columbia

DC WATER STAFF

1. David L. Gadis, Chief Executive Officer and General Manager
2. Marc K. Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew T. Brown, Chief Financial Officer and EVP, Finance, Procurement and Compliance
4. Wayne Griffith, Chief Administration Officer and EVP
5. Michelle Rhodd, Secretary to the Board

The Audit and Risk Committee meeting was called to order by Floyd Holt, Chairperson, at 11:06 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. ENTERPRISE RISK MANAGEMENT BRIEFING

Helen Hagos, Manager, Enterprise Risk, Policy Management and Internal Audit, presented the Enterprise Risk Management Briefing.

Ms. Hagos reviewed the Enterprise Risk Management (ERM) program and provided an update on the bottom-up risk assessment approach introduced in the prior meeting. Ms. Hagos reviewed the rationale and methodology for the assessment.

The bottom-up risk process was developed to capture information on any risks not identified through the top-down assessment. It also facilitates the flow of risk information to the ERM Committee, which will review the information and prioritize risks. The ERM Committee will then partner with departments to develop risk treatment plans that will be supported by

monitoring and reporting processes. Ms. Hagos noted an aim to keep governance groups engaged and informed, and to also encourage engagement in the workforce.

The ERM communication plan explains the purpose and value of ERM and includes several communication strategies. ERM roadshows include presentations to departments and deep risk conversations. Mandatory ERM training for staff will be embedded into the suite of compliance training. Lead and Learn sessions will offer opportunities for informal two-way communications. ERM Slick Sheets are similar to elevator speeches and provide an overview of ERM benefits and how ERM strategies can be used in everyday work.

Ms. Hagos reviewed the status of the communication plan. Regular touchpoints with senior leaders continue. Road shows were initiated in June and have to date been facilitated for five departments and thirty attendees. ERM training will be advanced in the last week of July and a Lead and Learn session will be facilitated in August.

Ms. Hagos reviewed the risk register as of July 2024, noting that artificial intelligence (AI) was previously flagged as a risk and has now been elevated to the senior executive team.

Committee member Anthony Giancola inquired about Tier 1 and Tier 2 risk designations, noting that Tier 1 risks are higher priority. He recalled that cybersecurity was in Tier 1 but is now in Tier 2. He asked how this change was decided. Ms. Hagos stated that the ERM team initially did a survey of the Board and senior leaders as part of the top-down approach, then had a risk prioritization workshop where the ERM team came to a consensus on the tiers. Cybersecurity has always been identified as a risk that ERM continues to monitor.

Mr. Giancola noted his uncertainty about the current prioritization and asked for a new survey to incorporate input from all board members including new directors and senior executives. He inquired about the mention of COVID-19 as an ongoing issue. Ms. Hagos noted the intent is to work with the internal audit team to update the risk list and that this process will include a new survey and review of the risk tiers.

Mr. Giancola asked how the Board can assess the Authority's progress on risk management; and gain an understanding about emerging issues – whether they have been resolved or are ongoing. Ms. Hagos stated that ERM is looking at developing an annual enterprise risk report. Wayne Griffith, Chief Administration Officer and EVP noted that the team has been ramping up efforts to provide the Audit and Risk Committee with quarterly updates on emerging risks and changes to the risk landscape. It is in the process of building key risk indicators (KRIs) to provide further insight. The Origami dashboard tool will be used to frame and report information, often in real time.

II. INTERNAL AUDIT UPDATE

A. FY 2024 INTERNAL AUDIT PLAN STATUS UPDATE

Dan Whelan, RSM, presented an audit update reviewing completed reports and pending work. New completed reports include the Genesys IT General Controls Assessment and the Internal and External Network Penetration Testing report, to be discussed further in the executive session. He stated that the audit team is working collaboratively with the ERM team and looking at many risks, including generative AI.

The audit is on schedule and at the next meeting the audit team will report on the results of the risk assessment and the audit plan for the next fiscal year.

B. STATUS UPDATE ON PRIOR AUDIT FINDINGS

Emily Lowien, RSM reviewed the open high risk prior audit findings, which include a Work Order item (Failure to Capture Work Order Labor and Materials Data) and a Fleet Management item (Lack of Current Policies and Procedures). These items are scheduled for completion by August 31, 2024, and September 1, 2024, respectively.

Mr. Giancola stated that he had hoped both items would be completed before the original target date and asked if the target dates will be met. Mr. Griffith stated that the team is on track to meet the deadlines and was currently interfacing with department management to ensure all interim milestones are met. Additionally, Ms. Hagos is working with the Fleet Management Department's director to assure that the dates are met. The relevant policies have been drafted and have been sent for legal review. For the Work Order item, regular touchpoints with the director have been maintained and the item is very close to being closed out.

Challenges to closing these two items have included efforts to establish sustainable processes that can be maintained. Ms. Hagos noted a recommendation to implement sustainable solutions, not band-aids. Mark Battle, Chief Legal Officer and EVP, Government and Legal Affairs confirmed that the legal review of the policy updates would be completed on time.

Mr. Giancola asked if labor relations negotiations would delay closure. Ms. Hagos confirmed that these are operational matters and do not have labor implications, so there will be no negotiations with the unions. She noted that the chart was incorrect in listing labor relations as a factor in completing the Fleet Management item.

Sophie Tomeo, RSM reviewed the Status Update on Prior Audit Findings. Currently, there are no open items and four items pending testing. One item, related to

occupational health and safety, was slightly delayed as some changes were requested in negotiations with the unions. She noted that the newly-hired Safety Director was working with ERM to close out the issue.

Of the 10 items identified in the last fiscal year audit, five are open. They include two high-risk items discussed earlier in the meeting. Two items moved from open to pending testing in July and are anticipated for closure before the next meeting.

In total, 94% of prior audit findings from FY17 to FY23 are closed out. Management's target closure rate is 95%.

C. HOTLINE UPDATE

Samantha Bement, RSM, presented the Fraud, Waste, and Abuse Hotline Update. The call volume was down significantly from the last quarter's 13 calls to four calls. One related to theft of time, one was a policy issue, one was on an employee relations issue, and one was a workplace violence threat. Only one related to fraud, waste and abuse. This was forwarded to labor relations.

For the rolling fiscal year, there have been 22 calls. This is higher than usual. Seven calls were related to the telework policy; People and Talent is working on additional controls and monitoring those issues. Three calls were wage hour issues, all related to the assignment of overtime within a single department. There were no overarching concerns.

Mr. Giancola inquired about the workplace violence and threat issue, if it was resolved, and if counselling was required for any staff. Ms. Bement explained that it was an isolated incident addressed in real time with the authorities and management to neutralize the issue on-site. She does not foresee a broader issue or concern.

III. EXECUTIVE SESSION

The meeting moved to executive session to discuss a security issue.

IV. ADJOURNMENT

There being no other matters to come before the Committee, the meeting was adjourned at 12:07 PM.



**STRATEGIC MANAGEMENT COMMITTEE
MINUTES OF THE MEETING**

JULY 30, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Rachna Butani Bhatt, Principal, District of Columbia
2. Christopher Herrington, Chairperson, Principal, Fairfax County
3. Jared McCarthy, Principal, Prince George's County, Maryland
4. Anthony Giancola, Principal, District of Columbia
5. Howard Gibbs, Principal, District of Columbia
6. Sarah Motsch, Alternate, Fairfax County
7. Jeffrey Seltzer, Alternate, Montgomery County

DC WATER STAFF

1. David Gadis, Chief Executive Officer, and General Manager
2. Mark Battle, Chief Legal Officer and EVO, Legal and Government Affairs
3. Wayne Griffith, Chief Administration Officer & EVP
4. Jeffrey Thompson, Chief Operating Officer & EVP
5. Michelle Rhodd, Secretary to the Board

The Strategic Management Committee meeting was called to order by Rachna Bhatt, Acting Chairperson, at 10:01 AM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. STRATEGIC MANAGEMENT COMMITTEE BACKGROUND, CONTACT AND REPORTING.

Wayne Griffith, Chief Administration Officer presented an overview of the Committee background and how strategic planning was managed prior to the introduction of Blueprint 2.0.

Matt Ries, Vice President, Strategy and Performance reviewed the Authority's strategic management context and reporting. The planning context is built around five organizational imperatives: Equitable, Sustainable, Reliable, Resilient, and Healthy, Safe

and Well. These are supported and described by 25 themes in Blueprint 2.0. Each theme is supported by specific goals and targets. Five people have roles as imperative accountable owners (IAOs), who are appointed by the CEO to oversee development of themes and goals. Each IAO oversees team responsible owners (TROs), who oversee and monitor themes. The current IAOs are Joy Dorsey, Jeff Thompson, Mark Battle, Mat Brown, and Kirsten Williams.

Mr. Ries reviewed the eight dimensions used by senior management to rate strategic management maturity: leadership, engagement, strategic thinking, organizational thinking, performance measurement, performance management, process improvement, and digital capabilities.

Committee member Anthony Giancola inquired if, in addition to senior management, the Board is involved in these ratings. Mr. Ries explained that the aim is to keep the same ratings cohort for each of the five years of the strategic plan to facilitate comparing year to year; to date, the Board has not been asked to provide progress ratings.

Mr. Giancola asked which metrics or measurement tools are used for the ratings and the averages included in the report. Mr. Ries stated that a consistent Likert scale is used.

Committee member Christopher Herrington stated that it feels the Authority is growing in maturity toward implementation of the strategic plan, and that this progress has been noted recently in the CEO's performance evaluation and budgeting. He stated that it would be helpful to see a statistical difference and standard deviation of the shifts in the average performance measures. Mr. Ries agreed there is some subjectivity to the ratings but noted they are helpful to spark internal conversations and for teams to determine which measures to focus on and to direct activities to achieve target goals.

Mr. Ries discussed the strategic management maturity performance measurement scale and described a goal refinement process that revisited the 123 goals for FY22 to reduce the list to 93 goals for FY24. With the development of Blueprint 3.0, further refinement is anticipated. He noted annual goal targets started at 0% with the measure's inception in FY22 and reached 38% in FY24. The aim is to achieve 100% through FY28.

Ms. Bhatt noted that Mr. Ries described some metrics as not reportable and inquired why this would be the case. Mr. Ries explained that there are some programs where goals are supported by ongoing work – for example, in the safety program – and are not easily measurable; also, programs that have not launched are not yet reportable. He noted that the aim was to not limit goals to ones with reportable data, but to instead focus on all goals that advance strategy.

Mr. Ries noted that with the department's adoption of Blueprint 2.0, the aim is to align each goal with one of the five strategic imperatives. The Blueprint 2.0 annual report for the Board and DC Council was released in February 2024 and provides an update on the Authority's strategic goals and progress.

II. EXECUTIVE SESSION

The Committee moved into an executive session to discuss public health and safety matters under D.C. Office Code §2-575(b)(8).

III. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:16 AM.



CEO's Report

SEPTEMBER
2024



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

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Interim Chair Bhatt, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for September 2024. 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: **Equitable, Sustainable, Resilient, Reliable, and Healthy, Safe and Well.** There are also individual reports from Finance and Procurement; Administrative; Customer Experience; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



Lead Pipe Replacement Site Visit with U.S. Representative Oye Owolewa



On Monday, July 29, DC Water and the Lead Free DC team hosted U.S. Representative Oye Owolewa (D-DC) for a visit at a lead pipe replacement site in the 1200 block of Maryland Avenue, NW. Congressman Owolewa, who visited with four staff members, is widely recognized for his commitment to public health and related initiatives, and has shown great interest in Lead Free DC.

The visit opened with remarks from **Sean Moore** (Communications Manager / SZ PM Consultants), who presented on the three distinct program components of Lead Free DC: the block-by-block replacement program, the Lead Pipe Replacement Assistance Program (LPRAP) and the voluntary replacement options available to residents.

Barbara Mitchell (Director and Associate General Counsel / Government and Legal Affairs) took the opportunity to review the importance of Blueprint 2.0 in guiding our work with the Lead Free DC program. Ms. Mitchell didn't miss the chance to ask Rep. Owolewa for his support of additional federal funding for the public water sector.

Rep. Owolewa and his staff were impressed by the comprehensive nature of Authority programs, and the commitment of the DC Water team. His interest in promoting public health and wellness initiatives aligns closely with the objectives of the Lead Free DC program and creates the possibility of future partnerships with his office.



dc Highlights

Sustainable

Modernizing Our Commercial Paper Program

DC Water has successfully completed the modernization and expansion of our Commercial Paper Program, increasing its capacity from \$150 million to \$250 million. This strategic enhancement is designed to provide greater financial flexibility and support our growing Capital Improvement needs.

The updated program consolidates previously separate issuance limitations for taxable and tax-exempt commercial paper, boosting overall efficiency and reducing costs. We've also strengthened the program's resilience by engaging Goldman Sachs & Co. and JPMorgan Securities as dealers, and through a competitive process, we've selected TD Bank to provide a five-year liquidity facility, replacing the current agreement expiring in 2025.

By updating the Commercial Paper Program, we are not only ensuring DC Water's financial health but also reinforcing our commitment to optimizing financial mechanisms for the benefit of our organization and our ratepayers.

Bond Transaction to Save Authority \$75M Over Next 20 Years

On Wednesday, July 10, DC Water priced bonds on a nearly \$600 million refunding transaction authorized by the Board, to save money for ratepayers. The transaction exceeded expectations, achieving \$75 million in savings, approximately \$3-4 million annually from FY2024 to 2044. DC Water seized on favorable market conditions to use its high bond rating to secure these savings for ratepayers.

The transaction was underwritten by Morgan Stanley and co-managers included Stern Brothers (M/WBE), Academy Securities (veteran-owned), and Blaylock Van (African American-owned). PFM Advisors and Sustainable Capital Advisors (minority-owned and DC-based) assisted with the transaction.

I would like to thank **Ivan Boykin** (Vice President, Finance / Finance, Procurement, and Compliance) and **Matt Brown** (Chief Financial Officer and EVP / Finance, Procurement, and Compliance) for their efforts and for once again finding creative ways to save money for DC Water and pass those savings on to our customers.

Resilient

DC Water Holds 2024 Critical Customers Event

On Tuesday, July 23, the Authority held its Eighth Annual Critical Customers Event and Emergency Preparedness Exercise, in the HQO Boardroom. This year's event brought together 68 participants, representing 37 different local, state, regional, and federal agencies, businesses, and non-profit organizations.

The morning session consisted of nine presentations from DC Water staff, the DC Primary Care Association, and Howard University, all speaking on preparedness and resilience efforts. In the afternoon, participants engaged in a tabletop exercise to discuss their responses to two hypothetical scenarios: a Boil Water Advisory, and a sewer release.

The forum provided an opportunity for participants to review and provide updates to the DC Water Critical Customer Water and Wastewater Emergency Response Guide. Feedback from attendees was overwhelmingly positive, including one hospital official, who told our team: "I would like to thank you for having me at the DC Water Critical Customers Event and Emergency Preparedness Exercise. It was a success!"

I would like to thank **Dusti Lowndes** (Director, Emergency Management / Administrative), **Greg Vernon** (Manager, Emergency Management / Administrative) and the eight Authority employees who assisted in leading presentations at the event.



Aqueduct Turbidity Boil Water Advisory After Action Review

As we do for any significant event, we held an after action (AAR) review of the recent turbidity issue at the Washington Aqueduct and the resulting system wide boil water advisory (BWA). Internal stakeholders representing Operations and Engineering, Legal, Strategy and Performance, Marketing and Communications, Customer Care, Water Operations, Security, Safety, OEM and Facilities staff attended.

The Office of Emergency Management (OEM) team compiled a comprehensive timeline of the sequence of events leading to the BWA and continuing through the lift on the morning of July 4, 2024. We had a robust discussion centered around the late notice from the Aqueduct, hours after they knew an advisory might be necessary. The delay in notification from the Aqueduct, coupled with a lack of real-time insight into Aqueduct operations that could impact the Authority or our customers, is a significant concern. The successes of this event were our developed and maintained partnerships and our dedicated staff, trained to provide bench strength across the Authority.

I will ensure the final AAR on the event is shared with the Board when it is completed.

Innovation Shines into DC Water's 36,000 Manholes

Another innovation project was launched on June 30, introducing new technology into our manhole inspection program. With close to roughly 56,000 manholes, the Authority is seeking an inexpensive, simple-to-use, quick, and portable tool with high resolution imagery and point cloud capability to assess manhole condition.



Organized by **Dr. Robert Bornhofen** (Director, Innovation / Strategy and Performance), and executed in close partnership with the Department of Engineering and Technical Services (DETS), the project team will inspect and report on hundreds of manholes over the next three months. In going from opportunity to idea to pilot, we demonstrate how new technologies and workflows can support our work, aligned by Blueprint 2.0. The pilot aims to validate the technology, update as-built manhole information, enhance the accuracy of our GIS data, and demonstrate cost savings.

Our joint-use partners WSSC and Fairfax Water attended the event, along with other utilities from Fairfax, Howard, and Anne Arundel

counties, and the City of Baltimore. This reciprocal exchange of knowledge will benefit DC Water by promoting new technologies and facilitating the piloting of potential solutions for problem areas in need.

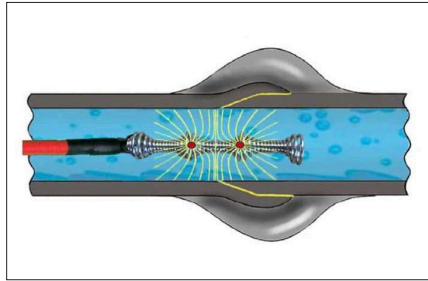
The DETS team members involved in this project include **Aidan Burfield** (Lead Technician, CADD / Engineering and Technical Services), **Kyle Tyler** (Lead Technician, CADD / Engineering and Technical Services), **Michael Baltimore** (Technician II, Surveying / Engineering and Technical Services), **Gemitry Ward** (Technician II, Surveying / Engineering and Technical Services), and **Mike Cutler** (Technician III, Civil (Design) / Engineering and Technical Services).



Healthy, Safe and Well

Advancing Lead Pipe Detection, New Pilot Program

I am pleased to share that Team Blue has been actively exploring innovative approaches to lead pipe detection and replacement. For several months, our Lead Free DC team has been investigating emerging technologies to



enhance our lead service line replacement efforts. I'm excited to provide an update on our upcoming pilot program, set to launch this month, which uses Swordfish technology to identify pipe materials.

The pilot will evaluate a range of both intrusive and non-intrusive technologies. While

these approaches offer potential benefits, they also present uncertainties and risks, such as cost savings and the possibility of dislodging lead particles from pipe walls, which could impact public health.

In addition to the pilot, we are developing a predictive model to strategically target lead service line replacements. This proactive approach is essential as we prepare for the Environmental Protection Agency's (EPA) Lead and Copper Rule Improvements. Preliminary results from this model were recently reviewed by senior leadership.

We are optimistic about the potential of these technologies to help us meet regulatory requirements and improve operational efficiency. We look forward to sharing more about the pilot program and its outcomes at the next quarterly Lead Free DC update in October.

Ecudemio Gutierrez Joins Team Blue as Safety Director



I am pleased to introduce **Ecudemio Gutierrez** (Director, Safety / Administrative), who brings a wealth of experience from his previous role as the Corporate Director of Employee Health and Safety at Fressinet, a prominent construction firm with more than 7,300 employees in over 60 countries.

His extensive background includes working as a consultant for DC Water, where he focused on the implementation, monitoring, and updating of safety policies in collaboration with the Trinity Safety Group and his volunteer work with Habitat for Humanity.



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.

The data in the CEO's Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	Apr-24	May-24	June-24	July-24
Operating Cash Balance (millions \$)	\$306.5	\$310.5	\$318.4	\$303.9	\$328.1
Delinquent Account Receivables (%)†	3.30%	4.42%	4.39%	4.34%	4.26%
On-time Vendor Payments (%)††	97%	97%	97%	97%	96%
Investment Earnings Data (Thousands \$)	\$8.1	\$6.5	\$7.5	\$8.6	\$9.7
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		5.1%	4.9%	4.8%	4.4%
Core Investment Yield Data (%) - Actual Monthly Yield †††	4.39%	4.4%	4.4%	4.5%	4.5%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		5.3%	5.3%	5.3%	5.2%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	5.03%	3.0%	2.9%	3.0%	4.5%****
Days of Cash on Hand** and ***	267*	317	305	302	324***

Notes:

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor.

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

*** 359 days of cash is made up of 35 days in the Rate Stabilization Fund and 324 days in the operating cash balance.

**** Includes earning from Rate Stabilization Fund.

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.

†† The vendor payments goal may fluctuate slightly as we continue to research and resolve payments.

††† 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.

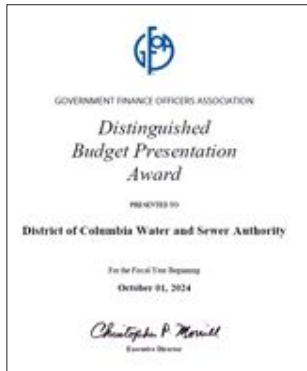
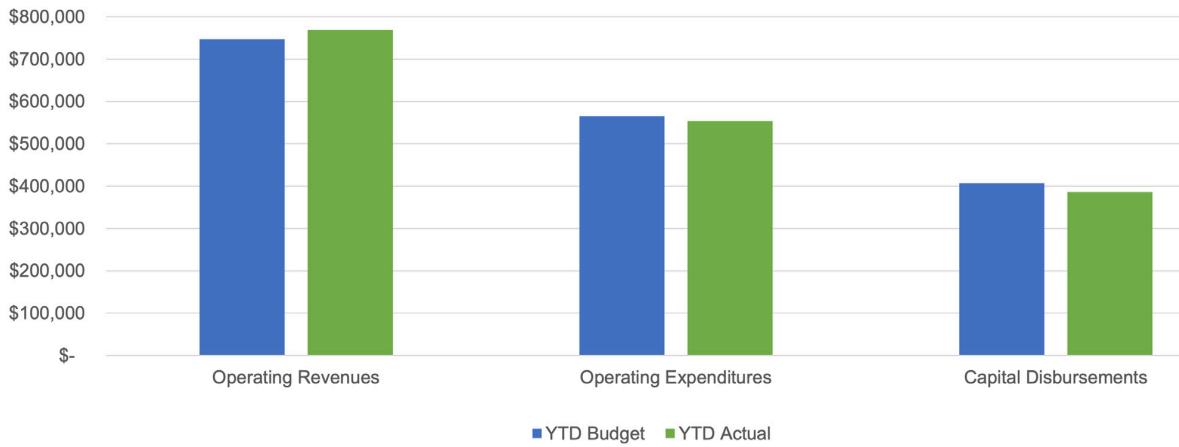
Finance Highlights

FY 2024 Financial Performance

As of July 31, 2024, with 83 percent of the fiscal year completed, DC Water is on track with the revised budget. Total operating revenues were \$769.0 million or 86.3 percent of the budget. The higher receipts in Residential, Commercial and Multi-family categories are due to higher CRIAC and higher consumption in the Commercial category as compared to the revised budget.

Total operating expenditures were \$553.6 million or 75.1 percent and capital disbursements were \$385.8 million or 75.0 percent of the respective budgets. There is an uptick in Operations and Maintenance costs due to increases for critical spare parts and various professional services needed to maintain DC Water's facilities and equipment.

FY 2024 Year to Date Performance Budget vs. Actuals (\$000's)



Government Finance Officer Association (GFOA) Budget Award

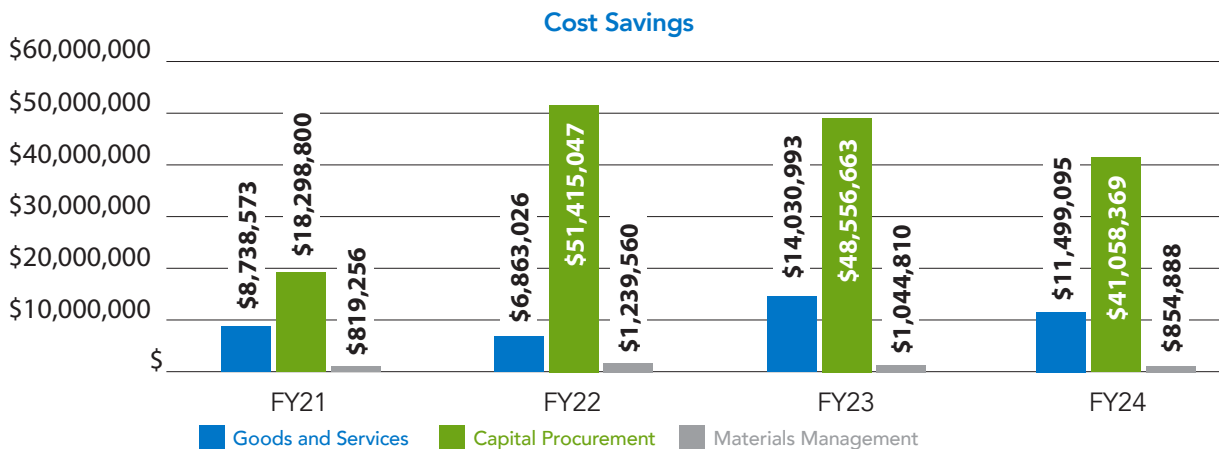
DC Water received its twenty-fourth consecutive Distinguished Budget Presentation Award from GFOA for the Board-adopted FY 2025 Budget for the fiscal year beginning October 1, 2024. This award is the highest form of recognition in governmental budgeting and represents a significant achievement for the Authority. This year, DC Water was awarded "Special Recognition" for its long-range financial plan which received a score of 4 (outstanding) from all GFOA budget reviewers.

The Finance Department would like to thank Team Blue, the Senior Executive Team and the Board of Directors for their collaboration and guidance throughout the last budget cycle.

Procurement

Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings from FY 2021 to FY 2024 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. Procurement achieved the total saving of \$63,632,466 in FY 2023 exceeding FY 2022 saving of \$59,517,633.





Finance, Procurement, and Compliance

Procurement – continued

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

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program	Delivery Type
Sep, 2024	Construction of Flood Seawall Segment A, B, D	RFP	\$24M - \$26M	DBE/WBE	PDB
Sep, 2024	Large Diameter Water Main Dead End Elimination	Competitive Task Order	\$3M	DBE/WBE	Collaborative Task Order
Oct, 2024	SDWMR-18C	Competitive Task Order	\$14M - \$16M	DBE/WBE	Collaborative Task Order
Oct, 2024	Potomac Interceptor CMAR	Competitive Task Order	\$14M - \$16M	DBE/WBE	Collaborative Task Order
RFQ/RFP	\$400M - \$600M	TBD	CMAR	TBD	CMAR
Oct, 2024	Filter Under Drain & Spent Wastewater and Building Upgrade	RFQ/RFP	TBD	TBD	CMAR
Oct, 2024	Water and Sewer CMAR Project	RFP	TBD	TBD	CMAR
Nov, 2024	SDWMR-19A	Competitive Task Order	\$14M - \$16M	DBE/WBE	Collaborative Task Order
Nov, 2024	Headworks Electrical & Primary Upgrade	RFQ/RFP	\$225M	TBD	CMAR
Dec, 2024	PI Phase 6 Pipe Rehab at Clara Barton Pkwy and I495	RFP	\$24M	DBE/WBE	CMAR
Dec, 2024	Collaborative Facility Upgrades (CFU) Qualifications	RFQ/RFP	\$500M	TBD	PDB
Jan, 2025	Local Sewer and Stormwater	RFQ/RFP	\$500M	TBD	CMAR

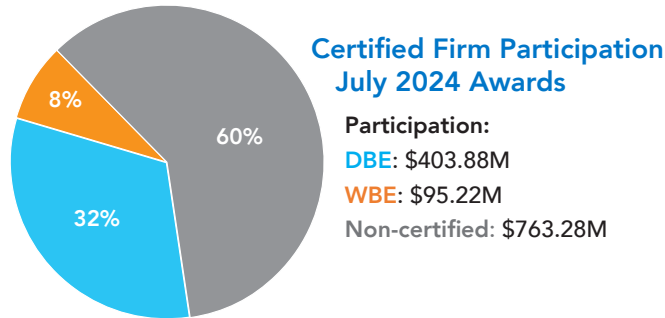
Goods and Services Procurement:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
Sep, 2024	Independent Risk Management Consulting Services	RFP	>\$1M	DBE/WBE
Oct, 2024	Safety Services for ROCIP & OCIP	RFP	>\$1M	DBE/WBE
Oct, 2024	Electricity	RFP	>\$1M	DBE/WBE
Dec, 2024	Emergency Preparedness Planning & Related Services	RFP	<\$1M	LSBE
Jan, 2025	External Audit Services	RFP	>1M	TBD

Contract Compliance

During this reporting period, eight different procurement actions were approved, including three new awards, and five change orders or extensions. The value of the eligible procurement actions for this period totaled \$46.15 million. Of this total, the planned certified firm participation is \$14.03 million (in prime and subcontracting opportunities).

The following pie chart summarizes the certified firm participation:



Highlights: (during this reporting period)

- Sixty-Nine (69) Certified Disadvantaged Business Enterprises are performing work on DC Water projects.
- Thirty-Eight (38) Certified Women Business Enterprises are performing work on DC Water projects.
- Sixteen (16) Mentor Protege relationships were created between primes and certified subs.
- Thirteen (13) firms obtained their first subcontracts with DC Water.



As of this report, DC Water Contractors have filled 83 new positions. 71 of those positions, or 86 percent have been filled by local residents. The table highlights the total new hires for FY 2024.

Location	# of New Hires
District of Columbia	35
Prince George’s County	27
Montgomery County	4
Fairfax County	5
Loudoun County	0
Outside the User Jurisdiction	12

Highlights and Activities:

DC Water Apprenticeship Program:

Congratulations to Mr. Timothy Crawford, who successfully completed his Utility Services Apprenticeship and is now a certified journeyman Utility Service Worker for DC Water.

Marion Barry Summer Youth Employment Program (MBSYEP):

The MBSYEP program will end on August 2, 2024. This summer, five DC residents participated in the program with DC Water. Two participants have been selected to continue their training with DC Water through the DC Water Works Program.

Lead Free DC Community Activators Program (Cohort II):

DC Water Works and the Lead-Free DC Team selected 12 individuals to participate in the second Community Activators cohort. Nine of the participants are male and three are female. All are DC residents. Included in the group are two recent high school graduates from the DC Water High School Pre-apprentice program.

As before, through a MOU with the District Department of Employment Services (DOES), the first year of the Community Activators training will be paid for by the District. DOES will also provide case management, mentorship, and wrap-around support for the Activators. Upon their successful completion of the program, the Activators will be placed with the LFDC contractors for ongoing employment/ career development.

Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	Apr-24	May-24	June-24	July-24
Security: Camera operational uptime	90%	97%	96%	96%	96%
Security: Smart card readers operational uptime	90%	97%	97%	97%	97%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	82%	62%	76%	76%
Facilities: Service Request Completion Rate	90%	68%	70%	87%	86%
Fleet: Preventive Maintenance (PM) on Schedule	96%	82%	75%	78%	79%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	80%	94%	94%	91%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	0.8	1.3	1.7	1.8
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	0.4	0.9	1.4	1.6
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	0.4	0.7	0.7	0.6
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0	0.4	0.3	0.3

Facilities Justification:

The preventive maintenance (PM) metric for the month of July was 76% completion. This matches the PM metric value for June, also 76%. The demand for service request/corrective maintenance for HVAC systems continues to be high as we progress through the hottest summer in recorded history, and this continues to impact responsiveness to PM work orders as both in-house and subcontracted HVAC services providers are in extremely high demand. The service request (SR) completion rate for July was 86%. This completion rate remains close to the 90% goal for this KPI. The team's high level of SR completion has risen to meet the demand, going from 234 completed in June to 238 completed in July. Facilities have started daily stand-up meetings to bring critical issues to the team daily. This improves collaboration and coordination as well as boosting team spirit. Facilities continue to work with the Maximo programming team with weekly training sessions underway and regular communication to identify issues and tweak the system to support efficient use.

Fleet Justification:

The Fleet Department's Preventative Maintenance completion rate was 91% in the month of July. Of the 22 units scheduled for preventative maintenance, 20 units were brought in for service, 13 returned to the operation and 7 units have open work orders.

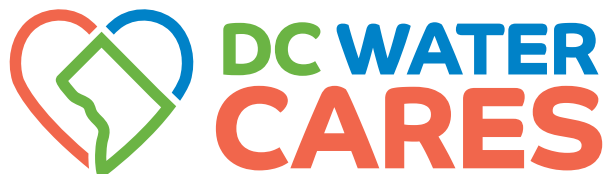
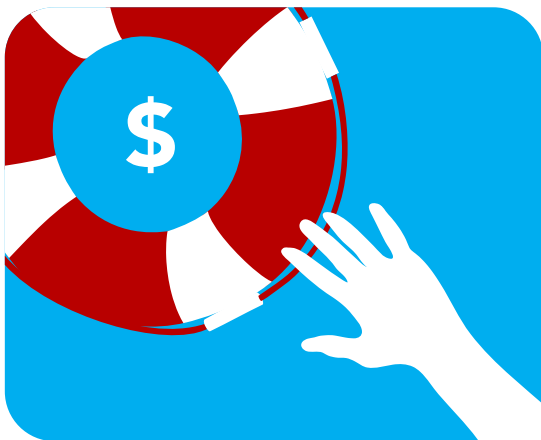
Additionally, 87 units were brought in for unscheduled service resulting in oil and filter changes, battery and safety checks, fluid top offs, and the maintenance and repair of landscaping equipment. Fleet responded to 55 road calls and 76 DEF fuel requests. Regarding disposals, a total of 11 vehicles/equipment were removed from the Fleet and sent to auction.

Fleet's Priority One Vehicle Availability was 79%. 201 of 255 priority one vehicles remained operational and in service. The repair and maintenance service contract performance continues to trend up while work performance penalties have significantly declined since contract inception.

Customer Assistance Programs (CAP)

As expected, customer enrollment in DC Water Cares programs has reached a steady state. Efforts are being concentrated on re-engaging customers who have not enrolled in FY24 but were eligible in previous fiscal years. Currently, the program's promotional video is live on YouTube and is gaining traction across social media platforms. A Spanish-language version is slated for release in August. Concurrently, the team is devising new awareness campaigns for the upcoming fiscal year. Additionally, in August and September, reminders will be dispatched to former participants to boost enrollment as the new fiscal year commences.

Program	FY2023 Enrolled	FY2023 Dollars	July Enrolled	July Dollars	# FY24 Enrolled	FY2024 Dollars	FY2024 Budget
CAP I	4,744	\$2,399,001	135	\$311,187	4,261	\$1,947,699	\$2,600,000
CAP II	351	\$139,714	14	\$18,408	346	\$122,871	\$300,000
CAP III	36	\$6,342	2	\$559	29	\$3,910	\$50,000
Non-Profit CRIAC Relief	182	\$875,585	1	\$64,151	120	\$605,900	\$913,312
DC Water Cares Residential (RAP)	2,816	\$2,930,302	0	\$-	1,660	\$1,105,135	\$1,105,135
Low-Income Housing Water Assistance Program	-	\$0	0	\$-	642	\$283,116	N/A
Homeowners Assistance Fund	293	\$256,835	0	\$-	23	\$11,043	N/A



dc Customer Experience

Customer Care



The Voice of the Customer Survey for 2024 commenced on July 1st, with an objective to boost customer involvement by 3 percent – aiming for a rise from 3889 participants in FY22 to 4000 in FY24. Thanks to the joint efforts with our survey partner, Walker Info, Inc., the support of DC Water's OMAC, and proactive

customer interactions, we surpassed this goal. The survey concluded on August 11th, and the team is preparing a presentation on the results for the SET and Board committee. The feedback gathered provides valuable insights into the experiences and views of our customers regarding DC Water. We are in the process of gathering and recording constructive feedback, which will guide our strategic planning and aid in the ongoing enhancement of our services.

This month, our team's performance indicators show a positive trend. We came very close to meeting our target in the "Estimated bills as a percentage of meters read," missing it by 0.09 percent with a result of 4.1 percent. Additionally, the "Emergency dispatch" target was missed by 0.2 percent because a work order was dispatched one minute late.

Key Performance Indicators

Metric	Target/Service Level	May 24	June 24	July 24
% of bills issued on time (w/in 5 days)	97%	98.3%	99%	97%
% unbilled	< 2%	1.0%	1.2%	1.0%
Estimated bills as a percent of meters read	< 4%	4.4%	4.1%	4.1%
# of bill investigations (Disputes)	trend only	214	235	189
% of OPC inquiries resolved within 14 days	98%	100%	100%	100%
% of calls answered in 40 Seconds (Call Center)	85%	92%	91%	89%
Monthly call volume served (Call Center)	trend only	11,587	10,280	11,403
Average Wait Time (minutes)	<0:30	:19	:21	:22
Abandon rate	3%	3%	3%	1%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	100%	90%

IT Monthly Report

SR/WO Type	SL Target / SLA	May 24	June 24	July 24
Number of tickets submitted	Trend only	1207	979	1243
Number of open tickets	Trend only	54	51	8
Helpdesk SLA	96%	99.50%	98.50%	98.60%
Number of active projects	Trend only	9	10	10
Number of completed projects	Trend only	8	9	9
On schedule performance	90%	90.48	90.91	90.91
On budget performance	90%	100%	90.91	90.91
% AMI transmission	95%	91.85%	91.75	91.49

Making I.T. Happen!




Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Apr-24	May-24	June-24	July-24
Wastewater Operations					
NPDES Permit Compliance , percent number of days	100%	100%	100%	100%	100%
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	27%	28%	27%	24%
Reactive Maintenance , percent of total maintenance hours	<20%	31%	31%	29%	31%
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	97%	99%	99%	98%
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	7965	13788	14917	14944
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	1954	2477	3866	4299
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	102	145	876	2513
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	12.2	12.5	7.75	17.5
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	98%	97%
Number of SSO's	Report	6	4	0	2
SSO's to Body of Water	Report	4	1	0	2
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	1.75	2.05	2.05	2.2
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0.84	0.91	0.91	1.06
Combined Sewer System Overflows	0	0	0	0	0

Key Performance Indicators continued –


operations and Engineering

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

Key Performance Indicators continued

Metric	Target/Service Level	Apr-24	May-24	June-24	July-24
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	31%	18%	10%	13%
Critical Asset Availability	>95%	97%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	37	24	23	23
Hydrant Flow Tests (Non-Winter Months)	>180	348	195	104	141
Fire Hydrant Operational Rate	99%	99.6%	99.6%	99.3%	99.8%
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%	92.3%	97%	90%	84%
Water Main Breaks	<28/Month	14	27	25	53
Water Main Break Rate /100 Miles (National Average is 25)	25	37.79	37.33	37.64	39.64
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	85%	96%	93%	95%	91%

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

Explanation of Missed Targets**Wastewater Operations Reactive Maintenance (<20 percent)**

DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as a percentage 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. Over the last four fiscal years, we have observed a descending trend in the percentage of total reactive maintenance hours, measured at an annual average, at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is appropriate for Blue Plains.

Hydrant Flow Tests (Non-Winter Months (>180))

The Department currently has a vacancies within the testing group. The vacancies have been approved and are now in the recruitment process.

Water Quality Complaint Resolution (within 48 hours)

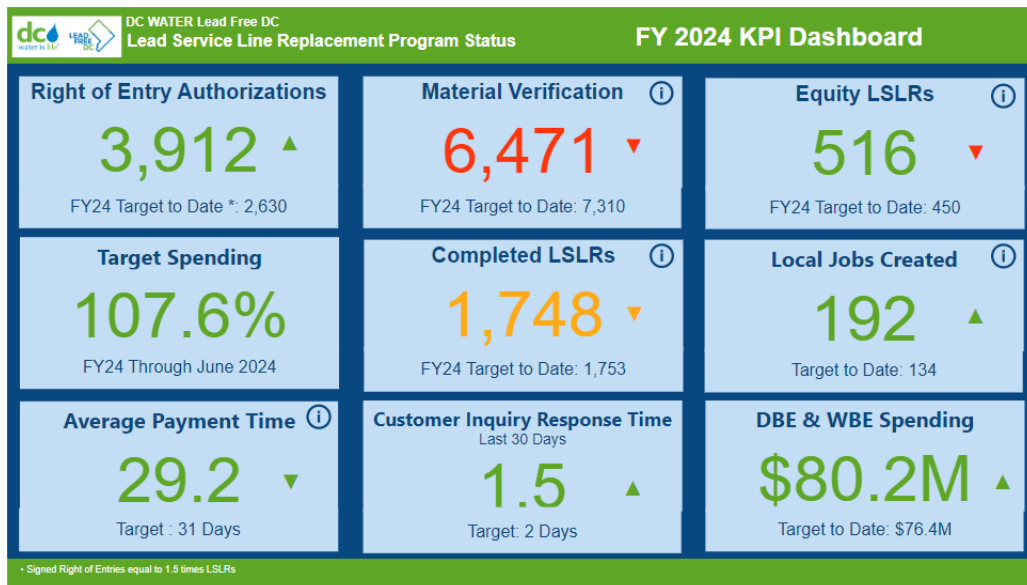
We received 49 water quality complaints in July 2024 and resolved 41 by phone, email, water testing/investigations and/or flushing hydrants. Field technicians return to the sites requiring flushing 7-14 days after the flush and test the water quality from the hydrant. The unresolved 9 complaints from July did not meet water quality target levels at the follow-up testing, thus requiring additional flushing and assessment. July through October are the most challenging months for water quality due to higher water temperature and the subsequent increased nitrification that depletes chlorine residual, causing increased iron release from the unlined cast iron mains. In addition, the Water Quality group is one technician short which is impacting the overall efficiency of the WQ group.

dc operations and Engineering

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



- As of July 31, 2024, there have been 1,711 lead service line replacements exceeding the planned goal for FY24 by 76 replacements. The program has now replaced more than 6,300 services since it was launched.
- LFDC replaced 236 LSLs in July
- The LPRAP program completed 60 replacements this month
- DDOT has indicated that the permitting and public inconvenience fees will not be waived. The MOU has been revised and reviewed with DDOT Leadership, who have indicated that it is ready for execution.
- Participated in the following community events: DMV MADE Festival (7/27); Capitol River Front Concerts (7/19 and 7/26); NPS Lotus and Water Lilly Festival (7/20-21); International Columbian Festival (7/20); DC Pan-African Festival (7/13);
- Delivered Lead Free DC Presentations at ANCs 6B (7/9), rescheduled from 6/11.



Current Project Status

- Northeast Boundary Tunnel: Coordinating with DDOT on permanent signalization system changes at the R street and Mt. Olivet road sites.
- Potomac River Tunnel Contract B – Tunnel System Construction: Performing site setup at West Potomac Park and construction of the Ohio Drive bypass road drainage system. Began CSO 022 site utility investigation to support contractors' advanced design phase work.
- Rock Creek Green Infrastructure Project C: Evaluation of the SOQs/proposals identified Fort Myer Construction as the winner of the Best Value in the selection process.
- Piney Branch Tunnel: Working with the NPS to release the Environmental Statement (EA) for the project (with a target of Sept. 3, 2024). Design package briefings and comment submission period for DC Water department stakeholders is 60% complete. SOQs received resulting in the shortlisting of three teams based on qualifications: Kiewit, Clark, and Lane.

Featured Project of the Month

Main Pumping Station Tide Gates Inspection

Washington, DC has a combined sewer system which allows for the movement of sewage and rainwater within one (combined) sewer system. When it is not raining the dams in the combined sewer system inflate to push sewage to DC Water’s Blue Plain’s Advanced Wastewater treatment plant, however, when there is a significant amount of rain, those dams are deflated to allow the rainwater to flow through the tide gates and into the Anacostia River.

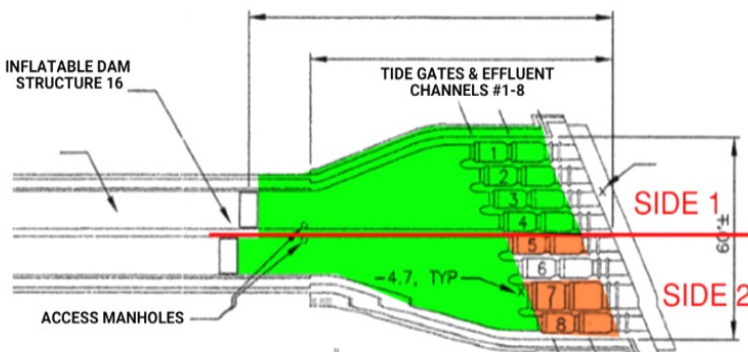
The inflatable dam system was installed in 1985, and the rubber dams were last replaced in 2004. Due to a 20-year service life, the dams are scheduled to be replaced in the next fiscal year. DC Water’s Department of Engineering and Technical Services (DETS) is currently working on the replacement of the inflatable dams’ rubber membrane at Structures 14, 15, 15a, 16, 34, 35, and 52, as well as the inspection of the combined sewer overflow tide gates and the concrete inside the effluent channels that are downstream of structures 14 and 16 at the Main Pump Station at DC Water’s Headquarters.

The sketch below shows the progress made so far on the Tiber Creek side of the effluent channels.

Installation of temporary bypass piping & diesel pumps, metal plate installation to control water levels, channel structural inspection, and Tide Gate structural inspection.



Inspection Progress



Date Complete

- = July 31 - August 1
- = August 6

PROJECT PHASE	STARTING	ENDING
SET UP & TESTING	7/15/2024	7/19/2024
TIBER CREEK SIDE 1	7/22/2024	7/26/2024
TIBER CREEK SIDE 2	7/29/2024	8/2/2024
NJ AVE SIDE 1	8/5/2024	8/9/2024
NJ AVE SIDE 2	8/12/2024	8/30/2024
WEATHER CONTINGENCY	9/12/2024	8/30/2024

TIBER CREEK STORM SEWER OUTFALL

People and Talent Metrics

Metric	Target	Apr-24	May-24	June-24	Jul-24
Vacancy Rate ¹	6%	6.2%	9.2%	12.1%	10.9%
Temporary Alternative Duty Program (TAD) ²	50% of WC claims eligible for TAD program	70% (14 out of 20)	66.6% (20 out of 30)	75% (25 out of 32)	79% (27 out of 32)
Self-Identified Veterans (Active) ⁴		26	26	26	28
Female Workforce (Active) ⁵		22.4%	22.7%	22.80%	23.2%

Key Performance Indicators (KPI) Benchmark

KPI Definition	Business Relevance
¹ "Vacancy Rate = 1 – (Filled Positions / Total Headcount); then converted into a percentage Total Headcount = Budgeted Headcount – Vacancies Greater than 180 Days Old	This KPI measures the organization's vacancy rate related to vacancies that are in the process of being filled (i.e., under management review before recruitment -OR- under recruitment)
² Percentage of Workers' Compensation claims eligible for placement into TAD program	The more claims eligible for TAD program will reduce overall Workers' Compensation costs and claim exposure for the Authority, leading to realized financial savings.
⁴ US Armed Services	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of veterans in the workforce, with a focus on increasing the representation of veterans within the workforce.
⁵ Number of Female employees in the current workforce. Calculation - Number of female employees in the active workforce divided by the total number of employees in the active workforce at a specific point and time.	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of women in the workforce, with a focus on increasing the representation of women in non traditional roles.

Annual Turnover metrics:

Year	2020	2021	2022	2023	YTD2024 (Annualized)
Involuntary	0.58%	1.01%	0.78%	1.97%	2.06%
Voluntary (Resignation, Retirement)	4.08%	4.15%	5.77%	5.55%	5.77%
Other	0.25%	0.55%	0.10%	0.09%	0.21%
Total Turnover Rate	4.92%	5.71%	6.65%	7.61%	8.03%

*AWWA Benchmark: 7% turnover rate.

Internal audit plan FY2024 timeline

This timeline represents the FY 2024 audit plan and the status of each project. Annually, the Internal Audit team, RSM, conducts a risk assessment and presents the results and the audit plan to the Audit & Risk Committee in October.



Open high risk prior audit findings

	Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions
1	2023	7/27/2023	DWO Work Order Management Audit	Failure to capture work order labor and materials data <i>DWO has defined work activities that require material data capturing and developed business processes for capturing both required labor hour and material data capture that have been socialized with DWO branches. Starting December 1st, DWO began monitoring data integrity biweekly to monitor effectiveness of new process adoption. DWO leadership has begun implementing changes to business processes that were identified during the monitoring period. The department is on track to close this finding by the target date.</i>	8/31/24	N/A	0
2	2023	10/26/2023	Fleet Management Audit	Lack of current policies and procedures <i>Fleet is leveraging a writer that has interviewed staff, created a glossary of terms, is looking through current industry best practices, and drafted a scope with phased timeline for policy development. Fifteen draft SOPs have been submitted for initial review to date. Fleet has submitted milestones to Internal Audit for tracking towards final target date in September that include drafting a RACI and determining Fleet policy needs, finalizing draft of 15 Authority-wide Fleet policies, and submitting policies to review (Legal, Labor Relations, People & Talent). The department is on track to close this finding by the target date.</i>	9/1/24	N/A	0
3	2024	7/18/2024	Genesys ITGC Review	Findings Issued in Executive Session <i>Two findings remain open.</i>	1/31/25	N/A	0
6	2024	7/18/2024	Internal and External Penetration Testing	Finding Issued in Executive Session <i>Three findings remain open.</i>	1/31/25	N/A	0

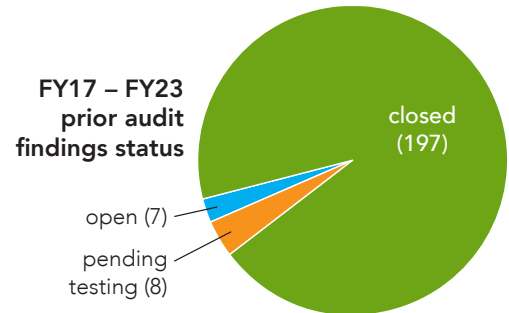
Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Work Order Management Audit – DWO	7/27/2023	2
Fleet Management Audit	10/27/2023	3
		total 5

█ At least one original remediation target date has been extended

In total, 94 percent of all prior audit findings from FY17 – FY23 are closed. Management’s target closure rate is 95 percent.

*Note that the audit findings reported above represent open findings through the FY23 Audit Plan year



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





Presented and Approved: September 5, 2024
SUBJECT: Approval to Award Base Year and Two Option Years of
Contract No. 10465, Sodium Bisulfite, PVS Chemical
Solutions, Inc.

#24-62
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 September 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of a Base Year and Two Option Years of Contract No. 10465, PVS Chemical Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of a Base Year and Two Option Years of Contract No. 10465, PVS Chemical Solutions, Inc. The purpose of this contract is to supply and deliver Sodium Bisulfite to the Blue Plains Wastewater Treatment facility, used to remove residual chlorine from effluent water; and required to meet environmental standards. The total amount of the base year and two option years is \$3,496,000.00.

This Resolution is effective immediately.

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
SODIUM BISULFITE
(Joint Use)**

Approval to exercise base year and to approve funding for the base year and all option years (OY1 – OY2) for the supply and delivery of Sodium Bisulfite in the amount of \$3,496,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: PVS Chemical Solutions, Inc. 10900 Harper Avenue Detroit, MI 48213	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$1,131,000.00
Base Period Contract Dates:	10-01-2024 —09-30-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$2,365,000.00
Option Year 1-2 Dates:	10-01-2025 —09-30-2027
Total Number of Proposal	2

Purpose of the Contract:

This contract is to supply and deliver Sodium Bisulfite to the Department of Wastewater Treatment (DWT) at DC Water. Sodium Bisulfite removes residual chlorine from effluent water, and its use is required to meet environmental standards.

Contract Scope:

To ensure supply security, Sodium Bisulfite was awarded to two companies with independent supply chains. PVS Chemical Inc. is awarded 70% (this request) and Southern Ionics is awarded 30% of DC Water’s requirements.

This contract action exercises the base year. Option years will be exercised annually.

Supplier Selection:

Open-market Request for Qualification (RFQ) DCW-SOL-24-10375 for the supply and delivery of sodium bisulfite was issued on March 25, 2024. All suppliers were invited to participate in the RFQ. Two companies responded to an RFQ intended to solicit proposal for supply and delivery of new sodium bisulfite requirements. Both suppliers are incumbent of current sodium bisulfite to DC Water. DC Water negotiated with two suppliers. The final selection is based on technical evaluation and pricing.

PROCUREMENT INFORMATION

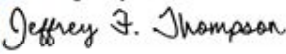
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Sodium Bisulfite	Contract Number:	10465
Contractor Market:	Open Market		

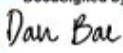
BUDGET INFORMATION

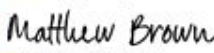
Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Nicholas Passarelli


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	43.27%	\$1,512,719.20
Washington Suburban Sanitary Commission	41.18%	\$1,439,652.80
Fairfax County	10.02%	\$350,299.20
Loudoun Water	4.81%	\$168,157.60
Potomac Interceptor	0.72%	\$25,171.20
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,496,000.00

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 E37CB3133FC646D / 7/8/2024
 Jeffrey F. Thompson Date
 Chief Operating Officer, EVP

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 Dan Bae Date
 VP and Chief Procurement Officer

DocuSigned by:

 262C5D96CC1C4D3 / 7/8/2024
 Matthew T. Brown Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance


 / 8/2/2024
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: September 5, 2024
SUBJECT: Approval to Award Base Year and Two Option Years of
Contract No. 10466, Sodium Bisulfite, Southern Ionics, Inc.

#24-63
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 September 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award a Base Year and Two Option Years of Contract No. 10466, Southern Ionics, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of a Base Year and Two Option Years of Contract No. 10466, Southern Ionics, Inc. The purpose of this contract is to supply and deliver Sodium Bisulfite to the Blue Plains Advanced Wastewater Treatment facility, used to remove residual chlorine from effluent water; and required to meet environmental standards. The total amount of the base year and two option years is \$1,500,000.00.

This Resolution is effective immediately.

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
SODIUM BISULFITE
(Joint Use)**

Approval to exercise base year and to approve funding for the base year and all option years (OY1 – OY2) for the supply and delivery of Sodium Bisulfite in the amount of \$1,500,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Southern Ionics Inc. 579 Commerce Street West Point, MS 39773	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$485,000.00
Base Period Contract Dates:	10-01-2024 —09-30-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$1,015,000.00
Option Year 1-2 Dates:	10-01-2025 —09-30-2027
Total Number of Proposal	2

Purpose of the Contract:

This contract is to supply and deliver Sodium Bisulfite to the Department of Wastewater Treatment (DWT) at DC Water. Sodium Bisulfite removes residual chlorine from effluent water, and its use is required to meet environmental standards.

Contract Scope:

To ensure supply security, Sodium Bisulfite was awarded to two companies with independent supply chains. Southern Ionics is awarded 30% (this request) and PVS Chemical inc. is awarded 70% of DC Water requirements.

This contract action exercises the base year. Option years will be exercised annually.

Supplier Selection:

Open-market Request for Qualification (RFQ) DCW-SOL-24-10375 for the supply and delivery of sodium bisulfite was issued on March 25, 2024. All suppliers were invited to participate in the RFQ. Two companies responded to an RFQ intended to solicit proposal for supply and delivery of new sodium bisulfite requirements. Both suppliers are incumbent of current sodium bisulfite to DC Water. DC Water negotiated with two suppliers. The final selection is based on technical evaluation and pricing.

PROCUREMENT INFORMATION

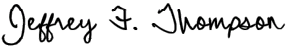
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Sodium Bisulfite	Contract Number:	10466
Contractor Market:	Open Market		


BUDGET INFORMATION


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

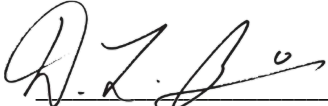
ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	43.27%	\$649,050.00
Washington Suburban Sanitary Commission	41.18%	\$617,700.00
Fairfax County	10.02%	\$150,300.00
Loudoun Water	4.81%	\$72,150.00
Potomac Interceptor	0.72%	\$10,800.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,500,000.00

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 Jeffrey F. Thompson Date
 Chief Operating Officer, EVP

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 Dan Bae Date
 VP and Chief Procurement Officer

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 Matthew T. Brown Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance

 8/2/24
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: September 5, 2024
SUBJECT: Approval to Award Base Year and Two Option Years of
Contract No. 10467, Sodium Hypochlorite, Kuehne
Chemical Co., Inc.

#24-64
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 September 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of a Base Year and Two Option Years of Contract No. 10467, Kuehne Chemical Co., Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of a Base Year and Two Option Years of Contract No. 10467, Kuehne Chemical Co., Inc. The purpose of this contract is to supply and deliver sodium hypochlorite to the Blue Plains Advanced Wastewater Treatment facility, used for disinfection and odor control. The total amount of the base year and two option years is \$24,164,000.00.

This Resolution is effective immediately.

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

**SODIUM HYPOCHLORITE
(Joint Use)**

Approval to exercise base year and to approve funding for the base year and all option years (OY1 – OY2) for the delivery of sodium hypochlorite in the amount of \$24,164,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Kuehne Chemical Co. Inc. 86 N. Hackensack Ave. S. Kearny, NJ 07032	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$7,815,000.00
Base Period Contract Dates:	10-01-2024 – 09-30-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$16,349,000.00
Option Year 1-2 Dates:	10-01-2025 – 09-30-2027
Total Number of Proposal	2

Purpose of the Contract:

To supply and deliver sodium hypochlorite. Sodium hypochlorite is used for disinfection and odor control.

Contract Scope:

DC Water has an on-going need for sodium hypochlorite. At the Blue Plains Advanced Wastewater Treatment Facility, it is primarily used for outfall disinfection, but also to control biological growth on multimedia filters, and for odor control in the scrubbers.

This contract action exercises the base year. Option years will be exercised annually.

Supplier Selection:

Open-market Request for Qualification (RFQ) DCW-SOL-24-10379 for the supply and delivery of Sodium Hypochlorite was issued on May 3, 2024. All Chemical suppliers were invited to participate in the RFQ. Kuehne Chemical is only one that responded to an RFQ intended to solicit proposal for supply and delivery of new sodium hypochlorite requirements. Kuehne is incumbent of current sodium hypochlorite to DC water.

PROCUREMENT INFORMATION

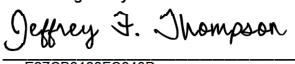
Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	Sodium Hypochlorite	Contract Number:	10467
Contractor Market:	Open Market		


BUDGET INFORMATION


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


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	43.27%	\$10,455,762.80
Washington Suburban Sanitary Commission	41.18%	\$9,950,735.20
Fairfax County	10.02%	\$2,421,232.80
Loudoun Water	4.81%	\$1,162,288.40
Other (PI)	0.72%	\$173,980.80
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$24,164,000.00

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 Jeffrey F. Thompson Date
 Chief Operating Officer, EVP

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 Dan Bae Date
 VP and Chief Procurement Officer

DocuSigned by:
 7/8/2024
262C5D966C1C4D3
 Matthew T. Brown Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance

 8/2/2024
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: September 5, 2024
SUBJECT: Approval to Execute Change Order No. 001 of Contract
No. 200110, Public Space Restoration Contract FY22 –
FY25, Capitol Paving of D.C.

#24-65
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 September 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Change Order No. 001 of Contract No. 200110, Capitol Paving of D.C.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 001 of Contract No. 200110, Capitol Paving of D.C. The purpose of this contract is to facilitate permanent restoration of all paved and non-paved public space areas, roadways, sidewalks, tree spaces, and other structures that are damaged or disturbed during infrastructure rehabilitation and repair activities in public space. The total amount of this change order is \$21,061,000.00.

This Resolution is effective immediately.

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:

**Public Space Restoration Contract FY22- FY25
(Joint Use)**

Approval to execute Change Order No. 001 for \$21,061,000.00 to complete contract term and exercising 2 option years. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Capitol Paving of D.C. 2211 Channing St NE Washington, DC 20018	United Construction Services, LLC Washington, DC DBE	35.0%
	Royal Construction Materials McLean, VA WBE	10.0%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$21,880,658.00
Value of this Change Order:	\$21,061,000.00*
Cumulative CO Amount, including this CO:	\$21,061,000.00
Total Contract Value, including this CO:	\$42,941,658.00
Original Contract Time:	1096 Calendar Days (3 Years, 0 Months)
Time extension, this CO:	730 Calendar Days
Total CO contract time extension:	730 Calendar Days (2 Option Years)
Contract Start Date (NTP):	01-05-2022
Contract Completion Date:	01-05-2027
Cumulative CO % of Original Contract:	96.3%*
Contract completion %:	85.9%

*Additional funds to complete original contract term and exercising of 2 option years.

Purpose of the Contract:

- DC Water is required to permanently restore all paved and non-paved public space areas - roadways, sidewalks, tree spaces, and other structures that are damaged or disturbed during infrastructure rehabilitation and repair activities. The Public Space Restoration Contract provides permanent restoration and pavement services for Water and Sewer construction locations in public space.

Original Contract Scope:

- Restore and/or replace asphalt and concrete roadways, brick and concrete sidewalks, landscaped areas, and other miscellaneous repairs that result from excavations performed during water and sewer infrastructure rehabilitation and repair activities in public space.
- Scope of work is developed and issued as task orders and as needed. Restoration work is at various locations throughout Washington, DC. The nature, extent, and location of the work for each task order varies.
- The water and sewer operations, on an annual basis, typically generate an average of 1,700 task orders for public space restorations.

Previous Change Order Scope:

- N/A

Current Change Order Scope:

- This Change Order is to exercise the 2 option years using existing bid item prices, increasing the contract value by \$19,168,000.00 and extending the contract period through January 5, 2027.
- Due to greater than anticipated need for public space restoration throughout this contract, this request also includes \$1,893,000.00 to ensure sufficient funding for the original current contract period through January 4, 2025.

PROCUREMENT INFORMATION

Contract Type:	Unit Price	Award Based On:	Request for Proposal, Best Value
Commodity:	Construction	Contract Number:	200110
Contractor Market:	Open Market		

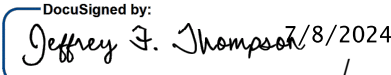
BUDGET INFORMATION

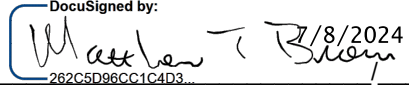
Funding:	Capital	Department:	Water Services
Service Area:	Water, Sanitary	Department Head:	Chris Collier
Project:	KZ, BW, L6, NW		


****ESTIMATED USER SHARE INFORMATION**


User	Share %	Dollar Amount
District of Columbia	100.00%	\$21,061,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$21,061,000.00

** Work under this contract will be assigned as needed under specific task orders. It is anticipated that Joint Use work may be assigned during the contract period. As tasks are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed according to agreed cost sharing.

DocuSigned by:

 Jeffrey F. Thompson / 7/8/2024
 Date
 Chief Operating Officer and EVP

DocuSigned by:

 Matthew T. Brown / 7/8/2024
 Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

DocuSigned by:

 Dan Bae / 7/8/2024
 Date
 VP and Chief Procurement Officer


 David L. Gadis / 8/2/2024
 Date
 Chief Executive Officer and General Manager

Presented and Approved: September 5, 2024

SUBJECT: Approval to Award Three Base Years and Two Option Years of Contract No. 10487, Internal Auditing Services, Cherry Bekaert Advisory, LLC

**#24-67
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 September 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of Three Base Years and Two Option Years of Contract No. 10487, Cherry Bekaert Advisory, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the award of Three Base Years and Two Option Years of Contract No. 10487, Cherry Bekaert Advisory, LLC. The purpose of the contract is to engage a qualified independent audit firm to provide internal audit services. The total amount of the three base years and two option years is \$3,927,906.00.

This Resolution is effective immediately.

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

**Internal Auditing Services
(Joint Use – Indirect)**

Approval to execute a new contract award for Internal Auditing Services in the amount of \$3,927,906.00; the contract term is for five (5) years with three (3) base years and two (2) one-year options.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Cherry Bekaert Advisory LLC 3800 Glenwood Ave. Suite 200, Raleigh, NC. 27612	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$2,298,328.00
Base Period Contract Dates:	10-01-2024 – 09-30-2027
No. of Option Years in Contract:	2
Total Option Years 1-2 Value:	\$1,629,578.00
Option Years 1-2 Dates:	10-01-2027 – 09-30-2029
Total Number of Proposals	6

Purpose of the Contract:

This contract provides internal auditing services for DC Water.

Contract Scope:

The services include but are not limited to the following:

- Provide and operate a formalized process of risk assessment and planning, operational engagement, and audit management
- Facilitate achieving organizational objectives in a wide range of areas, including operations, financial reporting and regulatory compliance
- Provide an analysis of existing procedures through interviews with key managers, analysis of processes and information technology systems used in day-to-day operations, and comparison to industry "best practices."
- Administer DC Water's fraud hotline system

Supplier Selection:

Six firms submitted proposals in response to an open-market solicitation for this contract released in March 2024. They included Cherry Bekaert Advisory LLC., Deloitte, Sikich, RSM, BDO, and CohnReznick. Two firms were downselected. Bidder's meetings were conducted individually with both Cherry Bekaert Advisory LLC and Deloitte to discuss their proposals. The evaluation team determined the technical approach, pricing, and contract terms offered by Cherry Bekaert as the best value for DC Water.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	10487
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Operating	Department:	Internal Audit
Project Area:	DC Water Wide	Department Head:	Wayne Griffith

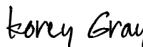
ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	66.78%	\$2,623,055.63
Washington Suburban Sanitary Commission	24.12%	\$947,410.93
Fairfax County	5.87%	\$230,568.08
Loudoun Water	2.82%	\$110,766.95
Other (PI)	0.41%	\$16,104.41
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,927,906.00

Signed by: 8/28/2024

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Wayne Griffith Date
 Chief Administration Officer and
 Executive Vice-President

DocuSigned by: 8/28/2024

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Korey Gray Date
 Vice-President of Compliance and
 Interim Chief Procurement Officer

DocuSigned by: 8/29/2024

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Matthew T. Brown Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance

 9/4/2024
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: September 5, 2024
SUBJECT: Approval to Execute Change Order No. 03 of Contract No. 220010, Inspection and Cleaning of Local Sewers, RedZone Robotics, Inc.

#24-66
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 September 5, 2024, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Change Order No. 03 of Contract No. 220010, RedZone Robotics, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 03 of Contract No. 220010, RedZone Robotics, Inc. The purpose of this contract is to procure qualified contractors to support DC Water with the assessment of 120 miles of local sewers from FY22 through FY25. The total amount of this change order is \$2,229,763.16.

This Resolution is effective immediately.

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

**Inspection and Cleaning for Local Sewers
(Non-Joint Use)**

Approval to execute Change Order No. 03 for \$2,229,763.16. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
RedZone Robotics, Inc 195 Thorn Hill Rd Suite 110 Warrendale, PA 15086 <u>Headquarters</u> Warrendale, PA 15086	Arthur Engineering Services, LLC Laurel, MD DBE	23.0%
	EBA Engineering Inc. Laurel, MD DBE	1.0%
	Cube Root Corporation Washington DC DBE	1.0%
	Sunrise Safety Services, Inc Glen Burnie, MD WBE	5.0%
	Traffic Services & Control, LLC Oxon Hill, MD WBE	5.0%

DBE Total Participation = 25.0% WBE Total Participation = 10.0%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$5,998,550.00
Total of Previous Change Orders:	\$ 0.00
Current Contract Value:	\$5,998,550.00
Value of this Change Order:	\$2,229,763.16
Total Contract Value, including this CO:	\$8,228,313.16
Original Contract Time:	1,095 Days (3 Years, 0 Months)
Time extension, this CO:	392 Days
Total CO contract time extension:	392 Days (1 Year, 1 month)
Contract Start Date (NTP):	03-10-2022
Anticipated Contract Completion Date:	04-06-2026
Cumulative CO % of Original Contract:	37.2%
Contract completion %:	72.0%

Purpose of the Contract:

This contract is needed to procure qualified contractors to help DC Water with the assessment of local sewers. Under this contract, DC Water plans to inspect a total of 120 miles of local sewers from FY22 to FY25.

Original Contract Scope:

- Project management including coordination with internal and external agencies,
- Preparation of traffic control plans, and acquisition of permits.
- Closed Circuit Television (CCTV) inspection of approximately 190,000 linear feet of combined and sanitary sewers.
- Light cleaning and CCTV inspection of approximately 190,000 linear feet of sanitary sewers.

- Combined CCTV/Sonar inspection of approximately 158,000 linear feet of sanitary sewers.
- Sonar inspection of approximately 1,500 linear feet of combined and sanitary sewers.
- Laser/CCTV inspection of approximately 32,000 linear feet of combined and sanitary sewers.
- Multi-Sensor Inspection of approximately 62,000 linear feet of combined and sanitary sewers.
- Inspection of approximately 1,800 manholes and structures.

Previous Change Order Scope:

- Modify the unit price for traffic control plans.
- Adding new line items and unit prices to inspect storm sewers using CCTV, Laser and Sonar.

Current Change Order Scope

- This change order is to extend the contract to perform original contract scope activities for an additional year while a new Sewer Program Management Contract is procured which will cover Local Sewer Inspection Activities going forward.

PROCUREMENT INFORMATION

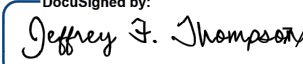
Contract Type:	Unit Price	Award Based On:	Best Value
Commodity:	Construction	Contract Number:	220010
Contractor Market:	Open Market		


BUDGET INFORMATION


Funding:	Capital	Department:	Engineering and Technical Services	
Service Area:	Sanitary	Department Head:	Ryu Suzuki	
Project:	QX			

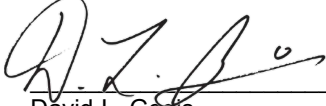
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 2,229,763.16
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 2,229,763.16

DocuSigned by:

 Jeffrey F. Thompson 8/2/2024
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 Date
 Chief Operating Officer and EVP

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 Matthew T. Brown 7/8/2024
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 Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

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 Dan Bae 7/8/2024
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 Date
 VP and Chief Procurement Officer


 David L. Gadis 8/2/2024
 Date
 Chief Executive Officer and General Manager