



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
206th MEETING OF THE BOARD OF DIRECTORS**

Thursday, February 5, 2015

9:30 a.m.

5000 Overlook Avenue, SW

Room 407

- I. Call to Order (Second Vice Chairman Edward Long)**
- II. Roll Call (Linda Manley, Board Secretary)**
- III. [Approval of January 8, 2015 Minutes](#) (Second Vice Chairman Edward Long)**
- IV. Chairman's Overview**
- V. Committee Reports**
 - [1. Governance Committee \(Ellen Boardman\)](#)
 - [2. Environmental Quality and Sewerage Services Committee \(Howard Gibbs\)](#)
 - [3. Joint Meeting of the Environmental Quality and Sewerage Services and Water Quality and Water Services Committees \(Howard Gibbs\)](#)
 - [4. Water Quality and Water Services Committee \(Rachna Butani\)](#)
 - [5. Finance and Budget Committee \(Robert Mallett\)](#)
 - [6. D.C. Retail Water and Sewer Rates Committee \(Alan Roth\)](#)
- VI. [General Manager's Report](#)**
- VII. [Summary of Contracts](#)**
- VIII. Administrative Item**
 - [1. Approval to Execute Contract No. 14-PR-PCM-01, M.C. Dean – Resolution No. 15-14](#)
- IX. Consent Items (Joint-use)**
 - [1. Approval to Execute Contract No DCFA #468-WSA, ARCADIS, US, Inc. – Resolution No. 15-15 \(Recommended by Environmental Quality and Sewerage Services Committee 01/15/15\)](#)
 - [2. Approval to Execute Contract No. GS-23F-029IN, SPS Consulting, LLC System – Resolution No. 15-16 \(Recommended by Environmental Quality and Sewerage Services Committee 01/15/15\)](#)
 - [3. Approval of Fiscal Year 2015-2024, Capital Improvement Program \(CIP\) – Resolution No. 15-17 \(Recommended by Environmental Quality and Sewerage Services Committee 01/15/15\)](#)

4. [Approval of FY 2015-2024 Ten Year Financial Plan – Resolution No. 15-18](#)
(Recommended by Finance and Budget Committee 1/22/15)
5. [Approval of Proposed FY 2016 Operating Budget – Resolution No. 15-19](#)
(Recommended by Finance and Budget Committee 1/22/15)
6. [Approval of Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing – Resolution No. 15-20](#) (Recommended by the Finance and Budget Committee 1/22/15)
7. [Approval to Authorize the Sale and Setting Terms and Details of the Series 2015A Refunding Bonds – Resolution No. 15-21](#) (Recommended by the Finance and Budget Committee 1/22/15)

Consent items (Non-Joint Use)

1. [Approval to Execute Option Year Three of Contract No. WAS-11-049-AA-GA, Electric Motor & Contracting, Co., Inc. – Resolution No. 15-22](#) (Recommended by Environmental Quality and Sewerage Services Committee 01/15/15)
2. [Approval to Execute Option Year Three of Contract No. 100180, Environmental Quality Resources, Inc.– Resolution No. 15-23](#) (Recommended by Water Quality and Water Services Committee 01/15/15)
3. [Approval of Proposed Retail Metered Water and Sewer Service Rates, Right-of-Way \(row\), Payment-in-Lieu of Taxes \(PILOt\) Fee, Clean Rivers Impervious Area Charge \(CRIAC\), and New Water System Replacement Fee, Beginning in Fiscal Year 2016 – Resolution No. 15-24](#) (Recommended by the DC Retail Water and Sewer Rates Committee 1/27/15)

X. Executive Session – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b) of the D.C. Official Code¹

XI. Adjournment

¹ The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

Upcoming Committee Meetings (5000 Overlook Avenue SW (Blue Plains – 4th Floor)

- Environmental Quality and Sewerage Services Committee – Thursday, February 19th @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Water Quality and Water Services Committee – Thursday, February 19th @ 11:00 a.m. (5000 Overlook Avenue, SW)(**via conference call**)
- DC Retail Water and Sewer Rates Committee – Tuesday, February 24th @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Audit Committee – Thursday, February 26th @ 9:00 a.m. (5000 Overlook Avenue, SW)
- Finance and Budget Committee – Thursday, February 26th @ 11:00 a.m. (5000 Overlook Avenue SW)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

GOVERNANCE COMMITTEE

**MEETING MINUTES
JANUARY 14, 2015**

Committee Members

Ellen Boardman, Chairperson
Alan Roth
Edward Long
Rachna Butani

D.C. Water Staff

George Hawkins, General Manager
Randy Hayman, General Counsel
Linda Manley, Board Secretary

Chairperson Boardman convened the meeting at 9:04 a.m.

The Chairperson requested Korey Gray, Compliance Officer, to address Agenda Item # 2 –DC Water Works! Employment Programs Update. Mr. Gray advised that his report would focus on the details of the pilot programs, addressing question posed by the Board members at the November Governance Committee meeting.

Capital Paving and Fort Meyer are the two DC Water contractors that are participating in the Work Force Training Pilot Program. The Program’s ultimate goal is to prepare participants for employment after completion of the training. Trainees receive a number of certifications, obtain field training, and are paid while they undergo training. Upon completion of their time in the program, the trainees will be employable by their current employer or may take their experience elsewhere. Mr. Gray stated that \$322,000 was allocated for the Pilot Program, which included 4,600 man hours at the overall hourly cost per worker of \$35.00. Because these are Davis-Bacon projects, prevailing wages are in effect. These workers are classified as Laborers. The rate for the laborers is \$28.30 per hour, which includes a basic hourly rate and fringe benefits. Additionally, \$6.70 goes toward the added training for certifications and field training, totaling \$35.00/hour per worker.

The Chairperson asked for a clarification of what if any of these training certifications or classes is provided directly by the employer and how much is provided through the Laborers’ Training program. Mr. Gray showed a slide that broke down the actual training courses that indicated what was provided by the Laborers’ Union , and others that were provided by DC Water’s pilot program. He further indicated that the Laborers’ Union can provide these training courses so long as the contractor is signatory to a collective bargaining agreement with the Union, which is the case with Capital Paving and Fort Meyer. Mr. Gray advised that D.C. Water would have to work with non-union firms as well in the future who would not be signatory.

Mr. Gray showed a slide that listed the five certifications a worker would receive upon completion—confined space training, erosion control, first aid/CPR, flagger, and OSHA training.

Another question raised by the Committee related to D.C. Water's oversight monitoring. Mr. Gray stated that the firms submit progress reports, as well as time sheets, and certified payroll reports. When the Program was started, DC Water did quarterly site visits and interviews of the workers and the contractors, but they found that was not frequent enough. They switched to a monthly review. Mr. Gray reported that DC Water is also holding monthly status meetings for the Program and are reviewing the monthly invoices detailing how the money is being spent. A DC Water Engineering and Technical Services Department employee is dedicated to this Pilot Program and receives the reports.

Mr. Gray stated that each of the firms started with two trainees. Mr. Long observed that it appeared to be a large expense for a small number of trainees. Mr. Gray advised that the two firms treated the trainees as Laborers, which they were required to do pursuant to their collective bargaining agreements. Accordingly, the employees would have been paid a \$28.30 (with benefits) regardless of whether they were participants in the Pilot Program.. The extra cost is just the \$6.70 that was spent on training required by the Pilot Program. DC Water will review the Program and determine the "lessons learned," including whether the expense was a good use of money and resources. Mr. Gray advised that the two laborers working for Fort Meyer have completed their programs and continue to work on D.C. Water projects.

Ms. Boardman asked when the Committee would receive a report on the Program. Mr. Gray expected to have something to the General Manager before the next Governance Committee meeting and then will work on the final report for the Committee. Mr. Hawkins observed that a pilot program can be expensive because, with just a few individuals, there are no economies of scale. However, the purpose of pilot program is to get a sense of what works and what doesn't, recognizing that costs are incurred at the front end of a program, which can be expensive. DC Water will do some kind of economic modeling to make the project more cost effective. Mr. Hawkins expects that they will come to the Committee in March with an assessment of where things are and a timeline for a report. Mr. Hawkins commented that these types of training programs are important issues of concern by the new Mayor. DC Water will communicate ideas on these and enhanced programs to the new City Administrator.

The Chairperson stated that she thinks this makes sense and this is a program that she would like to see continued, with the lessons learned to make it better and more efficient. The Chairperson expressed her pleasure that Fort Meyer has continued to retain those people and that they are able to keep them on D.C. Water projects. Mr. Hawkins reported that Mayor Bowser has highlighted labor force development as one of her highest priorities and mentioned D.C. Water's efforts. The Chairperson wanted to know if there was more that D.C. Water could do. Mr. Gray answered additional questions.

Mr. Gray then moved to the update on the Work Force Incentive Pilot Project which seeks to increase the number of District residents on D.C. Water's projects and to encourage new hires. There is a two tier approach. When the total work hours for a given invoice period was between 25 and 35 percent, the firm received a 5 percent incentive. If the total D.C. resident hours was greater than 35 percent, the incentive was 10 percent. There was no incentive paid if the total hours for DC residents fell below 20 percent. The achievement was based on the total number of hours worked by DC residents. Fort Meyer has an incentive cap of \$100,000; Capital Paving has a cap of \$250,000.

The Chairperson asked how DC Water tracked D.C. residency. Mr. Gray advised that contractors submit monthly reports with this information.

Mr. Roth asked if there is a sense whether this project is succeeding or failing or just not effective. Mr. Gray stated that DC Water is doing the close-out review now and will present a final analysis for the Committee's review.

Mr. Gray provided an overall update for FY 2015 and the employment picture for D.C. Water's contractors. Contractors are actively encouraged when they come on board to hire locally through the interim Water Works! Program. They submit an employment plan to let D.C. Water know what their employment opportunities will be and they track overall employment figures from all contracts. The statistics were for goods and services opportunities, non-major construction projects and major construction projects. The data can be found on D.C. Water's website in the materials submitted with the agenda and other meeting materials for the January 14, 2015 meeting.

The last update by Mr. Gray concerned the job centers and their activities. There are three centers—Greater Urban League, Anacostia Development Corporation, and Blue Plains. From October through December 2014 there was a total of 179 visitors, 70 callers, and a subsequent number of applications for construction. Mr. Gray reported that they are now also tracking for goods and services. Mr. Long stated that the job centers are great and that D.C. Water should look at expanding them and adding more. Ms. Butani wanted to know if people come and take the applications so that they can report to the unemployment office that they are trying to find work. She wanted to know if they saw this because her company has people who come in and get applications and state that they have to take them to the unemployment office to keep getting benefits. Mr. Gray stated that they are trying to get data on how many are actually looking for work and how to pair them with actual opportunities. They do not want to have a great number of people interested but no one coming out with jobs. This program should be tailored and effective for the applicant, D.C. Water, and the contractor. He indicated that they want the applicants to have some type of skill set that matches the work. They want them to get good jobs and real job opportunities. Ms. Butani wants to get follow-up on people once they come in and apply. They should have an understanding of the types of jobs in which they were interested and for which they are qualified. Mr. Gray said that it is important to educate the applicant and to give them the requirements to apply. They do not want to lead the people on without results. Although most people may come in for construction jobs, Mr. Gray said that they try to encourage them to also consider goods and services opportunities. All the jobs are full-time. He stated that educating them about all of the jobs available is important.

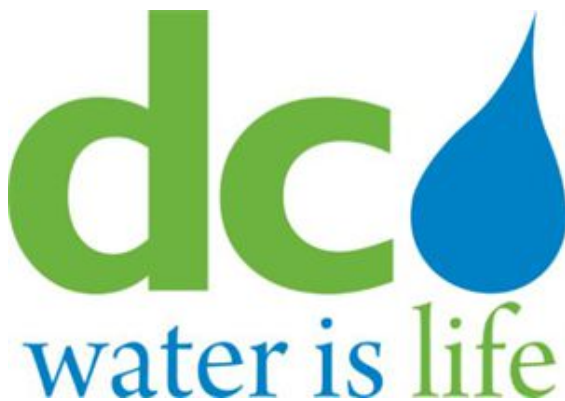
The Chairperson provided background on Agenda Item # 3 –Proposed Amendments to the Procurement Manual - and stated that General Counsel Randy Hayman's update on the Proposed Amendments to the Procurement Manual is an amalgamation of some of the work that the Committee started in 2013 as well as additional changes she requested. The Chairperson noted that she was not requesting that the Committee immediately make recommendations to submit this to the Board. The recommendations should be further considered to make sure the bases are covered and that the Committee members be given additional time to weigh in on items that are missing or that need enhancement. The Chairperson expressed her hope and expectation that at the March meeting the Committee will finalize the proposed changes and recommend them to the Board for approval.

Mr. Hayman stated that the task was to review and revise current disbarment and suspension language in certain sections contained in the Procurement Manual. As a result, four chapters were addressed —Chapter 26, Disbarment and Suspension; Chapter 25, Contractor Responsibility; Chapter 23, Contractor Management and Administration; and Chapter 5, Bonds and Insurance. The overall goal is to enhance D.C. Water's ability to identify contractors who are bad actors and apply the disbarment and suspension rules accordingly. The goal is also to enhance due process elements. The goal is also to lessen the costs incurred by D.C. Water associated with violations and subsequent investigations by having these costs paid by the contractors to the extent possible. Mr. Hayman stated that these proposed changes are intended to enhance and clearly delineate contractor responsibilities. He indicated that the purpose of the changes is to keep bad actors from participating in DC Water contracts as best they can. Earlier discussions with the Board resulted in suggestions to tighten the enforcement mechanisms to address those situations.

Mr. Hayman then walked the Committee through the changes proposed in the four chapters. He presented each Committee member with a notebook containing a copy of the current language, redlined version with changes, and a clean version with all the changes. More details can be found in the materials included with the meeting's agenda on the website. During Mr. Hayman's presentation Committee members asked many questions for clarification, received responses, and made additional suggestions. He stated that he will take their comments and suggestions back and the documents will be revised. He asked that Committee members email him additional input and he will be happy to incorporate the changes.

Ms. Boardman stated that the goal is to accomplish this major task and to get it right. Mr. Hayman emphasized that his office will be working hand-in-hand with the Office of Procurement through this process to incorporate all of the changes. The Committee members thanked Ms. Boardman for all of her time and efforts, and commended the General Counsel's staff on their work.

The Chairperson adjourned the meeting at 11:06 a.m. after it was determined that there was no other business.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Sewerage
Services Committee**

Thursday, January 15, 2015

9:30 a.m.

MEETING MINUTES

Committee Members Present

Howard Gibbs, Acting Chairperson
David Lake
James Patteson
Matthew Brown
Adam Ortiz

DC Water Staff Present

George Hawkins, General Manager
Len Benson, Chief Engineer
Randy Hayman, General Counsel
Linda Manley, Secretary to the Board

I. Call to Order

Mr. Howard Gibbs, Acting Chairperson, called the meeting to order at 9:30 AM.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Walt Bailey, Assistant General Manager for Wastewater Treatment, reported that the monthly average influent flow was 293 MGD, bringing the 12-month average to 300 MGD. 3.5-inches of precipitation fell during the December reporting period.

Biosolids production was 809 wet tons per day, compared with the annual average production of 1081 wet tons per day. Total nitrogen concentration averaged 4.6 mg/l for the month, and the annual average of 4.1 mg/l remains below the permit threshold. Overall, plant performance was excellent, with 100% permit compliance.

Mr. Bailey informed the Committee that the Enhanced Nitrogen Removal Facility projects have been completed and placed in-service including the Methanol Facility. The committee asked Mr. Bailey about the “demonstrations” of the new facilities such as the Methanol Facility and whether that meant leak detection and water testing. Mr. Bailey explained that as part of the construction contract, the contractor must test/demonstrate all equipment and piping to the prescribed pressure to locate any leaks before introducing methanol, for example, into the new Methanol Facility. Mr. Bailey further noted that the Department of Environment (DDOE) permit requires annual leak detection inspection for volatile organic carbon (VOC) of each joint in the Methanol Facility.

The commissioning of the digesters continues with approximately 60% of the biosolids going through the new thermal hydrolysis (Cambi) process and digesters and 40% of biosolids processed by centrifuge and lime stabilization. 100% digestion of the biosolids is expected late-February 2015. Mr. Bailey noted the Combined Heat and Power (CHP) contractor, Pepco Energy Services, is behind schedule and has had to bring temporary boilers to provide steam for the Cambi Thermal Hydrolysis process, which resulted in delays in feeding the digesters.

The committee requested Mr. Bailey work with the Chairman to setup a tour in Spring 2015 for the entire Board of Directors and committee members to see the progress made since their last tour that occurred during mid-construction of the Main Process Train. The committee asked for an overview/high level understanding of the contractual requirements for the Main Process Train facilities. Mr. Bailey explained that for each job, the Mechanical Completion triggers the start of the Operation Demonstration and performance testing. The Main Process Train consist of Screening, Pre-Dewatering, Cambi, and Digestion which have twenty-nine (29) performance goals that must be met; for example, volatile solids destruction in the digesters and meeting Class A biosolids requirements.

The committee commented that the average daily hauling bar chart by contractors shows a decline in the hauling quantity and asked whether this is attributed to the new digesters, and inquired if the bar chart can distinguish between digested- and lime-stabilized biosolids. Mr. Bailey commented that by March 2015 100% biosolids will be digested therefore we will not need the charts revised. Mr. Bailey noted that the existing lime stabilization system will be maintained and periodically exercised to be used as a backup system to handle peaks and emergencies.

III. UPDATES: POTOMAC INTERCEPTOR SEWER

1. Odor Abatement Project

Ms. Liliana Maldonado, Director of Engineering and Technical Services (DETS), reported that construction continues at both Virginia sites with Site 31 (Fairfax) at 80% complete, however, final completion is pending Dominion Virginia Power installation of permanent power. Committee Member James Patteson from Fairfax County, offered assistance via the Fairfax County liaison with Dominion Virginia Power to help direct DC Water staff to the appropriate party to expedite the permanent power installation at Site 31 (Fairfax). Ms. Maldonado welcomed the assistance and will follow-up with the Fairfax liaison. Site 46 (Loudoun) is 94% complete with punch list items remaining. Site 46 operational demonstration is expected to start in early February 2015. The committee commented that the odor control projects have been an interest of theirs and expressed concerns with the projects moving forward and continuing to encounter more delays. The committee further commented that the monthly reports are fairly repetitive and the committee wants to understand whether the project issues will be resolved shortly. Ms. Maldonado emphasized her priority to complete the projects before the summer "odor" season.

IV. ACTION ITEM - JOINT USE

1. Contract No. DCFA#468-WSA, Arcadis US, Inc.

ACTION ITEM – NON-JOINT USE

2. Contract No. 100180, Environmental Quality Resources, LLC

Mr. Len Benson, Chief Engineer, presented the two action items.

Action Item 1 is a request to execute an Engineering Services Agreement for Contract No. DCFA#468-WSA. The contract is to provide sewer program management and engineering services for assessing, rehabilitating, upgrading and improving the sanitary, combined sewer and storm water conveyance systems. Mr. Benson noted that a significant amount of work on the sewer system requires cleaning, CCTV inspection, examining video and determining what rehabilitation/repairs are necessary. The contract therefore includes about \$6-\$8M if DC Water elects to perform the work under this contract. The committee inquired if such work would be a supplement or is it part of the contract. Mr. Benson confirmed that it is part of this \$42 million contract.

Mr. Benson explained that work for the next 5 years for the individual facilities has not been planned at this time in sufficient detail to allocate the jurisdictional user shares. The user shares will be allocated accordingly through the IMA Regional Committee and Technical Sub-Committee MJUF methodology as agreed in the 2012 IMA. The committee asked if Arcadis was previously Malcolm Pirnie with Mr. Benson responding that Malcolm Pirnie was one the firms acquired by Arcadis. The committee asked if suburban participation was involved in the review of the short listed firms. Mr. Benson responded that Nick Garner (WSSC) and Michael McGrath (Fairfax) were on the selection panel.

Action Item 2 is a request to execute a contract to rehabilitate and restore the Pope Branch Stream. The contract is to protect existing sewer assets running parallel and in the stream. Mr. Benson noted the sensitivity of the project due to the sewer running parallel and in some locations running in the stream and exposed manholes on the stream banks. The committee asked Mr. Benson to explain the rationale of why minority participation or local small businesses was not possible "due the specialized nature of the work". Mr. Benson responded that working in the stream bed and banks requires considerable sensitivity by the contractor to limit the sediment discharge into the stream; therefore, the Engineering Team selected the firm that submitted the low bid and had significant experience in stream restoration and sewer construction (instead of the typical sewer contractor with limited stream bed experience). The committee asked if besides the primary stream restoration work, a minority firm could provide some portion of the work such as concrete headwalls. Mr. Benson responded that he will investigate the question further, and will be more cognizant of minority participation opportunities in future contracts. The committee requested additional clarification on the selected contractor's qualifications. Mr. Benson deferred the question to Mr. William Elledge, DEETS, who responded that the contractor's references were verified and that the firm had worked with multiple municipalities in Maryland, had also worked with DC Department of Environment, and responses from the references/owners were positive. Mr. Elledge also noted that the firm specializes in stream restoration and erosion and sediment control.

The Committee will recommend all action items to the Board for action.

V. OTHER BUSINESS/EMERGING ISSUES

The committee asked for an update on the Asset Management Program status and what are the established goals for the program. Mr. Benson requested for the update to be provided in a future committee meeting.

IX: ADJOURNMENT

The meeting was adjourned at 10:00am.

Follow-up Items

1. Schedule a tour in spring 2015 of the MPT and CHP Facilities for the BOD. Provide a status update on the Asset Management Program at a future EQSS committee meeting.



Board of Directors

Joint Meeting of the Environmental Quality and Sewerage Services and Water Quality and Water Services Committees

Thursday, January 15, 2015

10:15 a.m.

MEETING MINUTES

**District of Columbia
Water and Sewer Authority**

Committee Members Present

Howard Gibbs, Acting Chairperson
David Lake
James Patteson
Matthew Brown
Adam Ortiz

DC Water Staff Present

George Hawkins, General Manager
Len Benson, Chief Engineer
Randy Hayman, General Counsel
Linda Manley, Secretary to the Board

I. Call to Order

Mr. Howard Gibbs, Acting Chairperson, called the meeting to order at 10:15 AM.

II. FY 2015 – FY2024 CAPITAL IMPROVEMENT PROGRAM (CIP)

Mr. Len Benson, Chief Engineer, noted that the FY2015 – FY204 CIP is being presented as a follow-on to the budget workshop with the Board held on January 8, 2015. Mr. Robert Mallett-, at the workshop, asked for more details as to how projects were filtered or weighted, and how the decision was made to move forward with one project to the exclusion of another. Mr. Benson explained that Mr. Mallett’s question would require more time than is available for today’s meeting and requested the question be addressed in the February or March 2015 committee meeting.

Mr. Benson noted that there are two Action Items to be discussed today consisting of Project Lifetime Budgets and Disbursements-based budgets.

Mr. Benson explained that the development of the CIP is limited by affordability considerations, while balancing the prioritization of projects driven by legal mandates, health and safety concerns, and potential for failure, for example. Mr. Benson noted that the Lifetime Budget was discussed multiple times at the January 8, 2015 BOD workshop. Before going into details on the Lifetime Budget slide, Mr. Benson walked through the “Structure of CIP” (slide 15 in the presentation materials included with the Board Committee package) to help explain how disbursement projections are determined in the CIP process and how the “Lifetime Budgets by Service Area” are derived. Mr. Benson explained in slide 15, titled “Structure of CIP”, that there

are many moving parts in the CIP hierarchy, and one of the Asset Management Program's objectives is to develop a process to classify/relate all assets to one another and enable groups of inter-related assets to be evaluated from a cost and performance viewpoint.

Mr. Benson returned to the Project Lifetime Budget slide noting the FY2015 approved budget of \$9.3 billion compared to the proposed FY 2015 Revised/FY 2016 Proposed budget of \$10.1 billion and the resulting variance of \$740 million. The Project Lifetime Budget slide provides a high level overview of the increases or decreases in Service Areas and Programs as depicted in the variances column. Mr. Benson explained that the Lifetime Budget includes all projects, including those that are near construction completion/commissioning and projects that are just starting preliminary planning/assessment work, i.e. all projects that have any cost occurring in the 10-year budget period.

Mr. Benson used the Wastewater Treatment Service Area to explain the "Variance" column on the "Lifetime Budget" chart. As an example, the Wastewater Treatment Service Area was shown to have a variance of negative \$83,628 million, i.e., less spending over the period FY2015 through FY2024, than over the period FY2014 through FY2023. This is because last year (FY2014) two very costly projects were nearly finished at Blue Plains: one was the ENR Project (Nitrogen Removal) and the other was the Biosolids (Digesters) Project. And, the projects added, i.e., coming into the Lifetime Budget in FY2024 were considerably less costly (those projects necessary to maintain the Plant in a "State of Good Repair"). On the other hand, Service Area/Program "Sanitary Interceptor/Trunk Force Sewers" showed a positive (i.e., increased budget) variance of \$120,975 million. This is because in FY2014 this Program was still "ramping up" and thus had little spending, but in the new added year, FY2024, the Program is planned to be fully matured and thus there will be considerable high-cost projects coming into the CIP.

Mr. Benson explained the increase of \$96 million for the Anacostia Tunnel under the Combined Sewer Overflow Service Area was due to the Northeast Boundary Tunnel project being accelerated as requested by the District and directed by the Board; additional costs incurred from the Bloomingdale project; and an updated cost for the tunnel project. The decrease of (\$37 million) in the proposed DC Clean Rivers Green Infrastructure line item under the Combined Sewer Overflow Service Area was due to uncertainty regarding the consent decree (CD) modification; therefore the funds were shifted to the Potomac Tunnel and Rock Creek Tunnel programs. Mr. George Hawkins, General Manager, emphasized the CD modification DC Water has proposed has not been approved at this time.

The committee asked if the \$120 million budgeted for the Sanitary Interceptor/Trunk Force Sewer is part of the 10-year CIP period that is being discussed today. Mr. Benson responded that work is expected to be completed in 2024.

Mr. Benson explained that the increase of \$126 million in the proposed Water Distribution System budget under the Water Service Area was identified in the Water Facilities Plan. The committee asked if this included water pipe replacement projects. Mr. Benson confirmed and noted that the increase is necessary to replace 1% of the water mains on an annual basis as approved by the Board.

Mr. Benson highlighted the \$343 million Lifetime Budget increase on slide 3 noting, details of the increase are listed in the Budget Book. Mr. Benson explained that \$404 million of new projects were added and referred to slide 4, titled "Lifetime Budgets – New Projects", depicting the budget for the service areas and the expected start year. The projects noted in slide 4 are

included in the Facility Planning updates that are completed every five years, where projects/facilities are identified based on the condition of existing assets, projected remaining life and/or other identified needs.

Mr. Benson explained the New Fleet Management Facility is a result of Main and O Street Pumping Station site changes where DC water is negotiating with the District of Columbia for the government to acquire approximately 7 acres of the 10-acre DC Water property for the Forest City Redevelopment project. The deal would include the developer or DC Government compensating DC Water for a suitable site to accommodate Fleet and Sewer Operations. Mr. Benson noted that DC Water is negotiating for a parcel of land in Prince George's County for the New Fleet Management Facility. The land negotiation is anticipated to close in the next five weeks: DC Water has advised the District that DC Water must have cash-in-hand from the District to proceed with the land acquisition in Prince George's County. The committee asked for more details about the District agreement. Mr. Hawkins explained that the agreement is connected to the Anacostia Waterfront development initiatives of the District. Current discussions have been taking place for over five years as to how to relocate a significant portion of Main and O Street Pumping Station facilities and operations. The committee asked where the new Headquarters (HQ) Building would fit in the Main and O Street Pumping Station land deal. Mr. Hawkins stated that the new HQ Building will be constructed on the portion of the Main and O Street Pumping Station site to be retained by DC Water.

Mr. Benson continued going through the projects listed on slide 5 titled "Lifetime Budgets – Project Changes." Mr. Benson noted the increase of \$96 million for the Anacostia LTCP Projects was a result of higher than expected bids for Poplar Point Pumping Station and money previously designated for risk management, some of which has now been moved into the budget for the Northeast Boundary Tunnel Project contract.

Mr. Benson explained the budget increase of \$14 million for the St. Elizabeth Water Tank is to alleviate low water pressure issues in three areas in the Anacostia water system. Mr. Benson noted permitting challenges with Commission of Fine Arts (CFA), National Capital Planning Commission (NCPC), and DC Historical Preservation Office (DC HPO). Additionally, DCRA required individual permits (approximately 1500 permits) for each home to install pressure reducing valves (PRV) where the distribution water pressure will be above 80 psi; DC Water was previously seeking a blanket permit to install the PRVs. The committee asked if there is an approved design for the water tank and thought it was a stumbling block. Mr. Benson responded the design was a stumbling block due to the screens around the tank. The DC SHPO, CFA and NCPC, however, have agreed to proceed with the tank construction and to then work with local community and DC SHPO/CFA/NCPC on a mitigation plan for the tank's presence.

Mr. Benson explained slide 6 titled "Disbursements Plan by Service Area" (second Action Item) by highlighting the Total CIP row for each year for the period FY2015 through FY2024, depicting a total of \$3.8 billion. Mr. Benson noted the spending trend for each fiscal year decreasing and that a nominal \$300 million spending per fiscal year after FY 2024, in working with Mr. Kim in Finance, might be a sustainable number for planning purposes at this time. Mr. Benson noted that Engineering does not manage the Total AMR/Meter/CIS, Washington Aqueduct, and Capital Equipment and deferred to Mr. Kim to outline these three capital programs. Mr. Kim explained the Total AMR/Meter/CIS drivers are for the replacement of meters and replacement of the customer billing system (CIS) with a 10-year disbursement budget of \$58 million and Lifetime Budget of \$100 million; the Washington Aqueduct drivers are costs associated with the improvements of Dalecarlia and McMillan Reservoirs and Water Treatment Plants and

transmission and storage facilities with a 10-year disbursement budget of \$109 million and Lifetime Budget of \$296 million; and the Capital Equipment drivers are maintenance services at Blue Plains AWTP, Fleet, and IT with a 10-year disbursement budget of \$141 million with an ongoing rolling program. Mr. Hawkins commented on the AMR and CIS programs to the extent that AMR will provide more accurate customer billing and emphasized the tremendous effort and time required to upgrade the CIS.

The committee commented that future regulations or emerging contaminants are not necessarily considered in the proposed FY 2015 through FY 2024 Total CIP budget. Mr. Benson responded that there is high confidence in the FY2015 through FY 2018 numbers with only moderate confidence with the FY 2020 through FY 2024 because of unknown future regulations/mandates. Mr. Benson noted that the Chesapeake Bay Total Maximum Daily Load (TMDL) mid-term review in 2018 is an unknown, for example, that could significantly impact the CIP budget confidence level.

Mr. Benson explained slide 8, titled "Prioritization of Spending", by highlighting approximately 60% of the budget consists of work that is mandated, i.e., must be done and only 40% is available for discretionary spending. The committee asked if there is a decision tree or scoring matrix on how critical infrastructure projects are selected and if the Asset Management presentation will include the decision processes. Mr. Benson responded that the Asset Management presentation will outline a delivery plan and schedule when various components of the Asset Management program will be implemented.

Mr. Benson explained slide 9 titled "CIP Issues/Sensitivities" by noting CIP risk sensitivities in terms of innovations through the Office of the General Manager led by Dr. Sudhir Murthy. Dr. Murthy has contributed many process improvements to save money and has kept Blue Plains AWTP at the technology forefront. Mr. Benson explained an initiative by the OGM for similar innovative thinking to be applied to the water and sewer system as well. Mr. Hawkins commented the OGM will be evaluating how the various innovations will benefit DC Water in regards to revenue payback and in other ways, such as water quality.

Mr. Hawkins explained the OGM Innovation Office is developing a model to evaluate the decision to proceed with a project on its merits; for example, what investments are necessary to market a saleable, Class A biosolids product from the Digesters for use in land applications.

Mr. Benson explained Pepco DC Power Line Undergrounding (DC PLUG) recently provided DC Water with a design for review. Mr. Benson noted that Mr. Keith Foxx, DDOT Program Manager, noted that there is a legal challenge that may delay the project for several months. Mr. Benson indicated the DC Water budget commitment that might be required is unknown at this time.

Mr. Benson explained slide 10 titled "Below the Line Projects" are not in the 10-year CIP budget. The listed projects are being monitored to identify if and when the projects need to be included in the CIP due to criticality. Mr. Benson explained that for the projects listed, the question was not when the projects need to be done, but as to when the need will manifest itself such that it can no longer be ignored.

III. BOARD MEMBER QUESTIONS AND FOLLOW-UP PROPOSED CIP AND OPERATING BUDGETS

The committee asked about what the action to recommend the two Action Items to the Board means to the rest of the budget calendar. Mr. Hawkins explained that multiple Board committees evaluated the various elements of the CIP budget in January and will recommend the budget for approval by the Board at the February meeting. The Board-approved budget is submitted to the District for inclusion with the District budget that is submitted to Congress. The DC Water approved budget is then used to create public presentations for Town Hall meetings in April; public hearings will be held in May on the rate proposal. A final decision on the CIP Budget would be made in July; and implemented along with supporting increased revenue on October 1.

IV. ACTION ITEMS

1. Recommendation for Board Action – Project Lifetime Budget
2. Recommendation for Board Action - Disbursements

The Committee recommended all action items to the Board for action.

V. ADJOURNMENT

The meeting was adjourned at 11:28am.

Follow-up Items

1. Provide presentation in the February or March 2015 committee meeting to explain the process for project selection/prioritization as requested by Mr. Mallet.



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS
WATER QUALITY AND WATER SERVICES COMMITTEE**

**MEETING MINUTES
THURSDAY, JANUARY 15, 2015**

Members Present

Rachna Butani, Chair
Howard Gibbs
Matthew Brown

George Hawkins, General Manager
Randy Hayman, General Counsel
Charles Sweeney, Dir. Dist.&Conveyance
Systems
Linda Manley, Board Secretary

I. Call to Order

Ms. Butani asked the Committee members for comments on whether the monthly meeting should move to another day so that the day can be shortened, since many of the members also sit on the Environmental Quality and Sewerage Services Committee which meets on the same day. The day is especially long when there is also a joint meeting of both committee. Members felt that it might be easier to leave it like it is instead of coming in different days for the two or three meetings.

II. Water Quality Monitoring

A. Total Coliform Rule (TCR) Testing

Charles Sweeney, Director of Distribution & Conveyance Systems, updated the Committee on TCR testing. There were zero positive TCRs reported in December and one positive so far in January. Jessica Brandt-Edwards, Manager of Water Quality, stated that the positive was at a fairly new site and has been monitored for about a year. They are still investigating to determine if there is any activity in the area that may have caused the positive. Mr. Gibbs asked for the regulatory target for TCRs. Ms. Brandt-Edwards stated that they are allowed 5 percent per month of the total 240 site samples requirement, or 12 positives per month.

B. Lead and Copper Rule Monitoring

It was reported that the next period of monitoring LCRs begins on January 26, 2015.

III. Fire Hydrant Upgrade Program

David Walls, Manager of the Distribution Branch, reported that of the approximately 9,400 public hydrants, approximately 120 were out of service. Of the 120 hydrants, 60 were due to some defect and 61 due to construction or some kind of temporary condition. D.C. Water has control over the 60 that are due to defect, for which the goal is no more than 1 percent and it was at .6 percent. The increase over last month's total is because of water main breaks and different activities that occur in the winter months. These out of service hydrants have been addressed and the number is now back down to the mid-50s again. The numbers represent a snapshot and the report date was as of January 5, 2015.

Ms. Butani asked if there crews that repair hydrants are the same crews that do water main repairs and everything else. Mr. Walls stated that generally they are the same, but they do have fire hydrant repair crews that do the maintenance as one of their priority. As a call comes in and they are made aware of a location, they respond, check it out, and perform a repair.

Mr. Walls stated that on the hydrant map there are no new areas of concentration.

V. Do Not Drink Advisory Update

Jason Hughes, Director of Water Distribution, provided an update on the incident concerning the petroleum-based smell in the R Street area. He stated that he invited some of the team members who participated in addressing the problem. They included Jessica Brandt-Edwards, David Walls, Maureen Schmelling, Jonathan Reeves, Constant Pierre, and Nicole Condon.

Mr. Hughes used a slide presentation to summarize the incident and he talked about what was learned and what actions they took. The Fire Department's Hazmat Team responded to the report of a petroleum smell in the area. They believe that there was a gas leak or break nearby the evening before, as well as the issue with the gas smell within a school. The Fire Department contacted the District's Department of Environment (DDOE) who also responded. DDOE followed their procedures and contacted the 33rd National Guard Civil Support Team to provide localized sampling. Those initial tests identified something but they could not figure what it was or the concentration. They thought it could potentially cause an issue and they contacted D.C. Water. It was not initially a water concern, so according to DDOE's procedures, they contacted the National Guard. D.C. Water dispatched crews to the area and began collecting and testing samples. The Emergency Management Team was activated and the Incident Command Post was established at Bryant Street. The Command Van was deployed to 8th and R to provide a presence in the middle of the event. Along with EPA and others, a decision was made to issue a "Do Not Drink" Advisory was issued. Sampling continued and a plan for flushing out the system developed. Samples were taken to EPA's Laboratory at Fort Meade by police escort. There was great support from all the agencies that participated.

Ms. Butani asked if the National Guard charges someone for their time and services to recoup the costs. Mr. Hughes responded that at the beginning they were there on behalf of DDOE. There is a limit on the time they can be there in that capacity and they were approaching that limit which would have required another declaration. Jonathan Reeves stated that the first 12 hours are free and then a bill would be issued.

Mr. Hughes reported that some of the initial results indicated a petroleum-based compound having a thick, motor oil consistency. The analysis is now complete but no final conclusions have been reached. This was not a quick process as it may seem on television. They determined that the Aqueduct's analysis was okay. The notice continued because they had not received enough to lift it. When the incident approached the 72 hour mark, D.C. Water's team began to evaluate transferring this responsibility to the City for operational reasons. Mr. Hughes stated that they started to receive calls from some senior facilities saying that they needed water. In their call to the City, they asked that water be distributed to residents. Good results were received that indicated that they could notify the public of the termination of the "Do Not Drink" Advisory. They are still waiting for the final reports from EPA's laboratory and the other laboratory.

No conclusions have been made on this incident but actions continue. Additional details of the operation can be found on D.C. Water's website in the meeting materials.

Ms. Butani asked for comments from the Committee members on the one action item presented. There being no questions or concerns, Ms. Butani stated that the contract would be recommended for Board approval.

There being no further business, Ms. Butani adjourned the meeting.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

Thursday, January 22, 2015

11:00 a.m.

MEETING MINUTES

Committee Members in Attendance

Robert Mallett, Acting Committee Chairperson
Matthew Brown, District of Columbia
James Patteson Fairfax County, via conference call
Obiora “Bo” Menkiti, District of Columbia, via conference call

DC Water Staff

George Hawkins, General Manager
Randy Hayman General Counsel
Gail Alexander-Reeves, Director, Budget
Robert Hunt, Director,
Finance
Linda Manley, Secretary to the Board

Call to Order

Mr. Robert Mallett called the meeting to order at 11:00 a.m.

December 2014 Financial Report

Ms. Alexander-Reeves, Budget Director, reported that with approximately 25 percent of the fiscal year completed, we are on track with budgetary expectations and targeted performance metrics. Total revenues are at \$147.5 million or 27 percent of budget, operating expenses at \$108.1 million or 21 percent of budget and capital disbursements at \$166.4 million or 27 percent of budget in the respective category. Ms. Alexander-Reeves noted that this month’s report includes the quarterly reports for Accounts Payable performance and Grants.

Mr. Mallett enquired about DC Water’s dispute with the DC Government regarding the RFK Impervious Area Charges (IAC). Ms. Reeves explained that the \$2.4M dispute involved various federal and District entities regarding payment of the IAC. Customer Service staff continue to work with all parties to resolve. Mr. Syed Khalil, Financial Planning and Revenues Manager, added that the unpaid bill is due to ownership dispute between the Federal and District governments. In response to Mr. Mallett’s question regarding the Authority’s electricity hedging practices, Ms. Reeves stated that 20MW or approximately 67 percent of the Authority’s electricity load has been locked at an average Western Hub unit price of \$45.92/MWh from January 2015 through September 2015. She also noted that with the current decline in electricity prices, additional loads of 15MW and 5MW have been hedged for FY 2016 and FY 2017 respectively. Staff are routinely monitoring the market for opportunities to lock additional loads and to mitigate future costs.

Ms. Reeves reported that the Authority received \$14 million wire transfer from the District for the CSO Appropriations. General Manager George Hawkins explained that though these funds are not included in the proposed ten-year financial plan, they will be committed to fund the Clean Rivers project.

FY 2016 Proposed Budget

Ms. Reeves provided an overview of the budget proposal which includes the Proposed FY 2016 operating budget of \$541.6 million, FY 2015 – 2024 capital lifetime budget of \$10.1 billion, FY 2015 – 2024 capital disbursements budget of \$3.8 billion and Proposed FY 2016 operating revenues of \$570.2 million.

The major operating budget drivers are attributable to personnel services, utilities and, debt service to support the various capital projects. In response to Mr. Mallett's inquiry about how often we evaluate our ten year capital estimates, Mr. Len Benson, Chief Engineer, noted that the review is undertaken by staff on an annual basis. Ms. Reeves reported that the FY 2016 Proposal includes 1260 budgeted positions, with no increase in positions above the FY 2015 authorized level, until single digit vacancy rate is achieved by the Authority. Mr. Matthew Brown inquired about the high vacancy rate and if it had any operational impacts. Mr. Hawkins explained that the FY 2016 budget proposal strategically did not include any new positions above the FY 2015 Board-authorized headcount. However, the FY 2016 budget provides funding to ensure no procedural delays in filling vacant positions.

Mr. Mallett noted that the decline in electric prices is not reflected in the budget proposals. Ms. Reeves explained that new Plant facilities are projected to drive overall costs higher, however, staff will continue to monitor and lock future loads, where practicable, to help mitigate costs. Mr. Hawkins added that the Authority's utility costs are actually declining in relationship to what it would have been if the Digester project was not coming on line with the additional new Plant processes anticipated.

Mr. Hawkins noted that since last week's Joint's meeting of the Environmental Quality and Sewerage Services and the Water Quality and Water Services Committees, the Lifetime Project Budget has been revised. Slight changes were made in the Sanitary and Combined Sewer Overflow service areas, with the total budget remaining at \$10.1 billion.

Ms. Reeves continued with an overview of the Proposed FY 2016 operating revenues and explained that the major drivers of the retail revenues are primarily attributable to the new \$40 million infrastructure fee, residential and commercial customer categories and the Impervious Area Charges. These increases are offset by decreases in the wholesale revenues due to the change in billing estimation methodology and other revenues. Mr. Mallett asked if these revenue proposals were inclusive of the new rate structure charges to be reviewed by the DC Retail Water and Sewer Rates Committee which was affirmed by Ms. Reeves.

Regarding the Proposed FY 2016 operating revenues, Mr. Mallett noted that while the retail customers are significantly impacted, it appears that the wholesale customers are getting a relief in their share of the revenues. Mr. Hawkins explained that the projected decrease in wholesale revenues of \$12 million is attributable to the change in billing estimation methodology starting in FY 2016. The General Manager noted that historically, the wholesale customers' share of the costs was allocated based on the operating budget, while this proposal reflects a change in methodology incorporating a 3-year average of actual costs.

Mr. Brown inquired about the \$7.5 million decrease in the Rate Stabilization Fund (RSF) included in the budget proposal. Mr. Hawkins explained the reasons for the \$7.5 million drawdown in FY 2015 and that the purpose of the RSF is to ensure rate stability. He noted that a review of the fund is conducted annually. Mr. Syed Khalil further explained that the current FY 2016 proposal does not include any anticipated drawdown from the RSF.

Proposed Series 2015A Refunding Transaction

The Committee received an update from Mr. Robert Hunt, Director of Finance, on the proposed Board Resolution authorizing the Refunding of DC Water Bonds from the 2007A, 2008A, and 2009A Series, which total approximately \$390 million. This represents the balance of the bonds not refunded during the October 2014 refunding. The estimated savings from this refunding is \$36.1 million or 9.2% of refunded par. He noted that the goal is to price the bonds between February and the first week in March 2015.

Action Items

The Committee members recommended the following action items for the Board's approval

- FY 2016 Proposed Operating Budget
- FY 2015 – 2024 Ten Year Financial Plan
- FY 2015 – 2024 Capital Improvement Program (Cash & Lifetime)
- Intent to Reimburse Capital Expenditures with Proceeds of a Borrowing
- Approval of the Sale and Setting Terms and Details of the Series 2015 Refunding Bonds
- Approval for Financial Services – SPS Consulting

Follow-up Items

There are no follow-up items.

Adjournment

Hearing no further business Vice Chairperson Mallet adjourned the meeting at 11:35 a.m.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, January 27, 2015

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Alan Roth, Chairperson
Matthew Brown
Rachna Butani
Howard Gibbs
Robert Mallett
Obiora “Bo” Menkiti (via Telephone)
Brenda Richardson

DC Water Staff

Mark Kim, Chief Financial Officer
Randy Hayman, General Counsel
Linda R. Manley, Board Secretary

Call to Order

Chairman Roth called the DC Retail Water and Sewer Rates Committee meeting to order at 9:38 a.m.

FY 2016 Proposed Rates, Charges and Fees

Mr. Kim stated that there were two agenda items for discussion: management recommendations on the FY 2016 Proposed Rates, Charges and Fees, and Proposed Ten Year Financial Plan FY 2015 – 2024. Mr. Kim gave a presentation to the committee on the FY 2016 proposed rates, charges and fees. Across the board, water rates are either flat or down for every residential customer class, which is reflective of a fundamental shift in the underlying expenditures being weighted more heavily towards the wastewater side. Consequently, sewer rates must increase accordingly. Staff also recommends shifting a larger portion of the fee structure from variable to fixed fees. With respect to the fixed fees, DC Water has the Clean Rivers Impervious Area Charge (CRIAC) and is proposing to introduce a new Water System Replacement Fee (WSRF). The WSRF is designed to cover the cost of the replacement of 1 percent of the aging water lines annually. Chairman Roth asked if there was any change to the proposed rates as compared to last month’s presentation. Mr. Kim mentioned that there was a change to the WSRF as a result of refined data. The WSRF is now proposed at \$6.30 monthly versus last month’s preliminary estimate of \$5.02. Chairman Roth asked whether the WSRF was calculated to cover the portion of the water capital program necessary to deal with the 1 percent renewal and replacement rate for water mains. Mr. Kim replied in the affirmative, stating that the fee would raise approximately \$40 million.

Customer Class-Based Volumetric Rate Structure

Mr. Kim reaffirmed the staff’s recommendation to move to a water only customer class-based rate structure. He referred to the chart showing a summary of the monthly peaking factors of the three

customer classes. The low and the high peaking factors of the residential and non-residential customers is great enough to justify a separation of those classes for rate making purposes. Since peaking factors for residential and multi-family customers are so close, management is recommending the same rate for these two classes. As discussed at the previous meeting, DC Housing is proposed to be treated as multi-family because the data shows its characteristics to be so similar.

Lifeline Residential Water Rate System

Mr. Kim similarly reaffirmed the recommendation of a lifeline water rate for residential customers by discounting the first 4 Ccf of “core consumption”. This is designed to introduce an incentive for conservation for residential customers as well as to create a more progressive rate structure. The lifeline water rate structure provides an economic benefit to low-volume residential customers while spreading the cost of peaking to high-volume residential customers. Mr. Kim then explained the rates for different classes under class-based rate structure. Mr. Gibbs asked how the 4 Ccf core consumption for residential customers was determined. Mr. Kim replied that based on analysis of the mean and median consumption of residential customers, 4 Ccf residential core consumption was a reasonable breakpoint.

Water System Replacement Fee

Mr. Kim updated the committee on the recommended monthly Water System Replacement Fee to recover the costs of the 1% renewal and replacement program for water service lines. He explained that the fee would be based upon meter size and average flow; and that the authority’s CAP customers would receive a 100% credit for this fee. Ms. Richardson inquired as to whether most of the the low-income CAP customers were seniors [**Follow-up**]. Mr. Kim stated that about 4% of the Authority’s single-family residential customers were CAP customers. Mr. Mallett noted that the addition of this fixed fee, together with the other components of the customer bill, meant that the bottom line for District ratepayers was rising, and he expressed concern that there was no relief in sight for District ratepayers with their water bills. Chairman Roth shared the concern but noted that the largest single component of customer bills, and the fastest growing, stems from the Clean Rivers Program mandated by federal consent decree, and that the new fee is intended to pay for a decision the Board had made to speed up the replacement of our aging basic infrastructure from once every 300 years to once every 100 years.

Residential Customer Monthly Bill

Mr. Kim presented an average monthly customer bill assuming 6.69 Ccf of consumption, 1 ERU and 5/8” meter. He mentioned that the new structure would generate a higher percentage of revenues through fixed fees and create a more stable revenue base for DC Water. He further explained that average single-family Residential customers could reduce their monthly bills from \$96.53 to \$69.77 by reducing consumption to 4 Ccf. Mr. Mallett reiterated his concerns with the average customer bill nearing \$100 dollars. Ms. Richardson suggested the authority needs to do more outreach and educate customers who were having a difficult time paying their bills. She suggested using the Mayor’s TV channel to spread the word about the affordability programs available. Mr. Lisle stated that the Authority would do more outreach about its affordability programs. Ms. Butani noted that customers under this plan could save money by reducing consumption.

CAP Customer Monthly Bill

Mr. Kim informed the committee the CAP customer monthly bill under the proposed FY 2016 rate structure is 45% less than the residential customer monthly bill. Mr. Kim noted that the new structure allowed customers to meaningfully reduce their bills by reducing consumption. He explained that by reducing consumption to 4 Ccf, the CAP customers could reduce their monthly bill from \$53.59 to \$26.83 per month.

Ten Year Financial Plan FY 2015-2024

Mr. Kim gave a brief overview of the following Financial Plan objectives:

- minimizing rate increases while meeting all financial obligations
- satisfying all indenture requirements and Board policies
- maintaining the DC Water's current credit ratings of AA+/Aa2/AA

Mr. Kim explained the Financial Plan projections for water and sewer volumetric rates going forward would be moderated by switching to a fixed revenue based structure. Last year's Financial Plan showed 7.5% rate increases for many years. We would be able to bring the water and sewer rate increases down by increasing the fixed portion of the bill. Mr. Kim mentioned that the Clean Rivers IAC was the fastest growing component of the bill, which was beyond DC Water's control. He further stated that retail customers would have more control over the water and sewer portion of the bill. If they reduced their consumption, they could effect savings.

Renaming Infrastructure Fee

The committee considered alternative names submitted by staff for the infrastructure fee to pay for the 1% water main renewal and replacement program. Mr. Kiely explained the abilities and limitations of the current billing system in the context of this consideration. After a brief discussion, the name "Water System Replacement Fee" received the most positive feedback. (The fee is referred to by that name or the acronym WSRF throughout these minutes.)

Mr. Gibbs commended Mr. Kim and the staff for its excellent work in developing the proposed new rate structure. Chairman Roth and other members of the committee echoed those sentiments.

Recommendations

Mr. Kim made the following recommendations:

- Adopt proposed FY 2016 rates, charges and fees for publication in the DC Register to begin the FY 2016 rate-making rulemaking process
- Adopt FY 2015 – FY 2024 Financial Plan

Action Items

Chairman Roth and the committee members recommended the following two actions items to the Board for approval in their meeting to be held on February 5, 2015.

1. FY 2016 Retail Rates, Charges and Fees for publication in the DC Register to begin the FY 2016 rate-making rulemaking process
 - Customer Class-Based Volumetric Rates
 - Lifeline Water Rate for Residential Customers
 - DC Housing Authority recoded into Multi-family class
 - Establish Water System Replacement Fee
 - Amend CAP program to give 100 percent credit for Water System Replacement Fee (\$6.30 per month)
2. Ten Year Financial Plan FY 2015-2024

DC Retail Water and Sewer Rates Committee Workplan

Mr. Kim presented the committee workplan and mentioned that the following alternative revenues and fees would be discussed at the next meeting:

- Presentation of Cost of Service Study for Fire Protection Fee
- Development Impact Fee
- Cross Connection Program Fee (TBD)

Other Business

No other business was discussed.

Executive Session

The committee went into executive session to discuss an update on Soldier's Home.

Adjournment

The meeting was adjourned at 11:38 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (January 27, 2015)

1. Prepare CAP customers average usage analysis. (Mr. Gibbs) Status: February 2015
2. Are most of the low-income CAP customers seniors? (Ms. Richardson) Status: February 2015

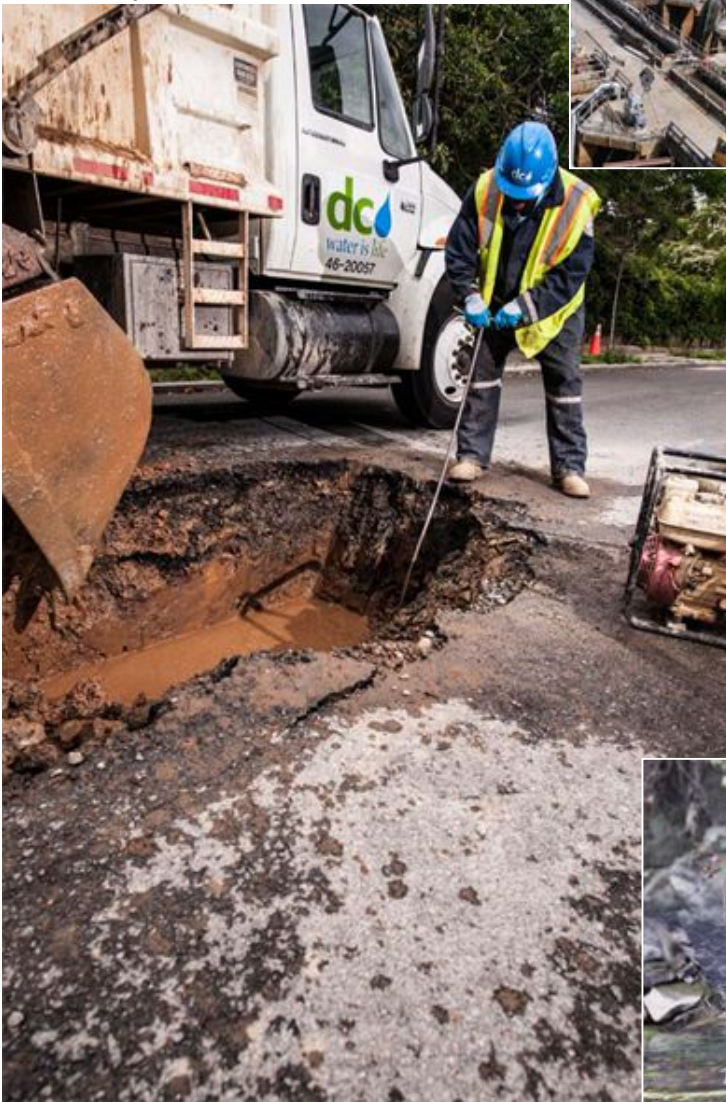


DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY



GENERAL MANAGER'S REPORT

George S. Hawkins
General Manager
February 2015



Water is life

RM: FY 2015-03

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Interpretation of Charts A

Color Key

Red	Did not meet Target
Yellow	Missed Target but within acceptable range
Green	Met/Exceeded Target
Gray	Budget/Target Value
<transparent>	Green/Yellow/Red based on comparison

EXECUTIVE SUMMARY

Greetings to the Board! We are delighted to welcome our new Board Chair Matt Brown – who brings tremendous knowledge from his experience as Director of the District Department of Transportation and now the Budget Director for the City Administrator. He is the first Board Chair in my experience to participate in Board Committee meetings – demonstrating out of the gate how serious he is about learning more about the strategic and tactical issues that face the enterprise. He follows in the shoes in a fantastic list of leaders of the Board, which in my time have been Robin Martin, Willy Walker and Allen Lew. By the way, I hope we will be able to celebrate Allen Lew sometime very soon.

Budget and Rates

We are grateful for the Board Committees that have reviewed the proposed budget for 2016 in parallel with all the associated elements: two year capital disbursements, ten year capital plan and integrated ten year financial plan, as well as the associated revenue and rate proposals for our wholesale and retail customers. We appreciate that our detailed development of the budget and an innovative rate proposal delayed the presentation – and the Committees stepped forward to review the details in a short time frame. We pledge to continue analyzing our budget and revenue projections in the months ahead – leading into our robust public outreach effort – and will continue to review pertinent information and projections with the Board. I am hugely grateful to Mark Kim and his excellent staff and the hard work that has been undertaken by every member of the Executive Team. On the finance team, I would like to acknowledge Gail Alexander-Reeves, Budget Director, as well as Annie Fulton-George (Capital Budget Manager) and Lola Oyeyemi (Operating Budget Manager), for their leadership in developing our FY2016 budget. Also, I would like to acknowledge Syed Khalil, Financial Planning Manager, as well as Reginald Lipscomb (Senior Financial Analyst) and Suzette Stona (Senior Financial Analyst) for their leadership in restructuring our FY2016 rates, charges and fees and in developing our FY2015-FY2024 Financial Plan. Well done, team!

Chief Operating Officer

I am pleased to report that I will be able to announce our new Chief Operating Officer at the February Board meeting – and the new member of our Executive Team will be there in-person. I do not mention his name here because there are still notifications that are underway at his current place of employment and to the other candidates. I can also report that this process was the most competitive in my tenure, and that we had an absolutely extraordinary group of candidates – including fantastic internal candidates. I agonized over the decision, not because I am not confident in the final selection, but because I would have been confident in the decision with any of the final candidates – they were that good! The COO will be principally involved with helping us achieve world class operational performance, and to ensure that every dollar we spend at DC Water is as productive as it can be. I appreciate the tremendous work Rick Green invested to manage this process that occurred mostly during the holiday season, and our search firm Krauthamer & Associates, Inc. (Gregg Moser).

VPOTUS

On Friday, Jan. 16, 2015, DC Water hosted Vice President Joe Biden, EPA Administrator Gina McCarthy, Secretary of Agriculture Tom Vilsack, Congresswoman Eleanor Holmes Norton and Mayor Muriel Bowser for a press event and tour of the Anacostia River Tunnel project site at RFK Stadium. General Manager Hawkins and Clean Rivers Project Director Carlton Ray led the

EXECUTIVE SUMMARY

VIP guests on a 15-minute tour of the “Nannie” tunnel boring machine, and one of the Anacostia River Tunnel drop shafts. After the tour, the guests provided remarks related to the need for infrastructure investment. The Vice President and his counterparts from the Obama administration announced a policy proposal aimed at attracting more private investment in public infrastructure. DC Water’s century bond was touted as an example of a successful model that should be replicated nationally. Ward 6 Councilmember Charles Allen and Ward 7 Councilmember Yvette Alexander also attended the event. Local and national press covered the Vice President’s visit to the DC Clean Rivers Project site and the event generated very high profile media coverage for DC Water.

The event was the product of a 10-day planning process involving numerous federal and local stakeholders and law enforcement agencies. The proceedings were very successful thanks in large part to the assistance and support from the Clean Rivers Project staff and their on-site contractors. While the national policy announcement was the central focus of the event, the Clean Rivers Project provided an excellent setting and attracted acknowledgment and attention from both local and national media.

External Affairs

Website

Session totals for the period of December 16, 2013 through January 15, 2014:

- Total Sessions: 92,810
- Total New Sessions: 53,952

Media Relations

- The Office of External Affairs answered questions about a woman with a \$7000+ water bill and also answered many media inquiries about the increased number of water main breaks in January, with colder temperatures. Numerous inquiries were made for the 12th Street water main break that closed a Metro Station and the Barracks Row water main break.

Press releases and media advisories:

- 1/15: DC Water to Host Vice President Biden for Tour of DC Clean Rivers Project
- 1/9: Investigation continues after DC Water’s December drinking water advisory
- 1/6: Tingey Street Lane Shift On or About January 5
- 12/22: DC Water CEO/GM George Hawkins to appear on Kojo Nnamdi Show today at noon
- 12/19: DO NOT DRINK Advisory Lifted for Affected DC Water Customers
- 12/19: Drinking Water Advisory: *** 12/19/14: 8:45 am UPDATE ***
- 12/18: Do Not Drink Advisory Remains in Effect for DC Water Customers in Portion of NW Washington
- 12/18: DC Water Distributes Water during Do Not Drink Advisory for Portion of NW Washington
- 12/18: Drinking water Advisory: 12/18/2014: 7:30 am update
- 12/17: Drinking Water Advisory *** 12/17/2014: 8:00 p.m. UPDATE ***
- 12/17: Do Not Drink Advisory Issued for DC Water Customers in Small Portion of Northwest DC

EXECUTIVE SUMMARY

Awards Submissions (Strategic Initiative 2.1.3)

OEA assisted Pam Hunter, *Engineering News Record*, with an award entry for Walt Bailey for the digester project.

OEA identified the following to pursue in February and March:

- AAEEES Engineering Awards
- AMWA's Sustainability Award
- PRSA Bronze Anvil Awards

Customer Newsletter

The January customer newsletter included a front-page article on DC Water's achievements in 2014, a drinking water article on improving the quality of tap water in the home, and a General Manager's message on the naming of our latest tunnel boring machine, "Nannie."

Meetings/Presentations/Events

- In support of the Clean Rivers-Northeast Boundary Tunnel Project, DC Water attended the monthly meeting of the Bates Area Civic Association to provide important information on the future construction staging and/or direct construction impacts to the Bates neighborhood during this project.

Drinking Water Marketing and Communications

- The Office of External Affairs (OEA) published a press release to update customers on the investigation that followed the December drinking water contamination event.
- OEA participated in a joint agency meeting hosted by DC Water to review the drinking water contamination incident response.
- OEA published the fourth round of test results from the Unregulated Contaminant Monitoring Program; results were also shared with the DC Council and the Mayor's Office.

Tours

- 12 guests from Service Source- adults with disabilities
- 20 guests from U.S. Department of Energy- Information Administration Training Program

Internal Communications

- The Office of External Affairs is working closely with the Asset Management program to begin announcing and promoting the goals of the program to employees.
- The Office of External Affairs is working with Customer Services to more actively promote the SPLASH program to employees and encourage donation. One part of this effort includes introducing SPLASH to new employees during orientation.
- The Office of External Affairs worked with the Department of Occupational Safety and Health to announce the winners of the Play It Safe video contest. The contest asked employees to submit original video about the importance of safety in the workplace and at home. The winning videos are available to watch on the Safety department's blog and also on DC Water's YouTube channel.
- The winners were:

EXECUTIVE SUMMARY

- First place: The Office of External Affairs
- Second place: Labor Relations and Compliance
- Third place: Department of Engineering and Technical Services (Construction)
- The January issue of FOCUS includes coverage of the Vice President Joe Biden's visit to the Anacostia River Tunnel project site, an article about the R Street contamination issue and the announcement of a healthy recipe contest for employees.

Social Media

The digital engagement efforts received a lot of positive feedback during the 12th Street water main break and the Drinking Water Advisory. The National Association of Clean Water Agencies asked us to write a post for their blog and a few neighborhood blogs also highlighted our communication efforts. DC Water gained 450 new Twitter followers during that week and has held on to most of them since the emergency.

Going forward, the Office of External Affairs is making content more media-rich with photos, graphics and video. We've created graphics to highlight the Command Center. The office will also roll out graphics around water main breaks and estimated repairs times to educate ratepayers as the period with the most water main failures approaches.

Using @NYCWater as a Twitter benchmark, DC Water gained four times as many followers (770 vs. 182) and the engagement score is nearly double (92 vs. 47).

Social Media over the past 30 days:

- Twitter (% change from previous two months)
 - 770 (+309%) new followers
 - 8,637 (+11%) total followers
 - 307 (+408%) @Mentions (measurement for responsiveness)
 - 265 (+396%) Retweets (measurement for content resonance with audience)
 - 104.4K Clicks on links
 - Sprout Social, an analytics tool, gives DC Water a score of 100/100 for influence and 92/100 (+30 pts) for engagement.
- Facebook - (% change from previous two months)
 - 59 new fans (+204%) - 1,745 total fans (+4%)
 - 61.4K (-9%) impressions (total possible views) by 25.3K (+1%) Users (total possible viewers)
 - Engagement Points or Facebook Stories - Anytime a user interacts with (e.g., likes, shares, comments, tags) a piece of content posted on Facebook.
 - 1,000 (+22%) Stories by 843 (+22.7%) Users
- Instagram - (% change from previous two months)
 - 62 new followers – 213 (+41%) total
 - 180 (-18%) likes
 - 43 (+72%) comments

SUMMARY OF FINANCIAL ACTIVITIES FROM THE CFO

At this early stage in FY 2015, with approximately 25 percent of the fiscal year completed, we are on track with budgetary expectations and targeted performance metrics.

Operating Revenues & Receipts

Cash receipts totaled \$147.5 million, or 27.2 percent of the Revised FY 2015 budget of \$542.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their first quarterly payment in October), District government, and wholesale customers.

Operating Expenditures

Operating expenditures (including debt service, the right of way and PILOT fees) totaled \$108.1 million, or 21 percent of the revised FY 2015 budget of \$516.0 million. These numbers include estimated incurred but unpaid invoices and are subject to revision in subsequent reports.

Capital Disbursements

Capital disbursements totaled \$166.4 million, or 27 percent of the revised FY 2015 disbursements budget of \$625.3 million. Higher than planned disbursements are mainly attributed to increased estimated work in the Combined Sewer Overflow service area.

Cash Reserves and Investments

The operating reserve balance was \$147.6 million as compared to the FY 2015 operating reserve level objective of \$125.5 million. The balance in the Rate Stabilization Fund Account remained unchanged at \$22.5 million since September 2014, while the DC PILOT and DC ROW fund accounts were depleted in accordance to the renegotiated MOU dated September 4, 2014. The CSO LTCP Appropriations Account balance is \$13.4 million. Total investment portfolio was in compliance with the Authority's Investment Policy.

Overall Portfolio Performance

DC Water's total investment portfolio performed well and complied with the Authority's Investment Policy. Returns exceeded the established benchmarks for short term (less than one year) and core (one plus years) funds. Operating funds interest income for December (on a cash basis) was \$311,699 with year to date totals of \$439,402 as compared to the budget of \$511,652 for the year.

Grants Report

The Authority receives grants to fund a portion of its capital costs from the U.S. Environmental Protection Agency (EPA) under two acts, the Clean Water Act of 1972 and the Safe Drinking Water Act of 1974. As of December 31, 2014, including the CSO appropriation, DC Water has a total of \$322.8 million awarded in federal funds for active projects.

DC Water received fifteen separate Congressional CSO appropriations totaling \$196.8 million. The cumulative CSO appropriation life-to-date cash disbursement request for reimbursement is \$195.7 million through December 31, 2014. Based on the projected FY 2015 capital spending on the Clean Rivers' projects and no additional funding, all remaining CSO funds including interest is projected to be depleted before the end of FY 2015.

SUMMARY OF FINANCIAL ACTIVITIES FROM THE CFO

Accounts Payable Performance

During the first quarter of FY 2015, a total of 4,814 vendor payments were processed and paid compared to 4,383 in FY 2014. Approximately 96.7% of the invoices in FY 2015 were paid within 30 days, compared to 99.5% for FY 2014. The Authority's goal is to pay 97 percent of all undisputed invoices within 30 days.

Highlights:







- FY 2014 Financial Statement year-end audit process is completed, and DC Water was issued an unqualified audit opinion. It will be presented to the Audit Committee in February 2015.
- Proposed FY 2016 Budget Summary presented to the Board of Directors on January 8, 2015 at the budget workshop.
- Proposed FY 2016 Budget presented to Finance and Budget Committee on January 22, 2015.
- DC Retail Water & Sewer Rate Committee will review in detail and recommend action on the Proposed FY 2016 rates, charges and fees (including the Rate Structure Alternatives) on January 27, 2015.
- Board action on Proposed FY 2016 budget proposals anticipated on February 5, 2015.

ORGANIZATIONAL PERFORMANCE DASHBOARD (DECEMBER, 2014)

Financial Highlights

Net Operating Cash Actual 32318 Target 11730 (\$ tho)	Operating Revenues Actual 148 Target 136 (\$ mil)	Operating Expenses Actual 108 Target 129 (\$ mil)	Capital Disbursements Actual 166 Target 161 (\$ mil)
Operating Cash Balance Actual 192 Target 126 (\$ mil)	Delinquent Account Receivables Actual 2 Target 3 (%)	Core Investments Yield Actual 0.67 Target 0.49 (%)	Short Term Investment Yield Actual 0.27 Target 0.02 (%)

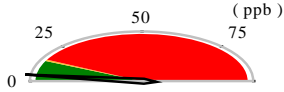
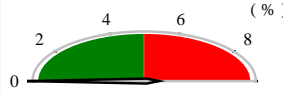
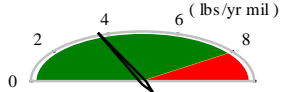
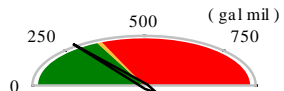
Customer Care and Operations Highlights

Call Center Performance  Dec 87 85 (% of calls rec)	Command Center Performance  Dec 84 85 (% of calls rec)	First Call Resolution  Dec 80 75 (% of calls rec)	Emergency Response Time  Dec 93 90 (% of calls rec)
Fire Hydrants out of Service  Dec 60 96 (count)	Fire Hydrant Insp. and Maint. 10 (count)	Fire Hydrants Replaced  Dec 33 250 (YTD count)	Permit Processing within SLA 92 (%)

Low Income Assistance Program

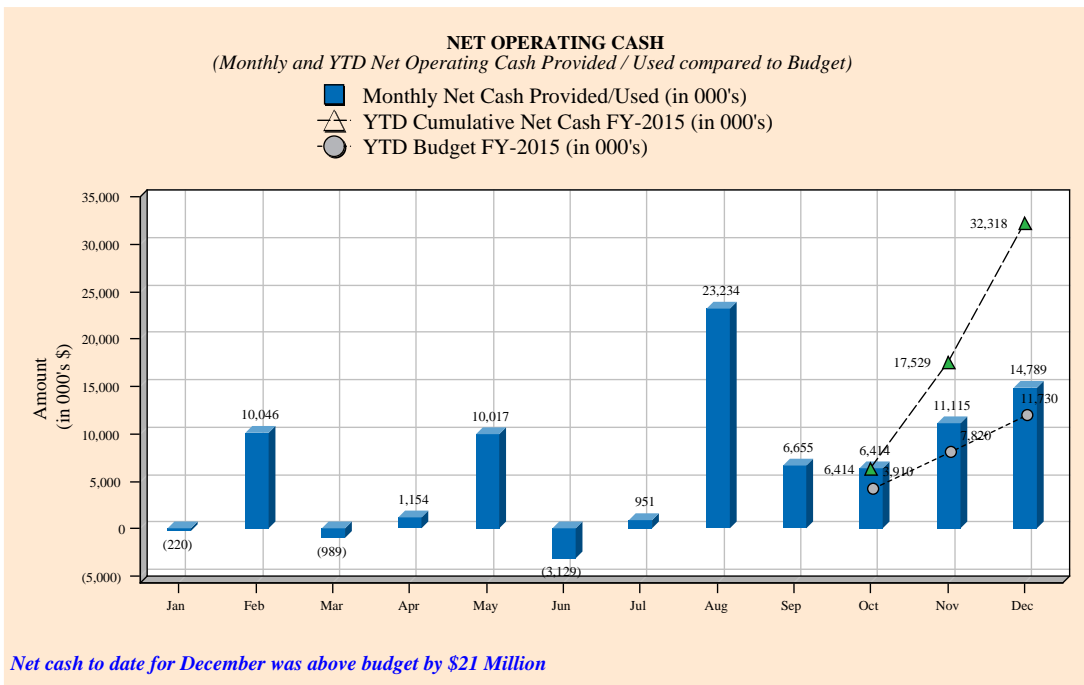
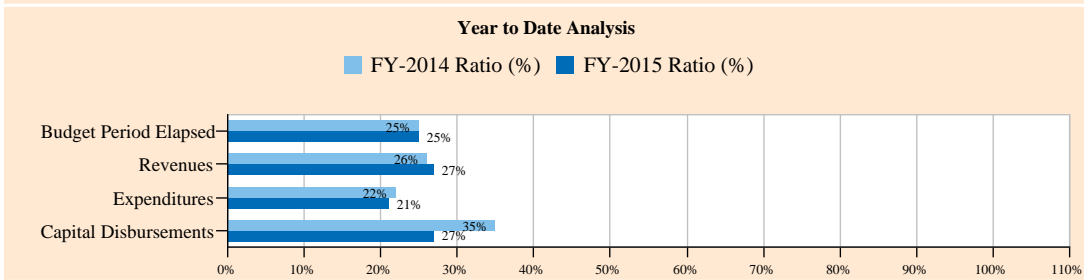
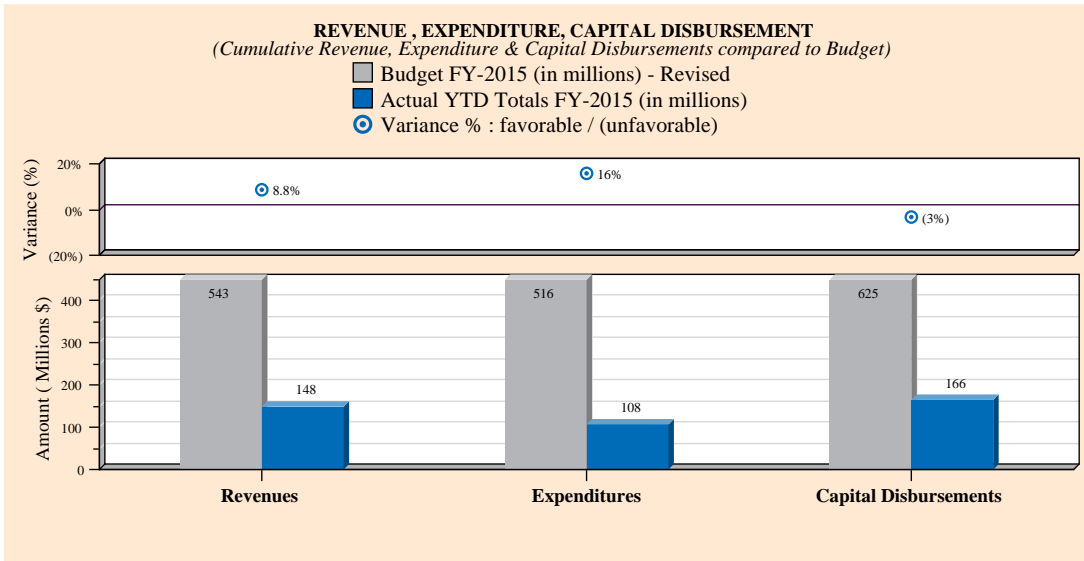
Splash Contributions Actual 30 Target 20 (\$ tho)	Customer Assistance Program Previous 40 Current 23 (\$ tho)
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Operational Highlights

Lead Concentration  (ppb)	Total Coliform Rule  (%)	Biosolids Production 696 (wet tons)	Total Nitrogen  (lbs/yr mil)
Plant Effluent Flow  (gal mil)	Excess Flow 6 (gal mil)	Water Main Leaks 58 (count)	Water Valve Leaks 1 (count)
Non-Revenue Water Sold 10 Purchased 13 (CCF mil)	Sewer Main Backups 4 (count)	Sewer Lateral Backups 221 (count)	Dry Weather CSO 0 (events)
Recruitment Activity Filled 21 Open 102 (count)	Electricity Usage 27055 (MWh)	Employee Lost Time Accidents 10 (count)	Vendor Payments Actual 97 Target 97 (%)

FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE SUMMARY



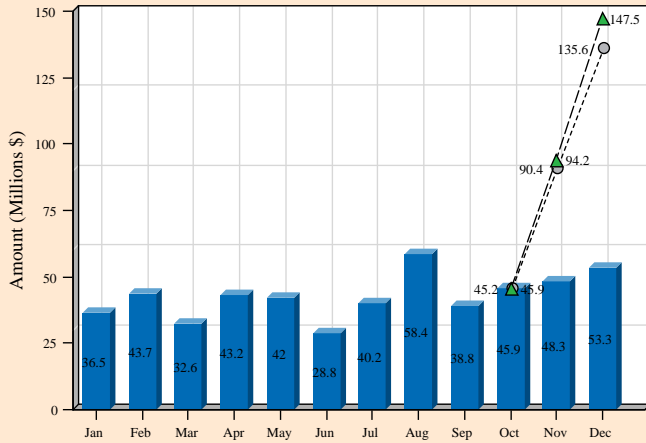
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- △ YTD Cumulative Revenue FY-2015
- YTD Cumulative Budget FY-2015

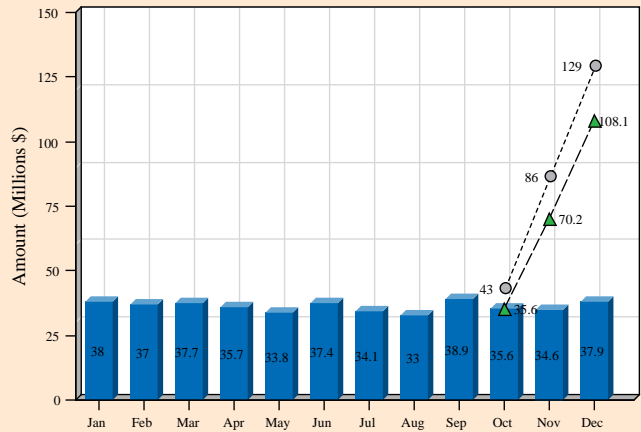


Revenue to date for December was above budget by \$12 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- △ YTD Cumulative Expenditure FY-2015
- YTD Cumulative Budget FY-2015



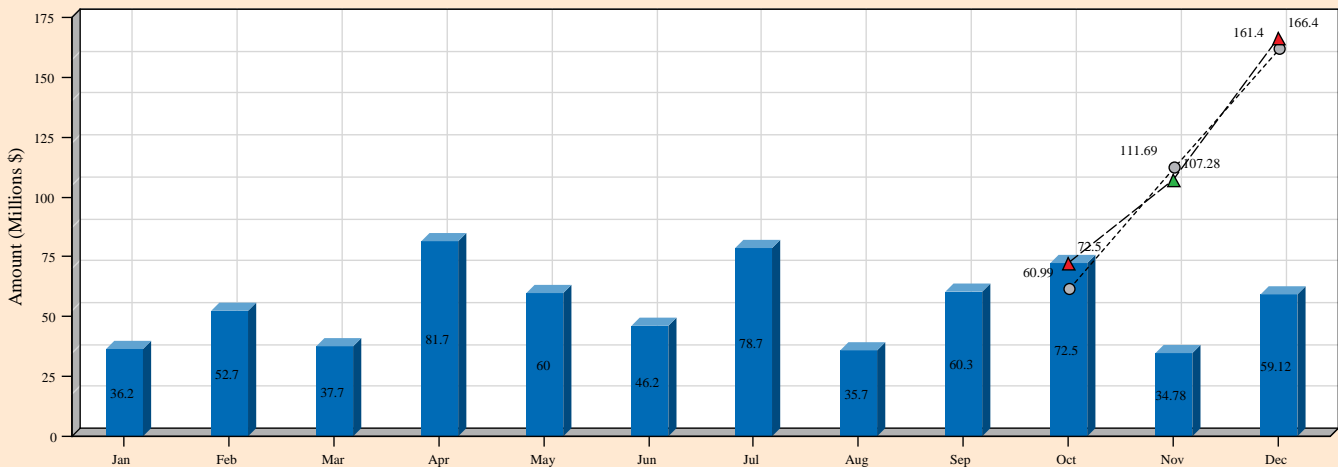
Expenditure to date for December was below budget by \$21 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- △ YTD Cumulative Disbursements FY-2015
- YTD Cumulative Budget FY-2015



Disbursements to date for December were above budget by \$5 Million

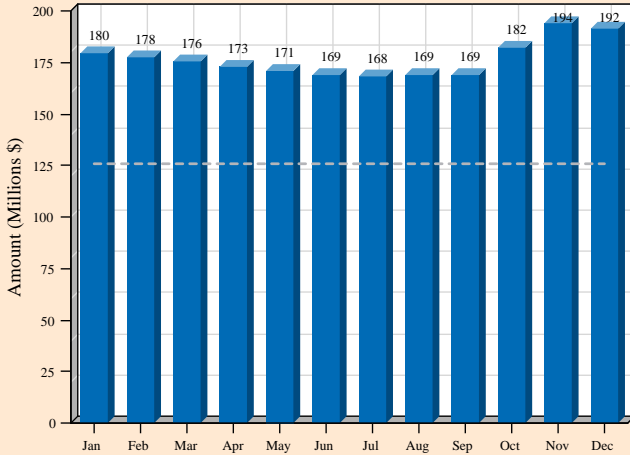
FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- Actual Cash Balance
- - - Operating Reserve Target - (126 Million)

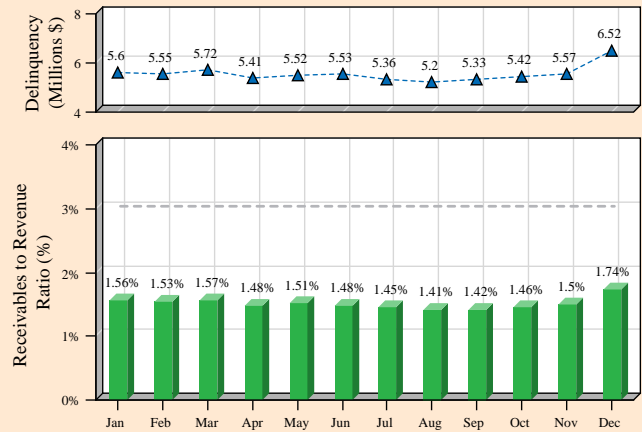


Cash Balance for December was above target by \$66 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

- Receivables to Revenue Ratio
- ▲ Delinquencies (in millions)
- - - Target: Receivables to Revenue Ratio (3%)



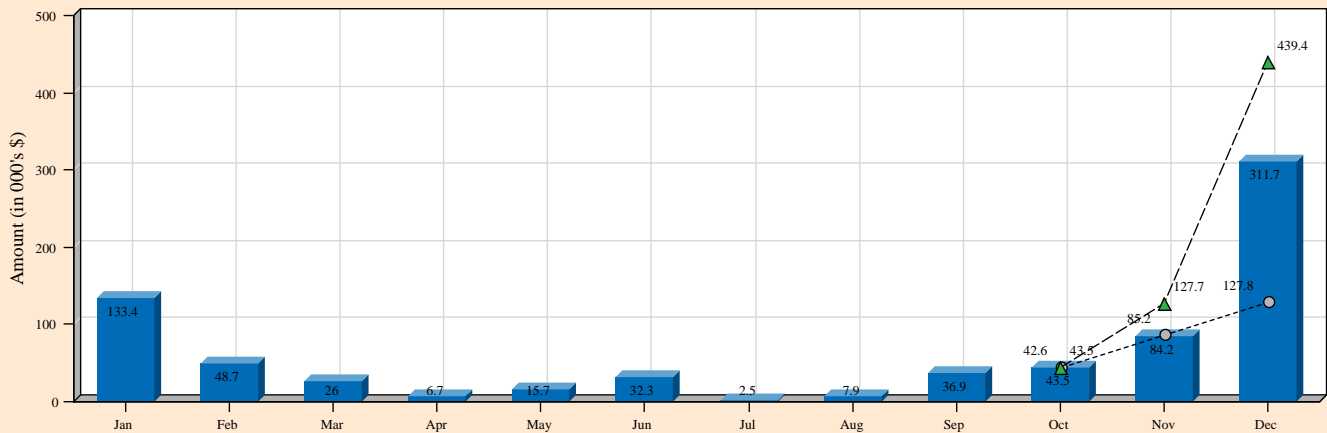
December Receivables to Revenue Ratio 1.8%, Delinquency \$6.5 Million

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- Monthly Earnings (in 000's)
- ▲ YTD Cumulative Earnings FY-2015 (in 000's)
- YTD Cumulative Earnings Budget FY-2015 (in 000's)



Earnings to date for December were above Projected Budget by \$312,000

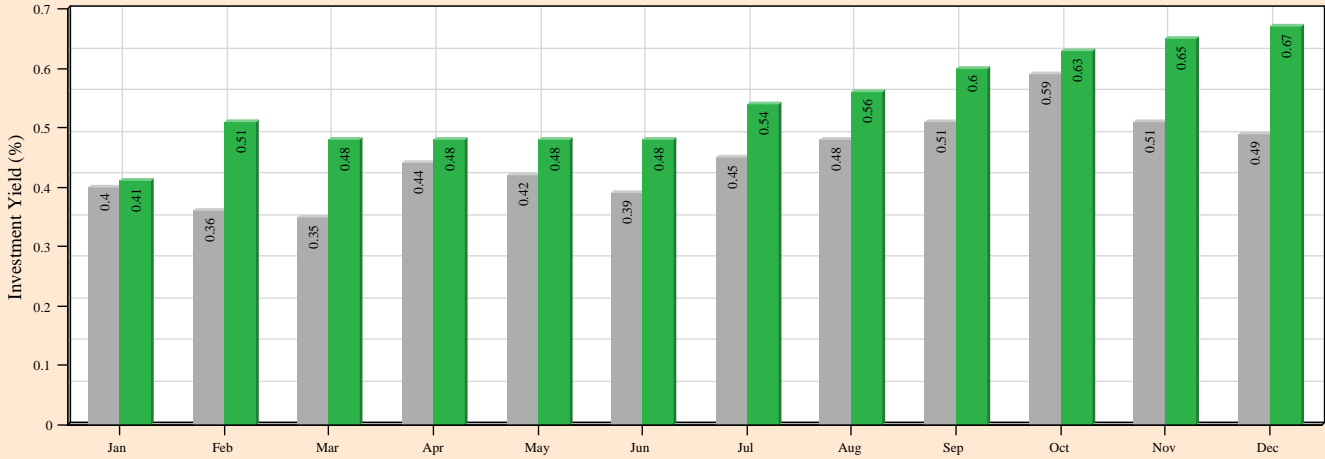
FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark

- Actual Monthly Yield (%)
- Merrill Lynch 1-3 Year Treasury Index - Book Value (%)

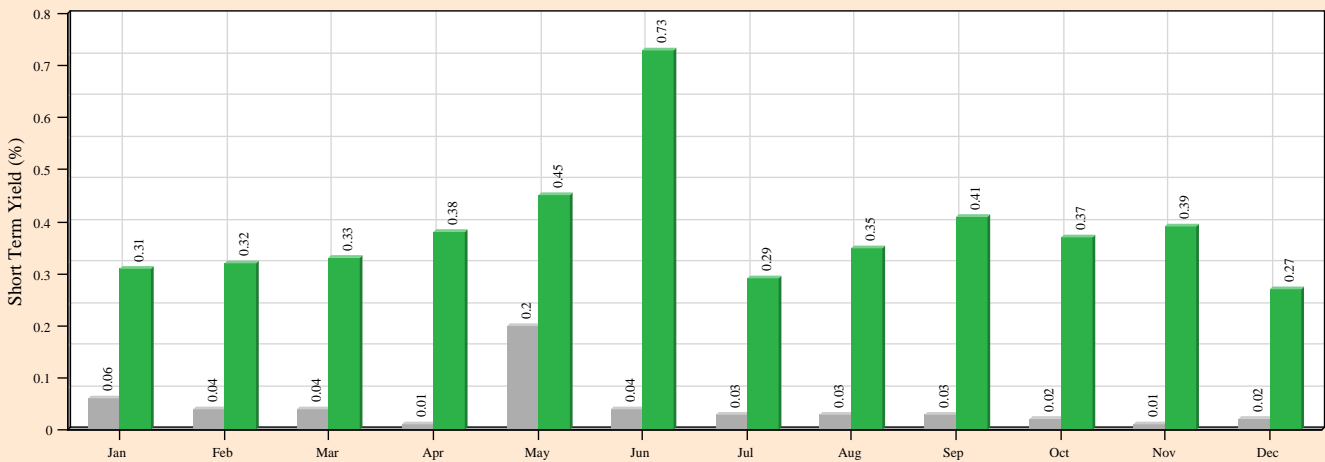


Yield for December was higher than the treasury index by 0.18%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark

- Actual Monthly Yield (%)
- Merrill Lynch 3-Month Treasury Index - Book Value (%)



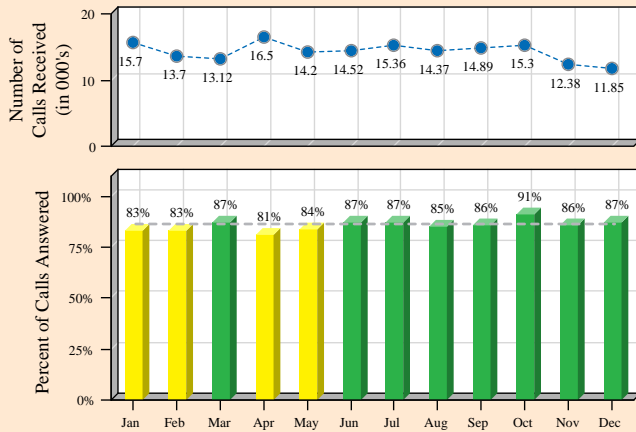
Short Term Yield for December was above than the Merill Lynch yield by 0.25%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

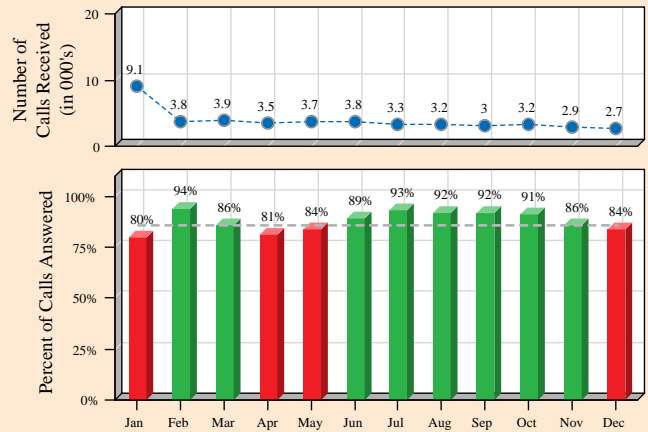
- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target -Call Center (85%)



Performance for December was above target by 2%

COMMAND CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

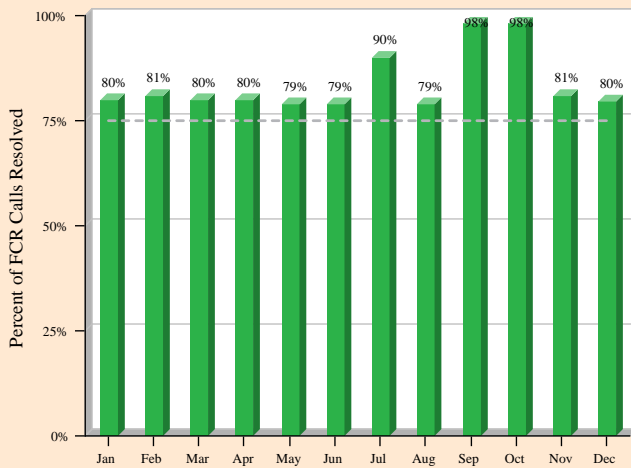
- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target -Command Center (85%)



Performance for December was below target by 1%

FIRST CALL RESOLUTION (FCR)
Calls resolved on first contact compared to Target

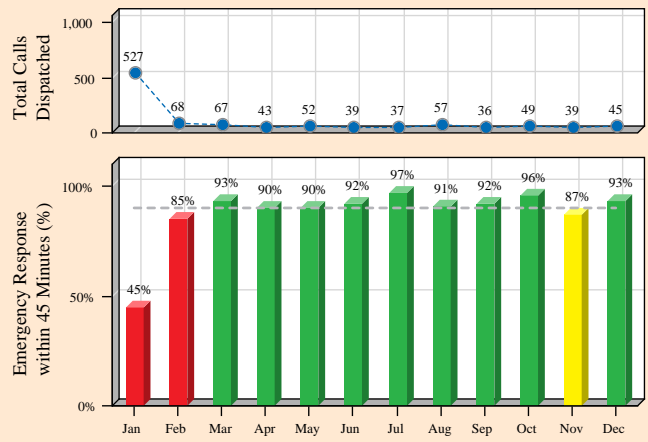
- FCR (%)
- FCR Target (75%)



Performance for December was above target by 5%

EMERGENCY RESPONSE TIME
Calls responded to within 45 Minutes compared to Target

- Response (%) within Target
- Total Emergency Calls Dispatched
- Response Target (90%)



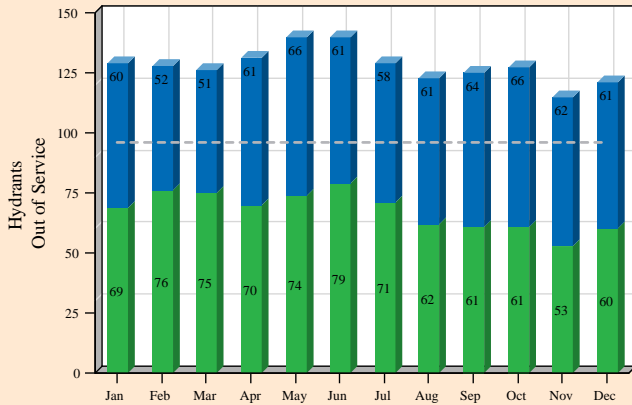
Performance for December was above target by 3%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

FIRE HYDRANTS OUT OF SERVICE (OOS)
Total Hydrants Out of Service against Target

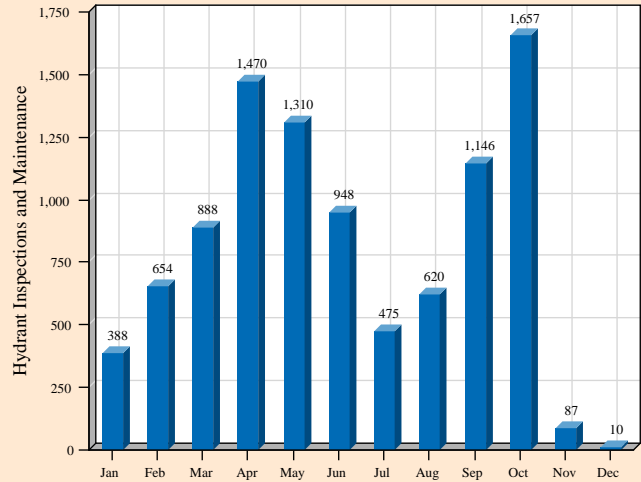
- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

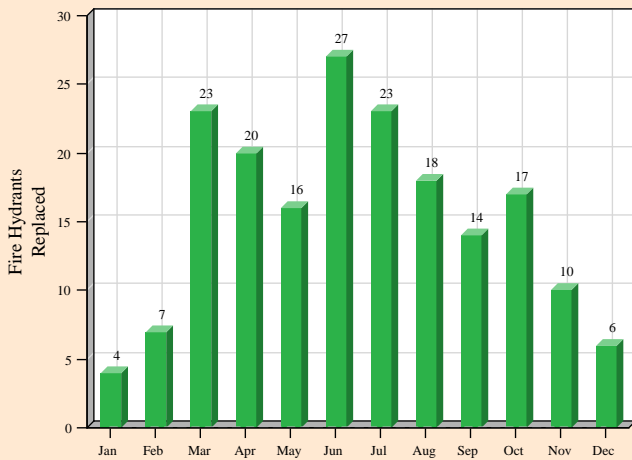
- Hydrant Inspections and Maintenance



FIRE HYDRANT REPLACEMENTS

Total Hydrants Replaced per Month

- Hydrants Replaced
- Annual Replacement Target (250)

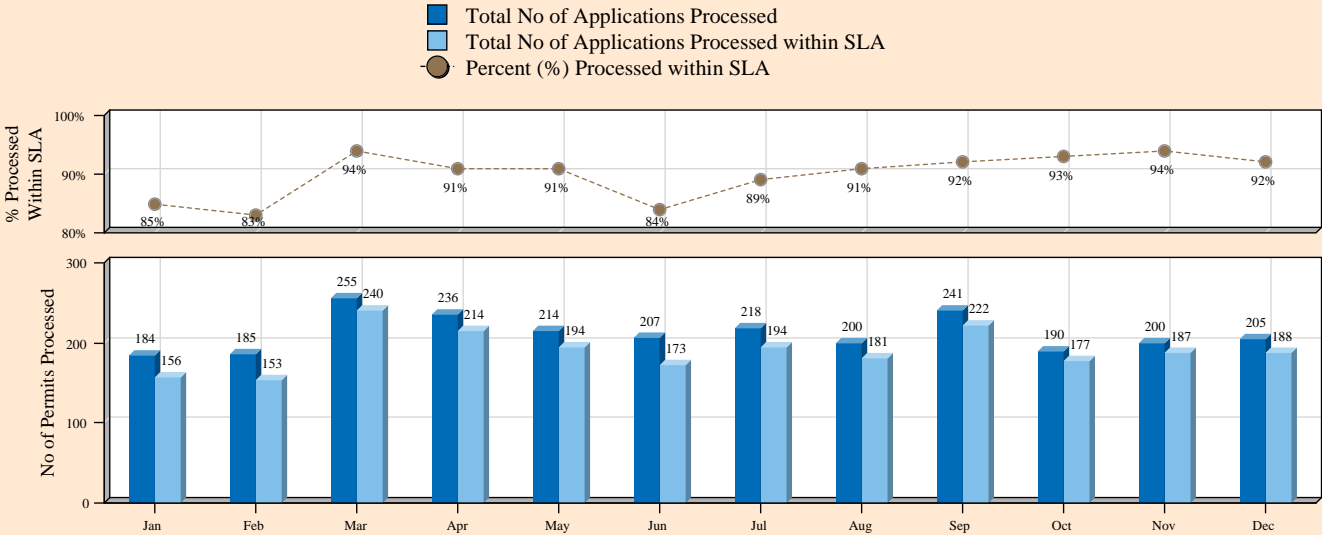


Total replacements as of December were 33 against annual projections of 250

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

TOTAL APPLICATIONS PROCESSED WITHIN SERVICE LEVEL AGREEMENT (SLA)



SLA Examples: Raze Permit - 14days, Sheeting and Shoring - 14 days, Preliminary Plan Review - 45 days
 Permits not processed within SLA in December were 8% Note that different SLA's range from 7 days to 45 days

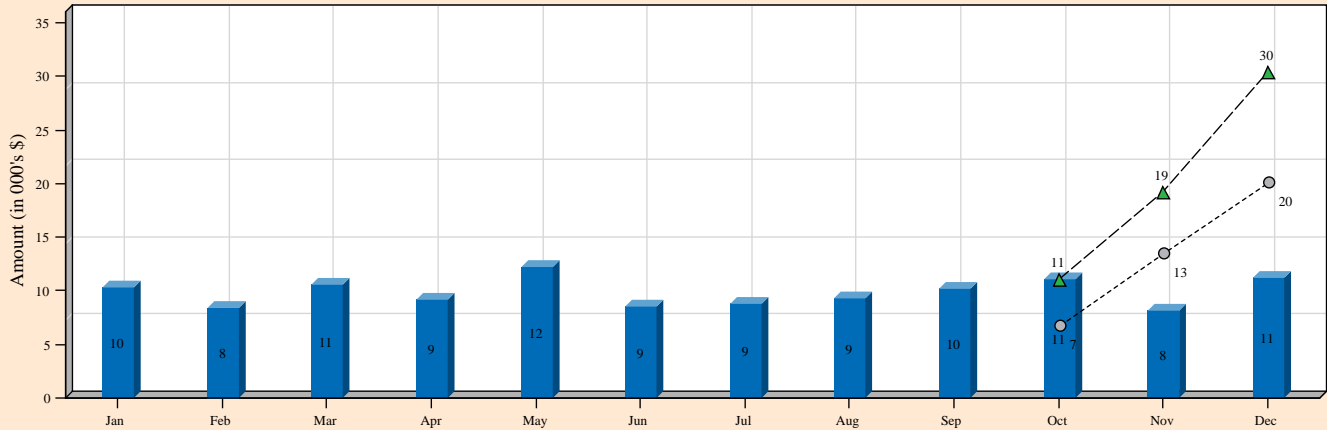
LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

- Monthly Contributions (in 000's)
- △ YTD Cumulative Contributions FY-2015 (in 000's)
- Projected YTD Target FY-2015 (in 000's)



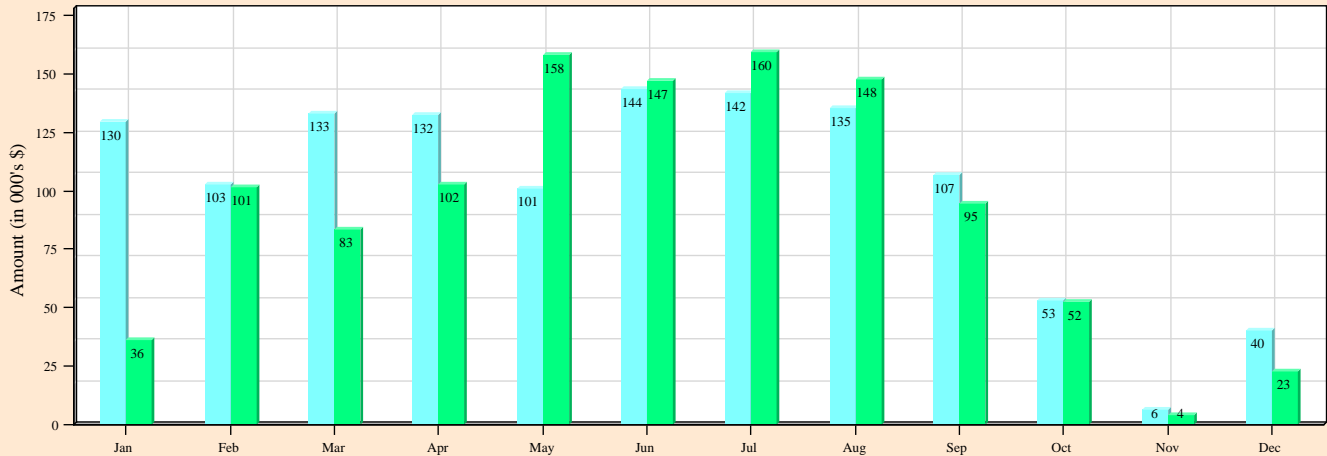
Total SPLASH Contributions to date for December were above target by \$10,000

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods

- Actual Monthly Amount - Previous Year (in 000's)
- Actual Monthly Amount - Current Year (in 000's)

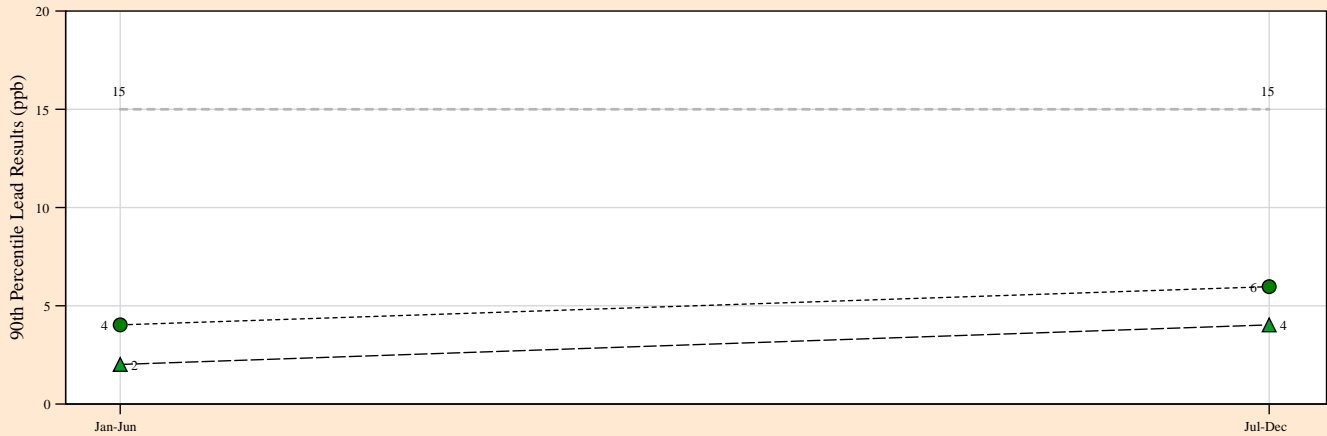


OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE
Semi-Annual LCR Monitoring Results

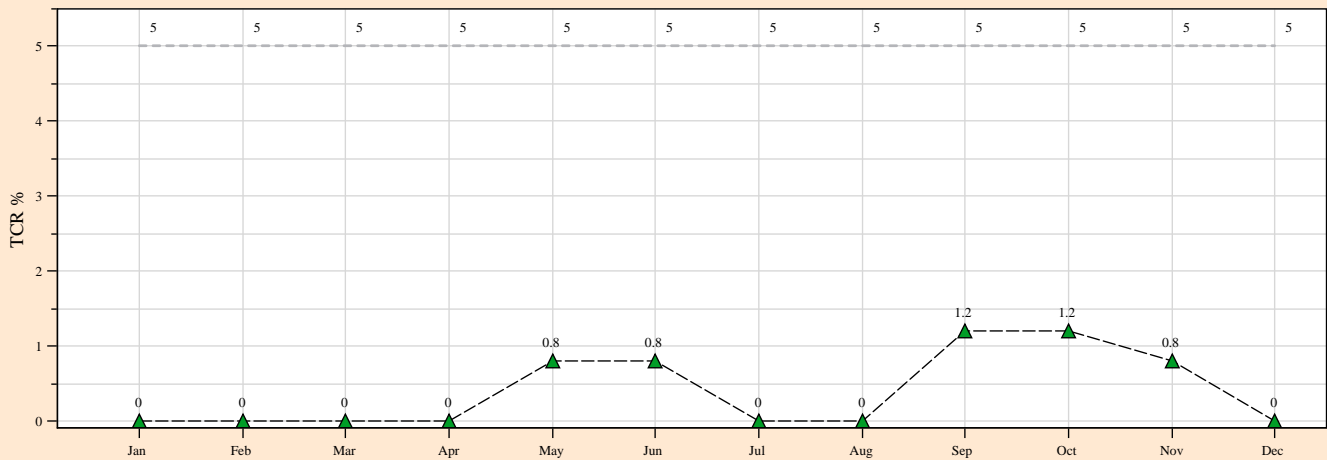
- 2013 LCR Results
- △ 2014 LCR Results
- Action Level : 15 parts per billion (ppb)



Jul-Dec 2014 results to date

TOTAL COLIFORM RULE (TCR)
Total Coliform Positives compared to EPA Maximum Contaminant Level (MCL)

- △ TCR Level
- EPA Maximum Contaminant Level (5%)



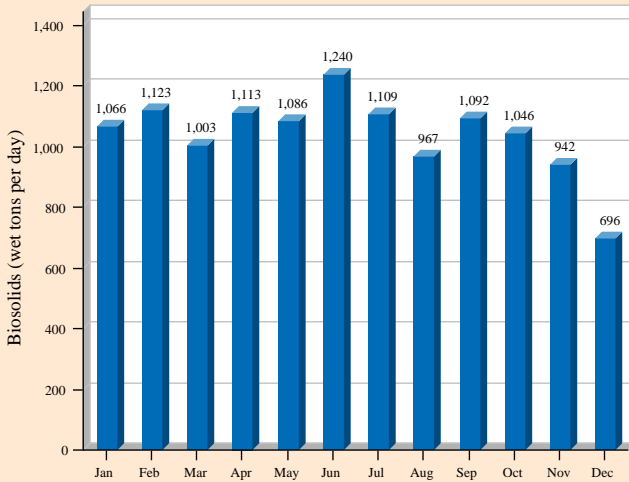
No Coliform Positives was recorded in December

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION
Average Daily Biosolids Production

■ Average Daily Biosolids Hauled

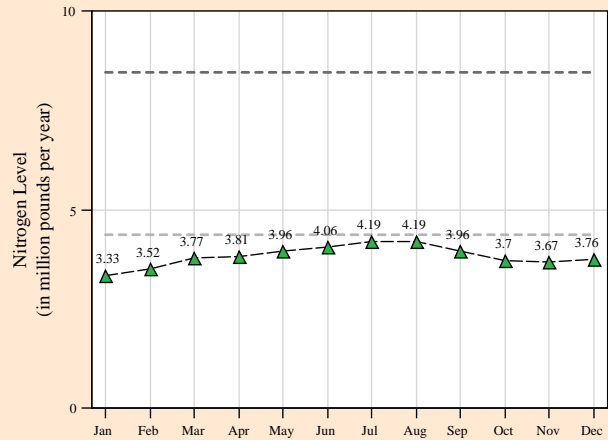


Biosolids Average Daily Production for December was 696 wet tons per day

TOTAL NITROGEN

Total Nitrogen compared to Current and 2015 Permit Levels

△ Nitrogen Rolling 12 months (lbs/yr)
 - - - Proposed Limit for 2015 - 4.38 Million (lbs/yr)
 - - - Current Permit Limit - 8.47 Million (lbs/yr)

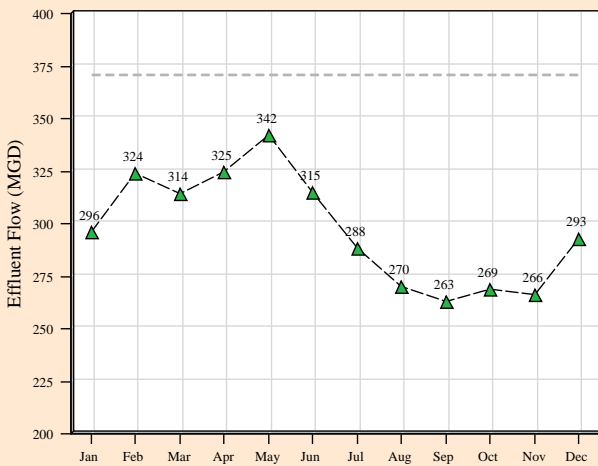


Nitrogen level for December was below permit by 4.7 million lbs/yr

PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit

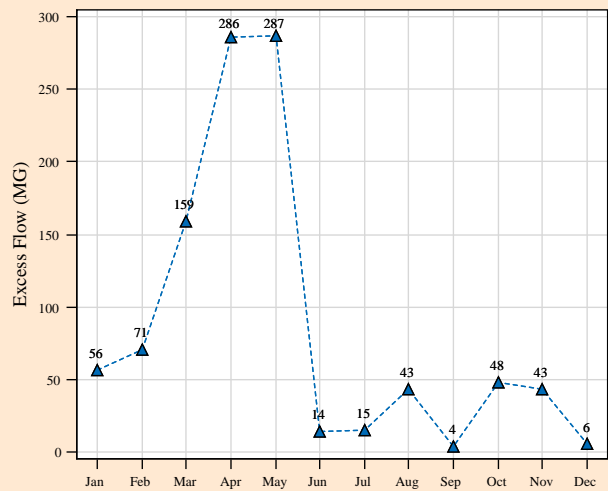
△ Effluent Flow
 - - - Design Average (370 mgd)



In December, Effluent flow was below design by 77 MGD

EXCESS FLOW

△ Excess Flow

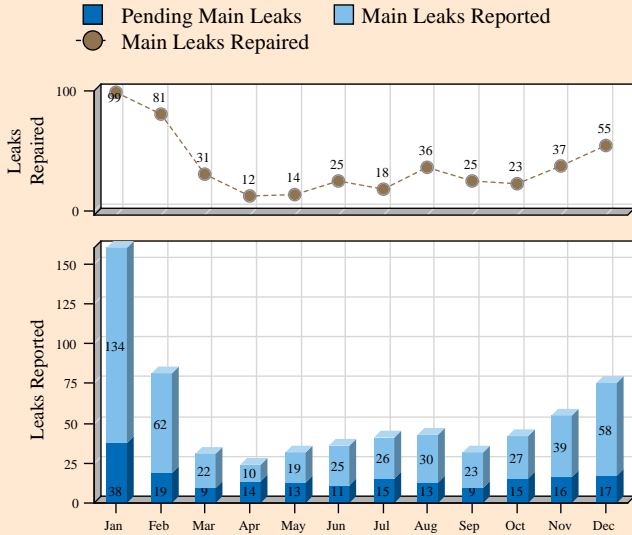


6 Million Gallons per day excess flow were recorded in December 2014

OPERATIONAL HIGHLIGHTS

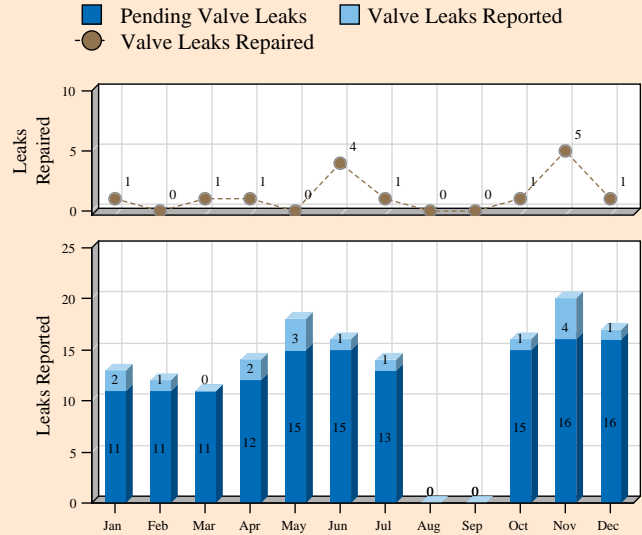
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 58 main leaks reported in December

WATER VALVE LEAKS



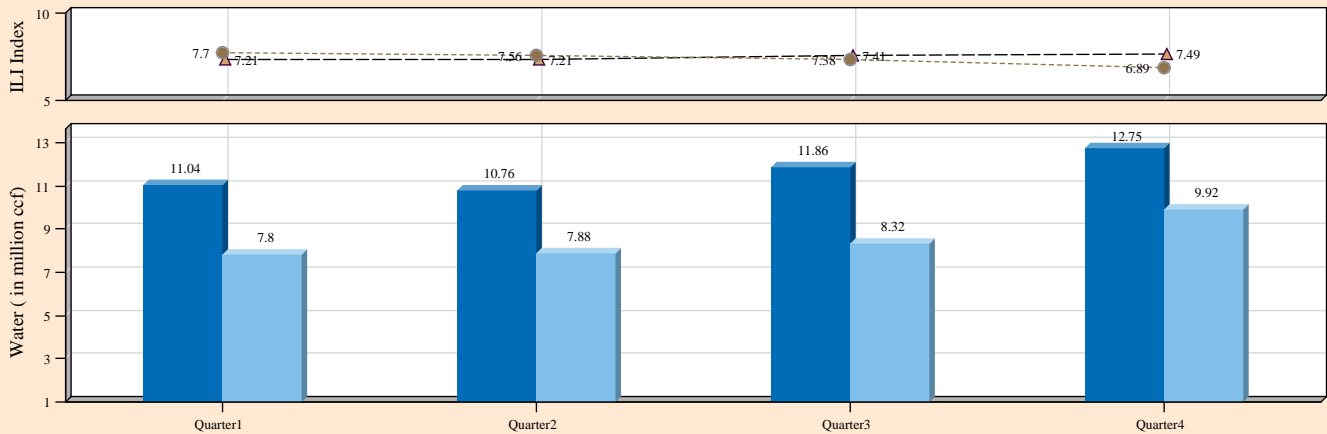
1 leak was resolved in December

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter

- FY-2014: Water Purchased
- FY-2014: Water Sold
- FY-2013: Infrastructure Leakage Index
- ▲ FY-2014: Infrastructure Leakage Index



In the fourth quarter 9.9 out of 12.8 million cubic feet of water was sold

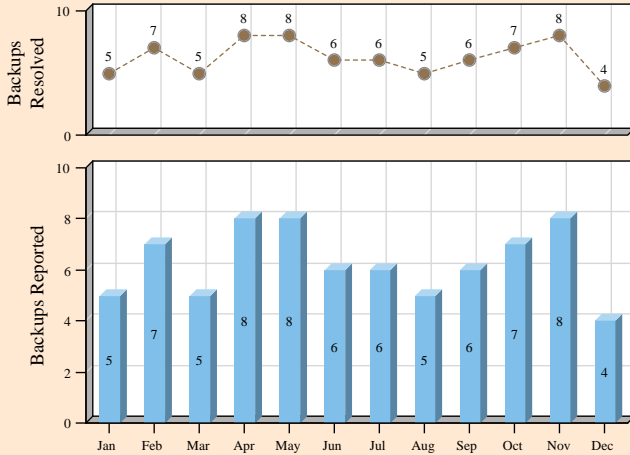
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

- Pending Main Backups
- Main Backups Reported
- Main Backups Resolved

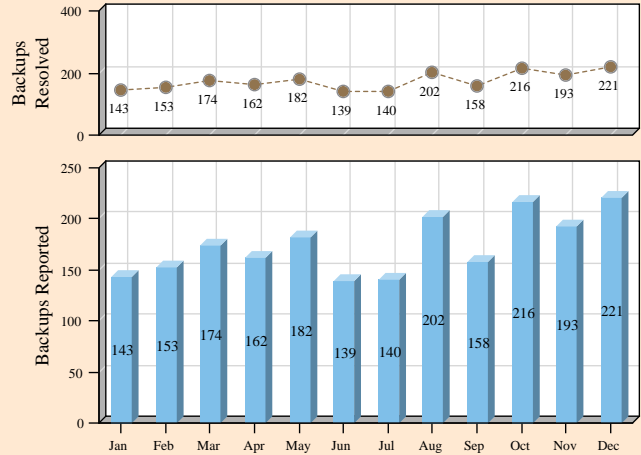


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

- Pending Lateral Backups
- Lateral Backups Reported
- Lateral Backups Resolved



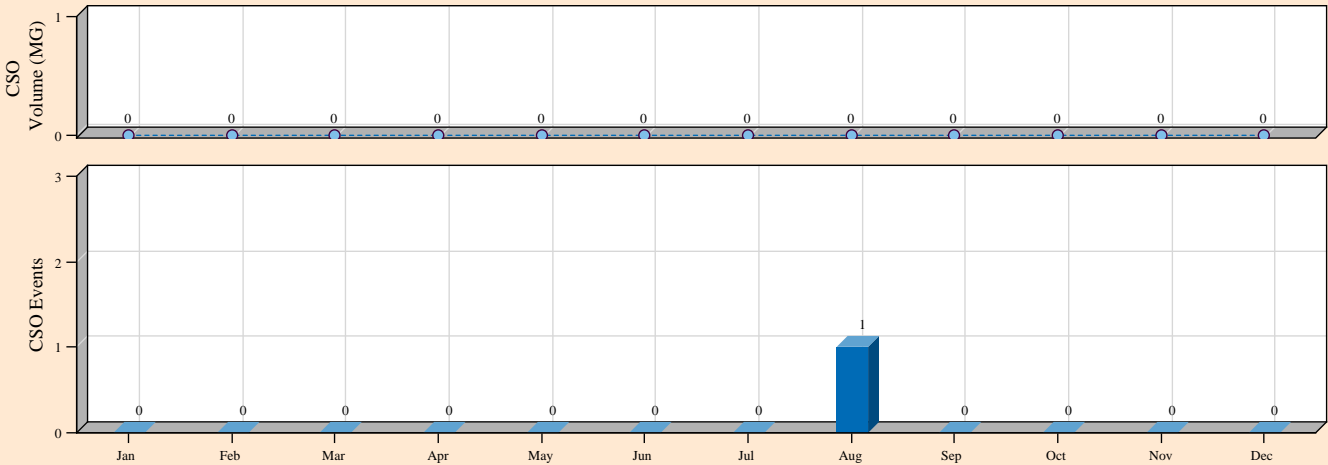
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Number of CSO Events
- Overflow Volume (MG)



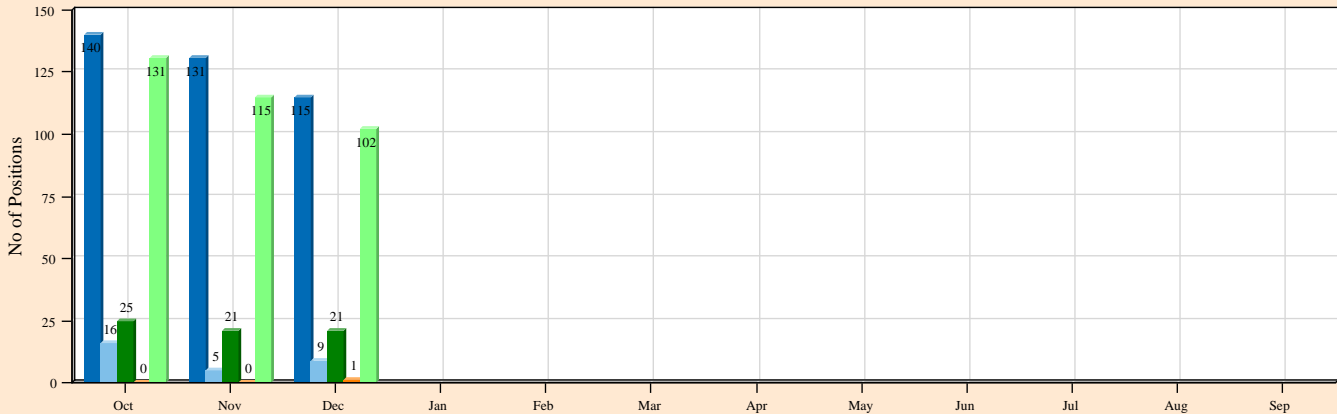
No dry weather Combined Sewer Overflow event was recorded in December 2014

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

- FY-2014:Rolled Over Open Positions
- FY-2014:New Positions Added
- FY-2014:Positions Filled
- FY-2014:Positions Canceled
- FY-2014:Net Remaining Open Positions



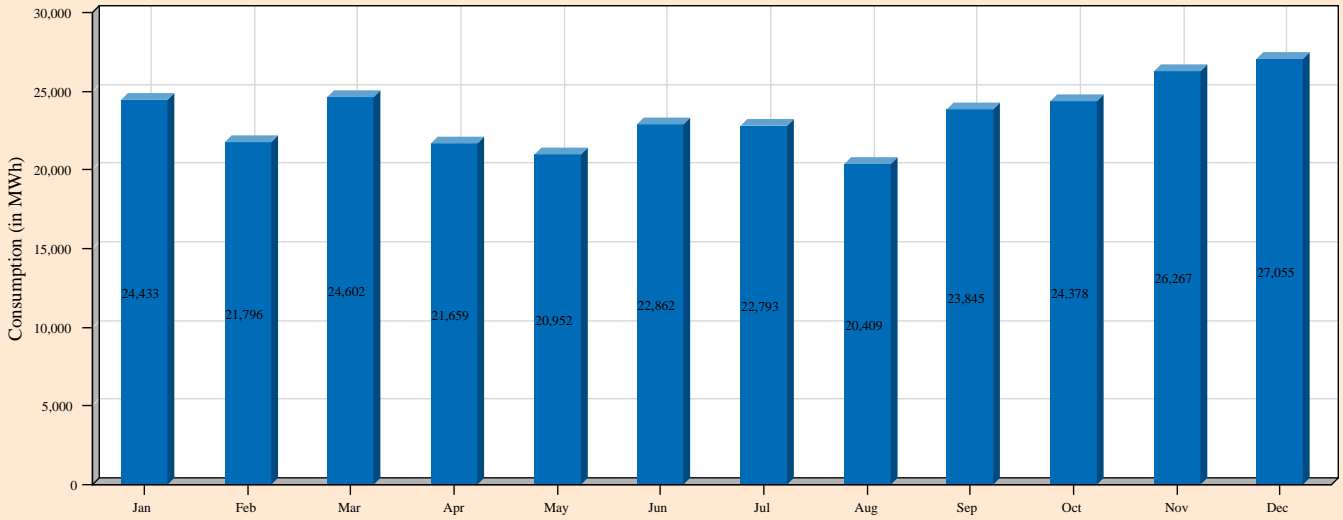
In December, we began the month with 115 positions, received 9 new positions, filled 21, 1 cancellation and ended the month with 102 positions

OPERATIONAL HIGHLIGHTS

ENERGY

ELECTRICITY USAGE SUMMARY

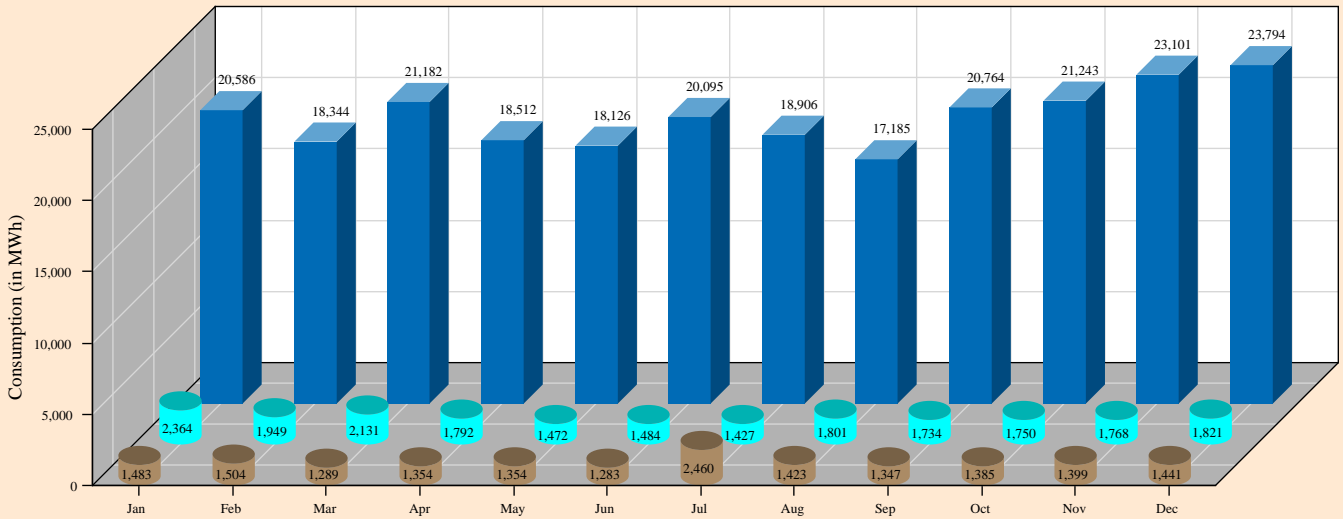
Total Consumption (MWh)



Electricity Consumption in December was 27,055 MWh

ELECTRICITY USAGE BY SERVICE AREA

Sewer Pumping Water Pumping Waste Water Treatment



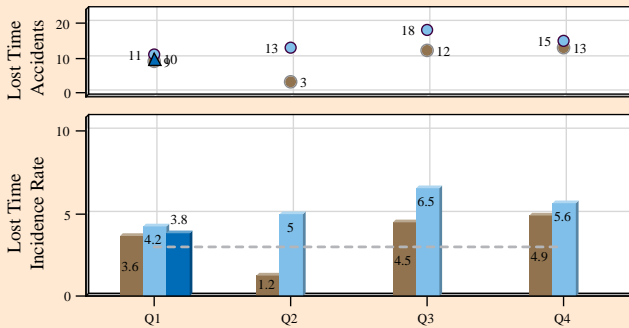
Wastewater treatment had the highest electricity consumption in December at 23,794 MWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

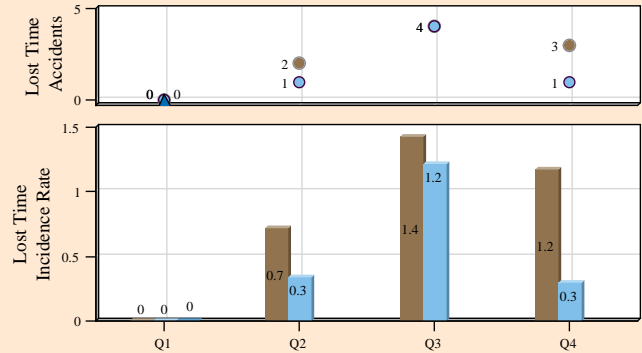
- FY-2013: LT Incidence Rate
- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2013: No of LT Accidents
- FY-2014: No of LT Accidents
- ▲ FY-2015: No of LT Accidents
- Target/National: LT Incidence Rate



In the 1st quarter, 10 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

- FY-2013: LT Incidence Rate
- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2013: No of LT Accidents
- FY-2014: No of LT Accidents
- ▲ FY-2015: No of LT Accidents

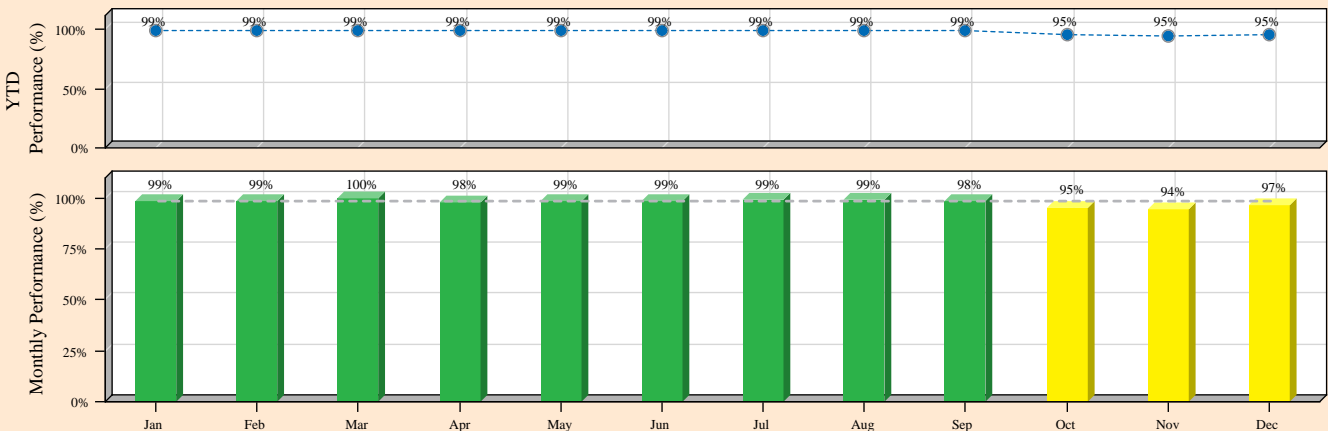


In the 1st quarter, No lost time accident was reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE
Percentage of Invoices Paid within 30 days

- Monthly Performance (%)
- YTD Performance (%)
- Monthly Target - (97%)



Monthly performance for December was at target

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or higher than budget or target</p>	<p>Red - when the actual is higher than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded***

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
 - the number of permits processed per month(dark blue)
 - the number of permits processed within SLA per month(light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or higher than budget or target	Red- when the actual is higher than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)

- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)

- Line graph denoted by (Δ) shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or higher than budget or target	Red- when the actual is higher than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

Non Revenue Water

- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)



District of Columbia Water and Sewer Authority

Summary of Contracts on Consent Agenda

206th Meeting of the DC Water Board of Directors

Thursday, February 5, 2015

Joint-Use Contracts

1. Resolution No. 15-14 – Execute Contract no. 14-PR-PCM-01, M.C. Dean. The purpose of the contract is to provide annual services for the maintenance, repair, calibration and installation services of various industrial instrumentation equipment. The contract amount is \$1,200,000. (Recommended by the Environmental Quality and Sewerage Services Committee 1/15/15)
2. Resolution No. 15-15 – Execute Contract No. DCFA #468-WSA, ARCADIS US, Inc. The purpose of the contract is to provide engineering and related services required for assessing, rehabilitating, upgrading and otherwise improving DC Water’s sanitary, combined sewer and storm water conveyance systems and appurtenances. The contract amount is \$42,000,000. (Recommended by the Environmental Quality and Sewerage Services Committee 1/15/15)
3. Resolution No. 15-16 – Execute a Modification to Contract No. GS-23FF-0291N, SPS Consulting, LLC. The purpose of the modification is to provide financial services for the District of Columbia Water and Sewer Authority’s (DC Water) Finance, Accounting and Budget department. The modification amount is \$562,638. (Recommended by the Finance and Budget Committee 1/22/15)

Non-Joint Use Contracts

1. Resolution No. 15-22 – Execute Option Year Three of Contract No. WAS-11-049-AA-GA, Electric Motor & Contracting Co., Inc. The purpose of the option is to provide for the maintenance and repair services for various large electrical motors and eddy current drives located at various facilities

throughout DC Water. The option amount is \$244,518.48. (Recommended by Environmental Quality and Sewerage Services Committee 01/15/15)

2. Resolution No. 15-23 – Execute Contract No. 100180, Environmental Quality Resources. The purpose of the contract is to rehabilitate and restore the Pope Branch Stream located in South Eastern quadrant of the District of Columbia. The contract amount is \$2,500,255. (Recommended by the Water Quality and Water Services Committee 1/15/15)

Presented and Adopted: February 5, 2015

**SUBJECT: Approval to Execute Contract No. 14-PR-PCM-01,
M.C. Dean**

**#15-14
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 February 5, 2015, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 14-PR-PCM-01, M.C. Dean.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a one year base period for Contract No. 14-PR-PCM-01, M.C. Dean. The purpose of the contract is to provide annual services for the maintenance, repair, calibration and installation services of various industrial instrumentation equipment. The contract amount is \$1,200,000.

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:

**Annual Maintenance, Repair and Calibration of Instrumentation Equipment
(Joint Use - Direct)**

Approval to execute a one (1) year base period contract for the ,maintenance, repair, testing and calibration services for instrumentation equipment services in the amount of \$1,200,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: M.C. Dean 22461 Shaw Road Dulles, VA 20166	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$1,200,000.00
Contract Base Period:	1 year
Number of Option Years:	2
Anticipated Contract Start Date:	10-05-2014
Anticipated Contract Completion Date:	10-04-2017
Proposal Closing Date:	08-01-2014
Proposals Received:	2
Proposal Range:	\$1,200,000.00 - \$987,160.00
Preference Points Received:	0%

Purpose of the Contract:

To provide annual services for the maintenance, repair, calibration and installation services of various industrial instrumentation equipment, valve actuators, control systems and various equipment for the District of Columbia Water and Sewer Authority's (DC Water) Process Engineering Department.

Contract Scope:

Provide technical expertise, supervision, labor, transportation and replacement parts for repairs to ensure effective calibration, installation and maintenance services of instrumentation equipment, process control equipment and the SCADA system for the Blue Plains Wastewater Treatment Plant.

Note:

This was a Request for Proposal (RFP). The names of the vendors submitting proposals are listed below.

Proposals Received:

M.C. Dean
C&E Services of Washington DC

M.C. Dean received the highest rankings from a three (3) member evaluation panel. The price submitted with their proposal was fair and reasonable.

PROCUREMENT INFORMATION

Contract Type:	Fixed Unit Price	Award Based On:	Highest Ranked
Commodity:	Goods and Services	Contract Number:	14-PR-PCM-01
Contractor Market:	Open market with preference for certified LBE and LSBE firms.		

BUDGET INFORMATION

Funding:	Operating	Department:	Process Engineering
Service Area:	DC Water Wide	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	43.70%	\$524,400.00
Washington Suburban Sanitary Commission	41.43%	\$497,160.00
Fairfax County	10.33%	\$123,960.00
Loudoun County Potomac Interceptor	3.93%	\$47,160.00
Potomac Interceptor	0.61%	\$7,320.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,200,000.00

Teresa L. Scott / 9/15/14
 Date
 Teresa L. Scott
 Acting Director of Procurement

Gail Alexander Reeves / 9/15/14
 Date
 Gail Alexander Reeves
 Director of Budget

Walter Bailey / 9/26/14
 Date
 Walter Bailey
 Assistant General Manager
 Blue Plains Advanced Wastewater Treatment Plant

George S. Hawkins / 9/22/2014
 Date
 George S. Hawkins
 General Manager

Presented and Adopted: February 5, 2015
SUBJECT: Approval to Execute Contract No. DCFA #468-WSA,
ARCADIS US, Inc.

#15-15
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 February 5, 2015, upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to execute Contract No. DCFA #468-WSA, ARCADIS US, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. DCFA #468-WSA, ARCADIS US, Inc. The purpose of the contract is to provide engineering and related services required for assessing, rehabilitating, upgrading and otherwise improving DC Water's sanitary, combined sewer and storm water conveyance systems and appurtenances. The contract amount is \$42,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Services	Contract Number:	DCFA# 468-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary, Combined Sewer & Storm Water	Department Head:	Liliana Maldonado
Project:	AU, AV and AT		

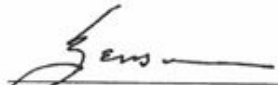
***ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	0.00%	\$0.00
Federal Funds	0.00%	\$0.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun County & Potomac Interceptor	0.00%	\$0.00
Total Estimated Dollar Amount	100.00%	\$42,000,000.00

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


 Gail Alexander-Reeves
 Director of Budget
 Date: 1/5/2014


 Teresa L. Scott
 Acting Director of Procurement
 Date: 1/5/2015


 Leonard R. Benson
 Chief Engineer
 Date: 1-9-14


 George S. Hawkins
 General Manager
 Date: 1-29-15

Presented and Adopted: February 5, 2015

SUBJECT: Approval to Execute a Modification to Contract No. GS-23FF-0291N, SPS Consulting, LLC

**#15-16
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 February 5, 2015, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute a modification to Contract No. GS-23FF-0291N, SPS Consulting, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification to Contract No. GS-23FF-0291N, SPS Consulting, LLC. The purpose of the contract is to provide financial services for the District of Columbia Water and Sewer Authority's (DC Water) Finance, Accounting and Budget department. The contract amount is \$562,638.

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 MODIFICATION

**Financial Services
(Joint-Use)**

Approval to execute a contract modification to add funding to the contract for financial services in the amount of \$562,638.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: SPS Consulting, LLC 1901 Research Blvd. Suite 320 Rockville, Maryland 20850	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 295,862.00
Original Contract Dates:	10-01-2005—09-30-2006
No. of Option Years in Contract:	N/A
Contract Modification Value(#1 - #3):	\$854,387.60
Contract Modification Dates(#1 - #3):	10-01-2006—09-30-2009
Contract Modification Value(#4 - #6):	\$810,669.81
Contract Modification Dates(#4 - #6):	10-01-2009—09-30-2012
Contract Modification Value(#7):	\$908,842.16
Contract Modification Dates(#7):	10-01-2012—02-28-2015
This Contract Modification Value:	\$562,638.00
This Contract Modification Dates:	03-01-2015—09-30-2015

Purpose of the Contract:

To contract for the provision of financial services for the District of Columbia Water and Sewer Authority's (DC Water) Finance, Accounting and Budget department.

Spending Previous Year:

Cumulative Contract Value:	10-01-2005 to 02-28-2015—\$2,869,761.57
Cumulative Contract Spending:	10-01-2005 to 12-31-2014—\$2,737,419.99

Contractor's Past Performance:

The contractor's past performance has been satisfactory.

PROCUREMENT INFORMATION

Contract Type:	Fixed Fee	Award Based On:	Not Applicable
Commodity:	Services	Contract Number:	GS-23F-0291N
Contractor Market:	GSA Schedule		

BUDGET INFORMATION


Funding:	Operating	Department:	Finance, Accounting and Budget
Service Area:	DC Water wide	Department Head:	Mark Kim

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	84.40%	\$474,866.47
Washington Suburban Sanitary Commission	11.41%	\$ 64,197.00
Fairfax County	2.87%	\$ 16,147.71
Loudoun County	1.16%	\$ 6,526.60
Potomac Interceptor	.16%	\$ 900.22
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$ 562,638.00


 Dan Bae
 Director of Procurement
 Date 1/16/15


 Gail Alexander-Reeves
 Director of Budget
 Date 1/14/15


 Mark Kim
 Chief Finance Officer
 Date 1/16/15


 George S. Hawkins
 General Manager
 Date 1-29-15

Presented and Adopted: February 5, 2015
Subject: Approval of Fiscal Year 2015 - 2024 Capital Improvement Program (CIP)

#15-17
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting on February 05, 2015, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed, to take the following action with respect to the Fiscal Year 2015 – 2024 Capital Improvement Program (Lifetime and Cash Disbursements Basis).

WHEREAS, the Board's financial policies require an annually updated Ten-Year Financial Plan, which includes a Ten-Year Capital Improvement Program; and

WHEREAS, on January 08, 2015, the General Manager briefed Board members on the Proposed Lifetime Budget totaling \$10,100,341,000 and the related FY 2015 - 2024 Capital Improvement Program Disbursements Plan, which totaled \$3,844,063,000; and

WHEREAS, on January 15, 2015, the Environmental Quality and Sewerage Services and the Water Quality and Water Services Committees, in a joint meeting, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts, and recommended that the Board adopt the Proposed Lifetime Budget totaling \$10,100,341,000 and the related FY 2015 - 2024 Capital Improvement Program Disbursements Plan, which totaled \$3,844,063,000; and

WHEREAS, on January 22, 2015, the Finance and Budget Committee reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts, and recommended that the Board adopt the Proposed Lifetime Budget totaling \$10,100,341,000 and the related FY 2015 - 2024 Capital Improvement Program Disbursements Plan, which totaled \$3,844,063,000.

WHEREAS, on January 27, 2015 the DC Retail Water & Sewer Rates Committee reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts, and recommended that the Board adopt the Proposed

Lifetime Budget totaling \$10,100,341,000 and the related FY 2015 - 2024 Capital Improvement Program Disbursements Plan, which totaled \$3,844,063,000.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's Fiscal Year 2015 – 2024 Capital Improvement Program with the Lifetime Budget totaling \$10,100,341,000 (Attachment A-1) and Disbursements Plan of \$3,844,063,000 (Attachment A-2), and as further detailed in the General Manager's Proposed Fiscal Year 2016 Operating and Capital Budgets dated January 08, 2015 and accompanying materials.

This resolution is effective immediately.

Secretary to the Board of Directors

FY 2015 - FY 2024 Capital Improvement Plan

Project Lifetime Budgets by Service Area / Program (\$ 000's)

	FY 2015 Approved	FY 2015 Revised / FY 2016 Proposed	Variance
WASTEWATER TREATMENT			
Liquid Processing Projects	\$831,760	\$841,382	\$9,622
Plantwide Projects	446,508	493,003	46,495
Solids Processing Projects	793,044	709,416	(83,628)
Enhanced Nitrogen Removal Facilities	1,024,481	1,042,636	18,155
Subtotal	3,095,793	3,086,438	(9,355)
SANITARY SEWER			
Sanitary Collection Sewers	212,995	216,546	3,551
Sanitary On-Going Projects	200,741	202,500	1,759
Sanitary Pumping Facilities	44,193	44,096	(97)
Sanitary Sewer Projects Program Management	111,214	112,576	1,362
Sanitary Interceptor/Trunk Force Sewers	585,475	716,950	131,475
Subtotal	1,154,618	1,292,670	138,052
COMBINED SEWER OVERFLOW			
CSO Program Management	68,464	74,094	5,630
Combined Sewer Projects: Nine Minimum Controls	549,625	514,019	(35,606)
D.C. Clean Rivers Project <i>(aka Long-Term Control Plan)</i>			
Anacostia Tunnel	1,806,541	1,902,752	96,211
Potomac Tunnel	383,700	410,394	26,694
Rock Creek Tunnel	65,342	76,442	11,100
D.C. Clean Rivers Green Infrastructures	40,000	2,206	(37,794)
Subtotal	2,913,672	2,979,906	66,234
STORMWATER			
Stormwater Extensions/Local Drainage	22,829	22,832	3
Stormwater On-Going Program	12,988	13,173	185
Stormwater Pumping Facilities	25,000	25,000	-
DDOT Stormwater Program	3,237	3,237	-
Stormwater Projects Program Management	12,051	11,979	(72)
Stormwater Trunk/Force Sewers	15,341	15,597	256
Subtotal	91,446	91,818	372
WATER			
Water Distribution Systems	940,902	1,022,285	81,383
Water Lead Program	189,040	189,040	-
Water On-Going Projects	140,871	144,292	3,421
Water Pumping Facilities	167,217	177,401	10,184
DDOT Water Projects	38,775	33,867	(4,908)
Water Storage Facilities	76,358	100,715	24,357
Water Projects Program Management	74,781	107,653	32,872
Subtotal	1,627,944	1,775,253	147,309
Capital Projects	8,883,473	9,226,085	342,612
AUTOMATED METER READING/ CUSTOMER INFORMATION SYSTEM			
	50,181	100,921	50,740
WASHINGTON AQUEDUCT			
	286,358	296,972	10,614
CAPITAL EQUIPMENT			
	139,436	141,608	2,172
Subtotal	475,975	539,501	63,526
LABOR			
	-	334,755	334,755
Total DC Water CIP Lifetime	\$9,359,448	\$10,100,341	\$740,893

* Reflects revisions since January 15, 2015 submission.

FY 2015 – FY 2024 PROJECTED CAPITAL IMPROVEMENT PLAN (CIP) – DISBURSEMENTS BASIS (\$ in 000's)

	FY 2015 Revised	FY 2016 Proposed	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
WASTEWATER TREATMENT											
Liquid Processing Projects	\$ 20,566	\$ 14,467	\$ 28,586	\$ 35,332	\$ 35,529	\$ 16,825	\$ 11,626	\$ 15,860	\$ 6,994	\$ 3,113	\$ 188,899
Plantwide Projects	18,322	11,376	12,271	12,822	16,132	38,518	25,488	30,882	28,372	20,665	214,847
Solids Processing Projects	58,333	8,053	14,845	9,791	4,807	4,918	13,930	3,414	503	2	118,596
Enhanced Nitrogen Removal Facilities	109,039	115,478	65,566	52,460	5,993	4,007	962	595	1,225	5,505	360,830
Subtotal	206,260	149,375	121,268	110,405	62,461	64,267	52,006	50,750	37,094	29,285	883,171
SANITARY SEWER											
Sanitary Collection Sewers	5,932	7,989	6,892	866	461	2,089	736	7,202	10,735	11,058	53,960
Sanitary On-Going Projects	8,256	7,133	6,516	5,887	6,816	5,455	7,462	7,109	13,243	10,380	78,257
Sanitary Pumping Facilities	1,377	973	612	282	473	2,429	70	-	-	-	6,217
Sanitary Sewer Projects/Program Management	10,105	6,486	5,567	7,045	5,531	4,068	2,707	4,577	5,337	4,611	56,032
Sanitary Interceptor/Trunk Force Sewers	14,587	19,596	31,489	28,878	26,429	30,919	14,921	14,636	16,396	13,068	210,918
Subtotal	40,258	42,175	51,076	42,956	39,711	44,960	25,896	33,524	45,712	39,116	405,384
COMBINED SEWER OVERFLOW											
CSO Program Management	4,423	2,104	3,219	3,456	2,446	2,264	1,772	2,799	3,060	2,195	27,739
Combined Sewer Projects	10,769	30,575	31,066	27,400	20,248	10,490	10,858	11,464	12,778	4,492	170,140
D.C. Clean Rivers Project	255,909	206,024	125,245	98,235	142,900	163,816	124,328	100,940	123,599	84,755	1,425,752
Subtotal	271,101	238,703	159,531	129,091	165,594	176,571	136,958	115,203	139,437	91,442	1,623,631
STORMWATER											
Stormwater Local Drainage	28	75	182	92	27	78	27	261	111	382	1,263
Stormwater On-Going Program	489	691	449	478	532	546	585	736	721	774	6,000
Stormwater Pumping Facilities	-	128	781	912	-	-	-	-	-	-	1,821
DDOT Stormwater Program	27	30	27	21	20	2	-	-	-	-	129
Stormwater Research and Program Management	518	179	235	254	180	145	79	118	138	114	1,959
Stormwater Trunk/Force Sewers	1,497	76	53	91	-	-	-	-	-	-	1,717
Subtotal	2,559	1,178	1,726	1,848	760	772	691	1,115	970	1,270	12,889
WATER											
Water Distribution Systems	33,291	37,486	27,496	26,297	29,433	39,700	45,075	43,354	47,700	56,356	386,188
Water Lead Program	2,350	1,304	955	1,037	1,796	2,055	2,314	1,749	-	-	13,560
Water On-Going Projects	7,070	7,383	6,793	5,475	5,859	5,541	5,823	5,631	6,708	7,472	63,754
Water Pumping Facilities	6,074	5,305	5,406	3,260	4,529	6,794	165	87	-	-	31,621
DDOT Water Projects	2,121	1,394	858	84	-	-	-	-	-	-	4,457
Water Storage Facilities	6,323	9,028	11,937	9,150	1,846	3,336	8,749	4,003	1,345	567	56,282
Water Projects Program Management	7,777	5,645	5,523	5,559	5,332	3,823	6,074	6,329	4,076	4,249	54,388
Subtotal	65,006	67,546	58,968	50,862	48,795	61,249	68,201	61,153	59,828	68,645	610,250
Capital Projects	585,183	498,977	392,570	335,162	317,321	347,818	283,752	261,745	283,041	229,758	3,535,326
AMR/CIS											
Automated Meter Reading	5,314	7,384	6,707	6,345	5,672	1,000	500	500	500	500	34,422
Customer Information System	2,586	7,005	8,000	5,000	1,000	-	-	-	-	-	23,591
Subtotal	7,900	14,389	14,707	11,345	6,672	1,000	500	500	500	500	58,013
WASHINGTON AQUEDUCT											
	10,000	10,864	10,850	10,936	11,060	11,045	11,226	11,212	11,081	10,842	109,116
CAPITAL EQUIPMENT											
	22,191	24,810	24,018	15,683	14,282	9,058	9,058	8,058	7,433	7,017	141,608
Subtotal	40,091	50,063	49,575	37,964	32,014	21,103	20,784	19,770	19,014	18,359	308,737
Total FY 2015 - FY 2024	\$ 625,274	\$ 549,040	\$ 442,145	\$ 373,126	\$ 349,335	\$ 368,921	\$ 304,536	\$ 281,515	\$ 302,055	\$ 248,117	\$ 3,844,063

Presented and Adopted: February 5, 2015
SUBJECT: Approval of Fiscal Year 2015 - 2024 Ten-Year Financial Plan

#15-18
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at its meeting held on February 5, 2015 upon consideration of a joint-use matter decided by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to the Fiscal Year 2015 - 2024 Financial Plan.

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, the Board in Resolutions 13-57 and 11-10 has adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with the Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2016 operating and capital budgets; and

WHEREAS, the ten-year financial plan is based on assumptions detailed in the proposed Fiscal Year 2016 Operating and Capital Budgets; and

WHEREAS, the ten-year financial plan is consistent with projections appearing in the attached Schedules A, B and C of this resolution; and

WHEREAS, on January 22, 2015 and January 27, 2015, the Finance and Budget Committee and DC Retail Water and Sewer Rates Committee, respectively, met, reviewed and recommended that the Board adopt the ten-year financial plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby accepts and approves the proposed Fiscal Year 2015 - 2024 Financial Plan that is supported by the attached Schedules A, B and C and the proposed Fiscal Year 2016 Operating and Capital Budgets.

This resolution is effective immediately.

Secretary to the Board of Directors

District of Columbia Water & Sewer Authority
FY 2015 - FY 2024 Financial Plan
(In 000's)

OPERATING	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<i>Retail*</i>	404,572	472,881	488,609	510,675	534,319	561,844	590,751	618,664	648,282	672,831
<i>Wholesale*</i>	81,365	69,342	71,422	73,565	75,772	78,045	80,386	82,798	85,282	87,840
<i>Other</i>	49,206	27,982	28,049	30,048	32,774	34,803	34,800	34,793	34,886	35,153
<i>RSF</i>	7,500	-	10,000	-	2,700	7,000	5,650	2,100	-	-
Operating Receipts (1)	\$ 542,643	\$ 570,205	\$ 598,080	\$ 614,288	\$ 645,564	\$ 681,692	\$ 711,587	\$ 738,355	\$ 768,450	\$ 795,825
Operating Expenses	(312,121)	(324,202)	(333,619)	(343,315)	(356,298)	(366,668)	(377,346)	(388,341)	(399,662)	(411,319)
Debt Service	(163,242)	(174,766)	(190,238)	(202,987)	\$ (218,480)	\$ (238,976)	\$ (254,298)	\$ (266,147)	\$ (277,374)	\$ (287,451)
Defeasance D.S./Cash Financed Capital Cons	\$ (20,058)	\$ (23,644)	\$ (24,430)	\$ (25,534)	\$ (26,716)	\$ (28,092)	\$ (29,538)	\$ (30,933)	\$ (32,414)	\$ (33,642)
Net Revenues After Debt Service	\$ 47,221	\$ 47,593	\$ 49,793	\$ 42,452	\$ 44,070	\$ 47,955	\$ 50,405	\$ 52,934	\$ 59,000	\$ 63,413
Operating Reserve-Beg Balance	162,742	145,100	145,100	145,100	145,100	145,100	145,100	145,100	145,100	145,100
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(23,153)	(17,179)	(19,710)	-	-	-	-	-	-	-
Customer Rebate	-	-	-	-	-	-	-	-	-	-
Transfers To RSF	-	(4,500)	-	(8,000)	-	-	-	-	(3,000)	(3,000)
Transfers To DC PILOT Fund	-	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(41,710)	(25,914)	(30,083)	(34,452)	(44,070)	(47,955)	(50,405)	(52,934)	(56,000)	(56,950)
Operating Reserve - Ending Balance	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 145,100	\$ 148,563
Rate Stabilization Fund Balance RSF (2)	\$ (14,950)	\$ (19,450)	\$ (9,450)	\$ (17,450)	\$ (14,750)	\$ (7,750)	\$ (2,100)	\$ -	\$ (3,000)	\$ (6,000)
Senior Debt Service Coverage	409%	470%	443%	418%	455%	467%	440%	460%	448%	523%
Combined Debt Service Coverage	140%	140%	140%	140%	142%	141%	140%	140%	140%	141%
Actual/Projected Water/Sewer Rate Increases (3)	7.5%	6.5%	6.5%	6.0%	6.0%	6.0%	6.0%	6.0%	5.5%	5.0%
*Operating Receipts \$ Increase/Decrease										
Retail	29,806	68,309	15,728	22,066	23,643	27,525	28,907	27,914	29,618	24,549
Wholesale	10,602	(12,023)	2,080	2,143	2,207	2,273	2,341	2,412	2,484	2,558
*Operating Receipts % Increase/Decrease										
Retail	8.0%	16.9%	3.3%	4.5%	4.6%	5.2%	5.1%	4.7%	4.8%	3.8%
Wholesale	15.0%	-14.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund

(2) FY 2015 Rate Stabilization Fund utilization brought the total fund balance to \$14.95 million

(3) For FY 2016, retail revenue was calculated on a uniform rate structure basis for comparison purposes

Schedule B

**District of Columbia Water & Sewer Authority
FY 2015 - FY 2024 Average Residential Customer Monthly Bill**

	Units	Proposed									
		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
DC Water and Sewer Retail Rates (1)	Ccf	\$ 57.67	\$ 59.12	\$ 62.94	\$ 66.75	\$ 70.77	\$ 75.01	\$ 79.45	\$ 84.23	\$ 88.87	\$ 93.32
DC Water Clean Rivers IAC	ERU	16.75	20.30	23.01	24.39	25.95	28.18	30.52	32.46	34.99	36.69
DC Water Customer Metering Fee	5/8"	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86
DC Water Water System Replacement Fee (3)	5/8"	-	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Subtotal DC Water Rates & Charges		\$ 78.28	\$ 89.58	\$ 96.11	\$ 101.30	\$ 106.88	\$ 113.35	\$ 120.13	\$ 126.85	\$ 134.02	\$ 140.17
Increase / Decrease		\$ 8.92	\$ 11.30	\$ 6.53	\$ 5.19	\$ 5.58	\$ 6.47	\$ 6.78	\$ 6.72	\$ 7.17	\$ 6.15
District of Columbia PILOT (1)	Ccf	\$ 3.08	\$ 3.14	\$ 3.21	\$ 3.28	\$ 3.35	\$ 3.41	\$ 3.48	\$ 3.55	\$ 3.61	\$ 3.68
District of Columbia Right of Way Fee (1)	Ccf	1.14	1.14	1.14	1.20	1.20	1.20	1.20	1.20	1.20	1.27
District of Columbia Stormwater Fee (2)	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.89	\$ 6.95	\$ 7.02	\$ 7.15	\$ 7.22	\$ 7.28	\$ 7.35	\$ 7.42	\$ 7.48	\$ 7.62
Total Amount Appearing on DC Water Bill		\$ 85.17	\$ 96.53	\$ 103.13	\$ 108.45	\$ 114.10	\$ 120.63	\$ 127.48	\$ 134.27	\$ 141.50	\$ 147.79
Increase / Decrease Over Prior Year		\$ 8.45	\$ 11.36	\$ 6.60	\$ 5.32	\$ 5.65	\$ 6.53	\$ 6.85	\$ 6.79	\$ 7.23	\$ 6.29
Percent Increase in Total Bill		11.0%	13.3%	6.8%	5.2%	5.2%	5.7%	5.7%	5.3%	5.4%	4.5%

(1) Assumes average monthly consumption of 6.69 Ccf, or (5,004 gallons)
 (2) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010
 (3) DC Water "Water System Replacement Fee" of \$6.30 effective October 1, 2015

***District of Columbia Water & Sewer Authority
FY 2016 Proposed Retail Rates, Charges and Fees***

	Units	FY 2015	Proposed FY 2016
DC Water Retail Rates Water (Residential Lifeline 0 - 4 Ccf)	Ccf	\$ 3.88	\$ 3.08
DC Water Retail Rates Water (Residential > 4 Ccf)	Ccf	\$ 3.88	\$ 3.87
DC Water Retail Rates Water (Multi-Family)	Ccf	\$ 3.88	\$ 3.45
DC Water Retail Rates Water (Non-Residential)	Ccf	\$ 3.88	\$ 3.99
DC Water Retail Rates Sewer	Ccf	\$ 4.74	\$ 5.44
DC Water Clean Rivers IAC	ERU	\$ 16.75	\$ 20.30
DC Water Customer Metering Fee	5/8"	\$ 3.86	\$ 3.86
DC Water Water System Replacement Fee	5/8"	-	\$ 6.30
District of Columbia PILOT Fee	Ccf	\$ 0.46	\$ 0.47
District of Columbia Right of Way Fee	Ccf	\$ 0.17	\$ 0.17
District of Columbia Stormwater Fee	ERU	\$ 2.67	\$ 2.67

Presented and Adopted: February 5, 2015

Subject: Approval of Proposed Fiscal Year 2016 Operating Budget

**#15-19
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at its meeting on February 5, 2015, upon consideration of a joint-use matter, decided by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to the Fiscal Year 2016 Proposed Operating Budget.

WHEREAS, on January 8, 2015, the General Manager briefed Board members on the Proposed FY 2016 Operating Budget that totaled \$541,605,000; and

WHEREAS, on January 15, 2015, the Environmental Quality and Sewerage Services and the Water Quality and Water Services Committees, in a joint meeting, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts, and recommended that the Board adopt the FY 2016 Operating Budget that totals \$541,605,000; and

WHEREAS, on January 22, 2015, the Finance and Budget Committee reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts, and recommended that the Board adopt the FY 2016 Operating Budget that totals \$541,605,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water’s Proposed Fiscal Year 2016 Operating Budget totaling \$541,605,000 and as further detailed in the General Manager’s Proposed Fiscal Year 2016 Operating Budget Presentation dated January 8, 2015.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: February 5, 2015

**SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing**

**#15-20
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”), at the Board meeting held on February 5, 2015, upon consideration of a joint-use matter, decided by a vote of ___ () in favor and ___ () opposed, to take the following action.

WHEREAS, DC Water intends to acquire, construct and equip the items and projects set forth in Exhibit A hereto (collectively, the “Projects”); and

WHEREAS, plans for the Projects have advanced and DC Water expects to advance its own funds to pay expenditures related to the Projects (“Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both.

NOW THEREFORE BE IT RESOLVED THAT:

1. DC Water utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the “Bonds”) or other debt in an amount not currently expected to exceed \$582,000,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 13-118 of the Board adopted on December 5, 2013, plus amounts projected to be reimbursed during Fiscal Year 2015 and through September 2016.
2. DC Water intends to use the proceeds of the Bonds to reimburse itself for Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. DC Water reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of DC Water so long as such

grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of DC Water.

4. DC Water makes a reimbursement allocation, which is a written allocation by DC Water that evidences DC Water's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The DC Water recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Board adopts this resolution confirming the "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

This resolution is effective immediately.

Secretary to the Board of Directors

EXHIBIT A — LIST OF PROJECTS

Blue Plains Plantwide Projects
Blue Plains Enhanced Nitrogen Removal Facilities
Blue Plains Liquid and Solids Processing Projects
Sanitary Sewer System Projects
Combined Sewer System Projects
DC Clean Rivers Project
Stormwater Sewer System Projects
Water Pumping, Distribution and Storage Projects
Metering and Capital Equipment
Washington Aqueduct Projects

Presented and Adopted: February 5, 2015
Subject: Authorizing the Sale and Setting Terms and Details of the Series
2015A Refunding Bonds

#15-21
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“Authority”), at its meeting on February 5, 2015, by a vote of _____ (___) in favor and _____ (___) opposed, decided to approve the following:

WHEREAS, the Authority is authorized pursuant to the *Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996*, as amended, D.C. Code Section 34-2201.01 et seq. (the “WASA Act”), and the *District of Columbia Water and Sewer Authority Act of 1996*, Public Law 104-184; 110 Stat. 1696, to issue revenue bonds for undertakings authorized by the WASA Act, including to finance or refinance any cost, as defined in the WASA Act, D.C. Code Section 34-2202.01(2); and

WHEREAS, in accordance with the WASA Act, the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”) (its predecessors in that capacity having been Norwest Bank Minnesota, N.A. and Wells Fargo Bank Minnesota, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture” and, as supplemented and amended, the “Indenture”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, the Authority has heretofore entered into seventeen (17) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture; and

WHEREAS, the Authority now intends (i) to issue Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2015A (the “Series 2015A Refunding Bonds”) to: (a) refund some or all (or, if appropriate, none) of the Authority's outstanding Public Utility Subordinated Lien Revenue Bonds, Series 2007A (the “Series 2007A Subordinate Bonds”), Public Utility Subordinated Lien Revenue Refunding Bonds, Series 2008A (the “Series 2008A Subordinate Bonds”), and Public Utility Senior Lien Revenue Bonds

Series 2009A (the "Series 2009A Bonds"); (b) fund a Series 2015A Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (c) pay certain costs of issuance; (ii) to designate the Series 2015A Refunding Bonds as Subordinate Debt for purposes of the Indenture (subject to Section 10 hereof); and (iii) to secure the Series 2015A Refunding Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the General Manager, the Chief Financial Officer, the Chief Engineer and the General Counsel of the Authority have informed the Board that their offices have established "due diligence" procedures for reviewing the documents authorized by this Resolution with the Authority's bond counsel, disclosure counsel, financial advisors, underwriters, underwriters' counsel and other consultants and advisors, with a view to ensuring the accuracy of disclosure; and

WHEREAS, the Finance and Budget Committee met on January 22, 2015, to review the issuance of the Series 2015A Refunding Bonds and has recommended approval of this Resolution by the Board;

NOW, THEREFORE, BE IT RESOLVED, that:

Section 1. Definitions and Interpretations. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Eighteenth Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

"Authorized Officials" means the Chairman and Vice Chairman of the Board and the General Manager, Chief Financial Officer, Controller, Budget Director, and Finance Director of the Authority, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the Authority and the Series 2015A Original Purchasers, dated as of the same date as the Certificate of Award.

"Certificate of Award" means the certificate of an Authorized Official awarding the Series 2015A Refunding Bonds to the Series 2015A Original Purchasers and specifying terms of the Series 2015A Refunding Bonds, as provided for in Section 4 of this Resolution.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement executed by the Authority and the Trustee, dated as of the same date as the

date of issuance and delivery of the Series 2015A Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

“Eighteenth Supplemental Indenture” means the Eighteenth Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2015A Refunding Bonds.

“Escrow Agreement” means the Escrow Agreement, dated the same date as the Series 2015A Refunding Bonds, between the Authority and the Trustee as Escrow Agent (the “Escrow Agent”), providing for the Refunded Bonds to be deemed paid and no longer Outstanding under the Indenture.

“Financial Advisor” means, collectively, Public Financial Management, Inc. and G~Entry Principle, P.C..

“Interest Payment Dates” means for the Series 2015A Refunding Bonds, each April 1 and October 1, commencing on the April 1 or October 1 specified in the Certificate of Award as the first Interest Payment Date, and thereafter during the time the Series 2015A Refunding Bonds are Outstanding.

“Refunded Bonds” means any Outstanding Series 2007A Subordinate Bonds, Series 2008 Subordinate Bonds, or Series 2009A Bonds to be caused to be deemed paid and no longer Outstanding under the Indenture as the result of the deposit of proceeds of the Series 2015A Refunding Bonds and any other funds in escrow under the Escrow Agreement and identified as the Refunded Bonds in the Certificate of Award.

“Refunding Savings Threshold” means that, as the result of the advance refunding of the Refunded Bonds with proceeds of Series 2015A Refunding Bonds and any other legally available funds, the Authority will achieve an aggregate reduction in bond debt service that has a present value at the time of sale of the Series 2015A Refunding Bonds equal to at least five percent (5%) of the aggregate principal amount of the Refunded Bonds and will fulfill any other standards that any Authorized Official executing the Certificate of Award deems appropriate.

“Series 2015A Debt Service Reserve Requirement” means, if determined to be necessary, a required fund balance in the Series 2015A Debt Service Reserve Account or Accounts established under the Eighteenth Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the required balance in the Series 2015A Debt Service Reserve Account does not exceed the amount that qualifies as a “reasonably required reserve or replacement fund” within the meaning of Section 148(d) of the Code and the Treasury Regulations thereunder and that the existence of a balance in the Series 2015A Debt

Service Reserve Account in the amount of the required fund balance will not cause the interest on any Series 2015A Refunding Bonds that had been excluded from gross income for federal income tax purposes to cease to be so.

“Series 2015A Original Purchasers” for the Series 2015A Refunding Bonds means the purchasers identified as such in the Bond Purchase Agreement for the Series 2015A Refunding Bonds.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions, duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

Section 2. Authorization, Designation and Purposes of Series 2015A Refunding Bonds. The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, bonds in an aggregate principal amount not greater than the amount determined in the Certificate of Award to be sufficient to accomplish the purposes for which their issuance is authorized, which shall be designated “Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2015A,” and constitute Subordinate Debt under the Indenture (subject to Section 10 hereof), for the following purposes: (i) advance refunding the Refunded Bonds and causing them to be deemed paid and no longer Outstanding for purposes of the Indenture; (ii) funding a Series 2015A Debt Service Reserve Requirement, if determined necessary; and (iii) paying issuance costs of the Series 2015A Refunding Bonds; provided, however, that before an Authorized Official executes a Certificate of Award applicable to the Series 2015A Refunding Bonds, the Authority’s Financial Advisor shall have given the Authority a written certification that identifies the Refunded Bonds (consistently with this Resolution) and determines that the Authority’s issuance and sale of the Series 2015A Refunding Bonds on the terms set forth in the Certificate of Award and the application of the proceeds of the Series 2015A Refunding Bonds and any other legally available funds to advance refund the Refunded Bonds identified in the Financial Advisor’s certificate, will meet the Refunding Savings Threshold. The proceeds from the sale of the Series 2015A Refunding Bonds shall be allocated and deposited for those purposes and as provided in the Eighteenth Supplemental Indenture.

Section 3. Terms and Provisions Applicable to the Series 2015A Refunding Bonds.

(a) Form, Transfer and Exchange. The Series 2015A Refunding Bonds: (i) shall initially be issued only in fully registered form and substantially in the form or forms attached as Exhibits to the Eighteenth Supplemental Indenture; (ii) shall initially be issued only to a Depository for holding in a book entry system, and shall be registered in the name of the Depository or its nominee, as Holder, and immobilized in the custody of the Depository, and (iii) shall not be transferable or exchangeable except as provided in the Eighteenth Supplemental Indenture.

(b) Denominations and Dates. The Series 2015A Refunding Bonds shall be dated as of the date of issuance and delivery, but in no event later than September 30, 2015, and there shall be a single Series 2015A Refunding Bond representing each interest rate for each maturity of the Series 2015A Refunding Bonds bearing the same series or subseries designation.

(c) Principal Maturities and Interest Rates. The Series 2015A Refunding Bonds shall bear interest on their unpaid principal amount payable on each Interest Payment Date, commencing on the first Interest Payment Date specified in the Certificate of Award, at such fixed rates per annum as set forth in the Certificate of Award as provided in Section 4(c) hereof, provided, however, that the “true interest cost” (i.e., interest cost on bonds defined as the rate, compounded semiannually, necessary to discount the amounts payable on the respective interest and principal payment dates to the purchase price received for the bonds) on the Series 2015A Refunding Bonds shall not exceed a rate that would cause the Refunding Savings Threshold not to be achieved. The principal of the Series 2015A Refunding Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificate of Award, provided that the principal retirement schedule shall be consistent with the achievement of the Refunding Savings Threshold.

(d) Optional and Mandatory Redemption.

(i) *Optional* - The Series 2015A Refunding Bonds maturing on or before any date specified in the Certificate of Award as the Earliest Optional Redemption Date (which shall be no later than October 1, 2025, or eleven years after the issuance of the Series 2015A Refunding Bonds, whichever is later) are not subject to prior optional redemption. Any Series 2015A Refunding Bond maturing after the Earliest Optional Redemption Date shall be subject to redemption at the option of the Authority, prior to their stated maturities on or after the Earliest Optional Redemption Date in whole or in part (in whole multiples of \$5,000) on any date, at redemption prices specified in the Certificate of Award, provided that no such redemption price (not including accrued interest) shall exceed 102% of the principal amount of the Series 2015A Refunding Bonds to be redeemed.

(ii) *Mandatory Sinking Fund Redemption* - Any Series 2015A Refunding Bonds may be designated in the Certificate of Award as Term Bonds and be subject to mandatory sinking fund redemption by lot on specified principal retirement dates at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

(e) Redemption Provisions. Redemption of Series 2015A Refunding Bonds shall be effected in accordance with Article IV of the Master Indenture; provided, however, that notices of redemption of Series 2015A Refunding Bonds sent pursuant to Section 402 of the Master Indenture may specify that the redemption is conditional upon

the Authority's depositing the funds needed to effect that redemption prior to the specified redemption date.

(f) Places and Manner of Payment. The principal of and the interest and any redemption premium on the Series 2015A Refunding Bonds shall be payable at the places and in the manner specified in the Eighteenth Supplemental Indenture.

(g) Execution. The Authorized Officials are, and each of them is, authorized and directed to execute the Series 2015A Refunding Bonds, and the Secretary of the Board is authorized and directed to affix the seal of the Authority to the Series 2015A Refunding Bonds and to deliver them to the Trustee for authentication in accordance with the Indenture.

Section 4. Sale of Series 2015A Refunding Bonds.

(a) General. The Series 2015A Refunding Bonds shall be awarded and sold to the Series 2015A Original Purchasers in accordance with the Bond Purchase Agreement and the Certificate of Award, at a purchase price of not less than ninety-five percent (95%) of the aggregate of the products from multiplying the principal amount of each Series 2015A Refunding Bond times the percentage of such principal amount at which such Series 2015A Refunding Bond shall be initially offered to the public, after subtracting from the aggregate of such products the premium payable for any municipal bond insurance policy applicable to the Series 2015A Refunding Bonds.

(b) Bond Purchase Agreement. The Authorized Officials are, and each of them is, authorized and directed to execute and deliver the Bond Purchase Agreement between the Authority and the Series 2015A Original Purchasers, substantially in the form which was executed with regard to the Authority's Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2014C (the "Series 2014C Subordinate Bonds"), but with such changes not inconsistent with the Indenture and this Resolution and not substantially adverse to the Authority as may be approved by the Authorized Official executing the same on behalf of the Authority. The approval of any such changes by such Authorized Official and the determination by such Authorized Official that no such change is substantially adverse to the Authority shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Official. The price for and terms of the Series 2015A Refunding Bonds and the sale thereof, all as provided in this Resolution, the Bond Purchase Agreement, the Certificate of Award, and the Eighteenth Supplemental Indenture, are hereby approved and determined to be in the best interests of the Authority.

(c) Certificate of Award. Such sale and award shall be further evidenced by the Certificate of Award executed by an Authorized Official. The terms of the Series 2015A Refunding Bonds approved in the Certificate of Award shall be incorporated into the Eighteenth Supplemental Indenture. The Certificate of Award, subject to the restrictions set forth herein, shall: (i) with respect to each series or subseries of the Series 2015A Refunding Bonds, specify the aggregate principal amount, the purchase price, the Interest Payment Dates, the interest rate or rates, the principal

retirement dates, the mandatory sinking fund requirements (if any), the redemption dates, and the redemption prices thereof; (ii) specify whether a municipal bond insurance policy, letter of credit, or other credit or liquidity facility shall be obtained with respect to the Series 2015A Refunding Bonds and, if so, from whom and on what terms; (iii) specify the amount, if any, of the Series 2015A Debt Service Reserve Requirement and determine whether it shall be met entirely with (A) cash and Permitted Investments (as defined in the Indenture); (B) a Qualified Reserve Credit Facility (as defined in the Indenture); or (C) a specified combination of (A) and (B); and (iv) include any additional information that may be required or permitted to be stated therein by the terms of this Resolution and the Bond Purchase Agreement.

(d) Authorization of Bond Insurance and Qualified Reserve Credit Facilities. The submission of any applications to: (i) recognized providers of municipal bond insurance requesting the issuance of one or more municipal bond insurance policies to insure the Authority's obligation to make payments of principal of and interest on the Series 2015A Refunding Bonds, and (ii) potential providers of Qualified Reserve Credit Facilities, is hereby ratified and approved. The Authorized Officials are, and each of them is, hereby authorized to specify in the Certificate of Award that the Authority shall accept one or more commitments for insurance from such providers, and one or more commitments for a Qualified Reserve Credit Facility. There is hereby authorized to be paid from the moneys deposited in the Series 2015A Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2015A Refunding Bonds. The Authorized Officials are, and each of them is, hereby further authorized to enter into a reimbursement agreement with the provider of any Qualified Reserve Credit Facility to provide for the Authority's reimbursement of the provider for any amounts drawn under the Qualified Reserve Credit Facility in a manner consistent with the Indenture. Any determination of the Authorized Officials under this paragraph shall be based on the written advice of the Financial Advisor.

(e) Certificates. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver to the Series 2015A Original Purchasers the certificates required by the Bond Purchase Agreement to be executed on behalf of the Authority.

(f) Delivery of Bonds. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the Series 2015A Original Purchasers to establish the date, location, procedure and conditions for the delivery of the Series 2015A Refunding Bonds to the Series 2015A Original Purchasers. The Authorized Officials are, and each of them is, further authorized and directed to make the necessary arrangements for the printing of the Series 2015A Refunding Bonds, and the execution, authentication and delivery of the Series 2015A Refunding Bonds to DTC for the accounts of the Series 2015A Original Purchasers in accordance with this Resolution and the Indenture, and upon the receipt of payment of the purchase price, to cause such amount to be applied in accordance with the terms and provisions of this Resolution and the Indenture.

Section 5. Allocation of Proceeds of the Series 2015A Refunding Bonds: Tax Covenants.

(a) Allocation of Proceeds of the Series 2015A Refunding Bonds. The proceeds from the sale of the Series 2015A Refunding Bonds, including any accrued interest, shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Eighteenth Supplemental Indenture.

(b) Tax Covenants. The Board authorizes the Authorized Officials to approve the tax covenants, authorizations and agreements necessary to achieve and maintain the tax-exempt status of the Series 2015A Refunding Bonds.

Section 6. Eighteenth Supplemental Indenture, Escrow Agreement, and Other Documents. The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2015A Refunding Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Eighteenth Supplemental Indenture and the Escrow Agreement, substantially in the respective forms thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority including, but not limited to, modifications or revisions necessary for the issuance of the Series 2015A Refunding Bonds as Senior Bonds, pursuant to Section 10 hereof. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official. If in the Certificate of Award or in the Escrow Agreement, an Authorized Official determines that it is in the Authority's best interest to authorize the purchase of open-market securities to effect the advance refunding of the Refunded Bonds, PFM Asset Management LLC shall be the Authority's agent for the purchase of such securities. With respect to the Escrow Agreement and to the extent any escrow securities are to be purchased thereunder, the Certificate of Award shall designate an independent firm experienced in the preparation of verification reports to verify or certify such escrow securities to be of such maturities and interest payment dates, and to bear such interest, as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient together with any cash deposited with and to be retained in that form by the Escrow Agent, to pay the principal of and interest and any premium on the Refunded Bonds, on their respective maturity or redemption date or dates, as provided in the Escrow Agreement.

The Authorized Officials and any other member, officer or employee of the Authority are each authorized to execute and deliver, on behalf of the Authority, such other certificates, documents and instruments related to the Series 2015A Refunding Bonds as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the Authority pursuant to the Indenture, the Eighteenth Supplemental Indenture, the Bond Purchase Agreement and this Resolution.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board or officer, employee or agent of the Authority in his or her individual capacity, and neither the

members of the Board nor any officer of the Authority executing the Series 2015A Refunding Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Resolution or the Indenture or any other document authorized by this Resolution, provided such member, officer, employee, agent or advisor acts in good faith.

Section 7. Official Statement; Continuing Disclosure. The Authorized Officials shall cause to be prepared and issued on behalf of the Authority, an official statement (the "Official Statement") relating to the original issuance of the Series 2015A Refunding Bonds. The Authorized Officials are, and each of them is, authorized to execute the Official Statement on behalf of the Authority, which shall be in substantially the form of the Official Statement issued in connection with the sale of the Series 2014C Subordinate Bonds, with such modifications and revisions to update the information as necessary, and with such changes as the Authorized Official who executes it may approve, the execution thereof on behalf of the Authority by an Authorized Official to be conclusive evidence of such authorization and approval (including approval of any such changes), and copies thereof are hereby authorized to be prepared and furnished to the Series 2015A Original Purchasers for distribution to prospective purchasers of the Series 2015A Refunding Bonds and other interested persons. The preliminary Official Statement shall be "deemed substantially final" by the Authority within the meaning of Rule 15c2-12 of the Securities Exchange Commission, subject to completion as provided below.

The distribution by the Authority and by the Series 2015A Original Purchasers of the preliminary Official Statement and the Official Statement, in such form and with any changes as may be approved in writing by an Authorized Official, is hereby authorized and approved.

The Authority shall make sufficient copies of the Official Statement, with any supplements, available to the Series 2015A Original Purchasers to sell book entry interests in the Series 2015A Refunding Bonds, and will provide copies as appropriate to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access.

The Authorized Officials are each hereby authorized to furnish such information, to execute such instruments and to take such other action in cooperation with the Series 2015A Original Purchasers as may be reasonably requested to qualify the Series 2015A Refunding Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Series 2015A Original Purchasers; provided, however, that the Authority shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the Authority is not now subject to such service.

The Authorized Officials are each hereby further authorized: (i) to supplement and complete the “deemed substantially final” preliminary Official Statement by affixing thereto or inserting therein information to identify the Series 2015A Original Purchasers and to specify the final principal amount, interest rates and redemption provisions of the Series 2015A Refunding Bonds, the price of the Series 2015A Refunding Bonds to the general public, any credit enhancement provisions with respect to the Series 2015A Refunding Bonds and any change in ratings of the Series 2015A Refunding Bonds resulting from such credit enhancement, and such other information as is necessary to supplement and complete the Official Statement with the approved and agreed upon terms of Series 2015A Refunding Bonds, and (ii) to make such other changes to the preliminary Official Statement or the Official Statement as are, in the judgment of an Authorized Official, necessary and appropriate in order to make the preliminary Official Statement or the Official Statement not materially misleading and to comply with applicable securities laws or otherwise to enable the Authority to fulfill its obligations regarding the preliminary Official Statement or the Official Statement under the Bond Purchase Agreement.

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution or the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Holder of Series 2015A Refunding Bonds may, and the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Series 2015A Refunding Bonds, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph. The Authorized Officials are, and each of them is, hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form executed in connection with the issuance of the Series 2014C Subordinate Bonds, with such changes therein as may be approved by the officer executing the Continuing Disclosure Agreement. The approval of those changes shall be conclusively evidenced by the execution of the Continuing Disclosure Agreement by an Authorized Official.

Section 8. General. The appropriate officers and employees of the Authority will do all things necessary and proper to implement and carry out the orders and agreements set forth or approved in this Resolution for the proper fulfillment of the purposes thereof. The Authority shall furnish to the Series 2015A Original Purchasers of the Series 2015A Refunding Bonds a true and certified transcript of all proceedings relating to the authorization and issuance of the Series 2015A Refunding Bonds along with other information as is necessary or proper with respect to the Series 2015A Refunding Bonds.

Section 9. Multiple Series. Notwithstanding anything herein to the contrary, the Series 2015A Refunding Bonds may be issued in one or more separate series or subseries, each bearing a distinctive designation, provided that Series 2015A Refunding Bonds of all series in the aggregate, must satisfy the requirements and comply with the restrictions of this Resolution and the Indenture. Separate series and subseries

of Series 2015A Refunding Bonds may be issued at the same or different times and so may have different dates of issuance. The Series 2015A Refunding Bonds of each series and subseries shall be designated as provided in the applicable Certificate of Award. A separate Certificate of Award may be delivered for each series or subseries, and each reference in this Resolution to the Certificate of Award shall refer to each and all such Certificates of Award. A separate Supplemental Trust Indenture may be entered into for each series or subseries, and each reference in this Resolution to the Eighteenth Supplemental Indenture shall refer to each and all such Supplemental Trust Indentures, but any Supplemental Trust Indenture subsequent to the Eighteenth Supplemental Indenture shall bear a different designation. A separate Bond Purchase Agreement, Continuing Disclosure Agreement and Escrow Agreement may be entered into for each series or subseries, and each reference in this Resolution to the Bond Purchase Agreement, Escrow Agreement or to the Continuing Disclosure Agreement shall refer to each and all such Bond Purchase Agreements, Escrow Agreements or Continuing Disclosure Agreements, respectively. A separate Official Statement may be prepared for each series or subseries, and each reference in this Resolution to the Official Statement shall refer to each and all such Official Statements.

Section 10. Senior Debt Optional. Notwithstanding anything herein to the contrary, if the Authorizing Official executing the Certificate of Award determines (as evidenced by the execution thereof by such Authorized Official) that the issuance of all or a portion of the Series 2015A Refunding Bonds as Senior Debt rather than as Subordinate Debt, under the prevailing market conditions, will better serve the interests of the Authority, then the Series 2015A Refunding Bonds are hereby authorized to be issued and sold as Senior Debt and designated as such in the Certificate of Award consistently with the requirements of the Indenture and subject to all the same conditions as this Resolution imposes on the Series 2015A Refunding Bonds hereby authorized to be issued as Subordinate Debt, but with appropriate changes in designation.

Section 11. Effective Date. This Resolution shall take effect immediately.

Secretary to the Board of Directors

Presented and Adopted: February 5, 2015

**SUBJECT: Approval to Execute Option Year Three of Contract No.
WAS-11-049-AA-GA, Electric Motor & Contracting Co., Inc.**

**#15-22
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 February 5, 2015, upon consideration of a non-joint use matter, decided by a vote of __() in favor and __() opposed to execute Contract No. WAS-11-049-AA-GA, Electric Motor & Contracting Co., Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three of Contract No. WAS-11-049-AA-GA, Electric Motor & Contracting Co., Inc. The purpose of the option is to provide for the maintenance and repair services for various large electrical motors and eddy current drives located at various facilities through-out DC Water. The option amount is \$244,518.48.

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 OPTION:

**REPAIR OF LARGE ELECTRICAL MOTORS AND EDDY CURRENT DRIVES
(Non-Joint Use)**

Approval to exercise contract option year three (3) to provide repairs of electrical motors and eddy current drives in the amount of \$244,518.48.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Electric Motor & Contracting Co., Inc. 3703 Cook Boulevard Chesapeake, VA 23323	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$634,518.48
Base Year Contract Dates:	01-23-2012 – 01-22-2013
Number of Option Years:	4
Contract Modifications Value:	\$220,000.00
Contract Modification Dates:	10-09-2013 – 03-23-2015
Option Year 2 Value:	\$140,000.00
Option Year 2 Date:	01-23-2014 – 01-22-2015
Option Year 3 Value:	\$244,518.48
Option Year 3 Date:	03-24-2015 – 03-23-2016

Purpose of the Contract:

This contract is to provide for the maintenance and repair services for various large electrical motors and eddy current drives located at various facilities through-out DC Water.

Contract Scope:

To provide motors and/or eddy current drives inspections, cleanings, disassembly, repairs, assemblies and testing to meet applicable industry standards.

Spending Previous Year:

Cumulative Contract Value:	01-23-2012 – 03-23-2015 - \$994,518.48
Cumulative Contract Spending:	01-23-2012 – 12-31-2014 - \$919,167.72

Contractor's Past Performance

The contractor's past performance has been satisfactory.

PROCUREMENT INFORMATION

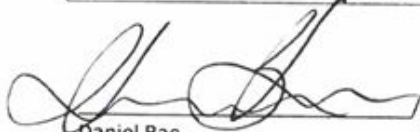
Contract Type:	Fixed Price Requirement	Award Based On:	Lowest Responsive, Responsible Bidder
Commodity:	Repair of Various Large Electrical Motors and Eddy Current Drives	Contract Number:	WAS-11-049-AA-GA
Contractor Market:	Open Market with LBE/LSBE Preference Points		

BUDGET INFORMATION

Funding:	Capital	Department:	Distribution Conveyance Systems
Service Area:	Blue Plains AWTP	Department Head:	Charles Sweeney


ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100%	\$244,518.48
Washington Suburban Sanitary Commission		
Fairfax County		
Loudoun County		
Potomac Interceptor		
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$244,518.48


 Daniel Bae
 Director of Procurement
 Date 1/13/2015


 Gail Alexander-Reeves
 Director of Finance & Budget
 Date 1/13/15


 Charles Kiely
 Assistant General Manager
 Customer Care Operations
 Date 1/13/15


 George S. Hawkins
 General Manager
 Date 1-29-15

Presented and Adopted: February 5, 2015
SUBJECT: Approval to Execute Contract No. 100180
Environmental Quality Resources, LLC

#15-23
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 February 5, 2015, upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 100180, Environmental Quality Resources, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 100180, Environmental Quality Resources, LLC. The purpose of the contract is to rehabilitate and restore the Pope Branch Stream located in South Eastern quadrant of the District of Columbia. The contract amount is \$2,500,255.

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:

**Pope Branch Stream Restoration
(Non-Joint Use)**

Approval to execute a construction contract for \$2,500,255.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Environmental Quality Resources, LLC 1 Churchview Road Millersville, MD 21108	SUBS: Monumental Concrete, LLC Washington, DC MBE	PARTICIPATION: 6.4%
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* Due to the nature of the work, the market for DBE subcontractors was not expected to be sufficient to meet the Fair Share Objective and this contract was advertised as open market with preference for local and small businesses.

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$2,500,255.00
Contract Time:	381 Days (1 Year, 15 Days)
Anticipated Contract Start Date (NTP):	03-16-2015
Anticipated Contract Completion Date:	03-31-2016
Bid Opening Date:	12-19-2014
Bids Received:	5
Other Bids Received	
Meadville Land Services, Inc.	\$ 2,872,841.60
Corinthian Contractors, Inc.	\$ 2,985,546.75
Angler Environmental	\$ 3,197,229.00
Sagres Construction Corporation	\$ 3,575,170.00

Purpose of the Contract:

To rehabilitate and restore the Pope Branch Stream located in the South Eastern quadrant of the District of Columbia.

Contract Scope:

- Construct approximately 4800 feet of stream restoration work in Pope Branch for the purpose of protecting the existing sewer assets running parallel to the stream.
- Work also includes construction of concrete headwalls, replacement of less than 100 feet of storm drain pipe, flared end sections, temporary access roads, and site restoration.

Federal Grant Status:

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

Interagency Funding:

- Construction Contract is partially funded by District of Columbia Department of Environment.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	100180
Contractor Market:	Open Market with Preference		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary	Department Head:	Liliana Maldonado
Project:	Q3		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia – DC Water	56.24%	\$1,406,255.00
District of Columbia – DDOE	43.76%	\$1,094,000.00
Federal Funds	0.00%	\$ 0.00
Washington Suburban Sanitary Commission	0.00%	\$ 0.00
Fairfax County	0.00%	\$ 0.00
Loudoun County & Potomac Interceptor	0.00%	\$ 0.00
Total Estimated Dollar Amount	100.00%	\$2,500,255.00

Gail Alexander-Reeves
 _____, 1/9/15
 Gail Alexander-Reeves Date
 Director of Budget

Teresa L. Scott
 _____, 1/9/15
 Teresa L. Scott Date
 Acting Director of Procurement

Leonard R. Benson
 _____, 1-9-15
 Leonard R. Benson Date
 Chief Engineer

George S. Hawkins
 _____, 1-29-15
 George S. Hawkins Date
 General Manager

Presented and Adopted: February 5, 2015

SUBJECT: Proposed Retail Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRIAC), and New Water System Replacement Fee, Beginning in Fiscal Year 2016

**#15-24
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on February 5, 2015 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposed Metered Retail Rates for Water and Sewer Service, Clean Rivers Impervious Area Charge (IAC), the Right-of-Way Occupancy Fee Pass Through Charge (ROW), Payment In Lieu of Taxes Fee (PILOT), and New Water System Replacement Fee.

WHEREAS, the Board has adopted a revised rate setting policy that calls for rates, charges and fees that, together with other revenue sources, yield a reliable and predictable stream of revenues and will generate sufficient revenues to pay for DC Water’s projected operating and capital expenses; and

WHEREAS, the Board has adopted various financial policies that require revenues to ensure compliance with Board policies regarding maintenance of senior debt coverage and cash reserves; and

WHEREAS, the DC Retail Water and Sewer Rates Committee met on December 19, 2014 and January 27, 2015 to consider the proposed rate, charge and fee changes; and

WHEREAS, DC Water has three classes of customers: residential, multi-family and non-residential; as per Section 4104 of Title 21 of the District of Columbia Municipal Regulations (DCMR); and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended a Customer Class-Based Volumetric Rate structure with differentiation based on the peaking demands of each customer classification: residential, multi-family and non-residential; and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended a Lifeline Rate for the first 4 hundred cubic feet (“4 Ccf”) of Residential customer water use to reflect baseline usage by residential customers without peaking costs; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate decrease of \$0.10 per one hundred cubic feet (“Ccf”) (\$0.13 per 1,000 gallons) for the first 4 Ccf of Residential customer’s water use (Lifeline); and

WHEREAS, the decrease in Lifeline water (Residential customer’s first 4 Ccf) and sewer rates should result in a combined water and sewer rate that approximates \$8.52 per Ccf (\$11.39 per 1,000 gallons) of metered water and sewer use; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$0.69 per Ccf (\$0.92 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers; and

WHEREAS, the increase in water (Residential customers > 4 Ccf) and sewer rates should result in a combined water and sewer rate that approximates \$9.31 per Ccf (\$12.45 per 1,000 gallons) of metered water and sewer use; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$0.27 per Ccf (\$0.36 per 1,000 gallons) for Multi-family customers; and

WHEREAS, the increase in Multi-family customer water and sewer rates should result in a combined water and sewer rate that approximates \$8.89 per Ccf (\$11.89 per 1,000 gallons) of metered water and sewer use; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$0.81 per Ccf (\$1.08 per 1,000 gallons) for Non-Residential customers; and

WHEREAS, the increase in Non-Residential customer water and sewer rates should result in a combined water and sewer rate that approximates \$9.43 per Ccf (\$12.61 per 1,000 gallons) of metered water and sewer use; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the monthly Clean Rivers Impervious Area Charge of \$3.55 per Equivalent Residential Unit (ERU) to recover the costs of the Combined Sewer Overflow Long-Term Control Plan (CSO LTCP); and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended a monthly Water System Replacement Fee designed to fund the 1 percent renewal and replacement of aging water infrastructure in the retail service area; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a new monthly Water System Replacement Fee (\$6.30 for typical residential 5/8' meter) to recover the \$40.0 million annual cost of the 1 percent water renewal and replacement program; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board maintain the ROW fee at the current amount of \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used to continue to recover the full cost of the District of Columbia government ROW fees; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the PILOT fee of \$0.01 per Ccf (\$0.02 per 1,000 gallons) to recover the full cost of the District of Columbia government fees; and

WHEREAS, adoption of these rates and fee changes would increase the monthly bill of the average residential customer using 6.69 Ccf (or 5,004 gallons) by approximately \$11.36 per month or \$136.32 per year; and

WHEREAS, DC Water's retail revenue projections for Fiscal Year 2016 reflect an approximate \$28.4 million increase due to the proposed \$15.0 million increase in retail water and sewer rates, an approximate \$0.1 million increase due to the proposed PILOT fee increase, and an approximate \$13.3 million increase due to the proposed Clean Rivers IAC increase; and

WHEREAS, the public comment and notification process of the proposed rate and fee increases will occur over the next several months and it is the intent of the Board to take final action on the proposed rate and fee increases at the conclusion of the notification and comment period.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board proposes:

Implement the Restructuring of DC Water's Water Service Rates

Customer Class-Based Volumetric Rates – Rate differentiation based on the peaking demands of each customer class (residential, multi-family and non-residential)

Lifeline Rates – A lifeline rate for the first 4 Ccf of Residential customer water use to reflect baseline usage by residential customers without peaking cost.

Water System Replacement Fee – Fixed monthly fee designed to fund the 1 percent renewal replacement of aging water infrastructure in the retail service area

2. The Board finds that DC Water's projected expenditures require that it propose, for public comment, the approximate rate and fee increases described below:

Retail Metered Water Service Rates

- a. A change in the rate for retail metered water services from \$3.88 per one hundred cubic feet ("Ccf"), (\$5.19 per 1,000 gallons) to:
- Residential customers: "Consumption of 0 – 4 Ccf" \$3.08 per Ccf (\$4.12 per 1,000 gallons) of water used.
 - Residential customers: "Consumption greater than 4 Ccf" \$3.87 per Ccf (\$5.17 per 1,000 gallons) of water used.
 - Multi-Family customers: \$3.45 per Ccf (\$4.61 per 1,000 gallons) of water used.
 - Non-Residential customers: \$3.99 per Ccf (\$5.33 per 1,000 gallons) of water used.

**Retail Sewer Service Rates
(Metered and Unmetered)**

- b. An increase in the rate for metered sewer services from \$4.74 per Ccf (\$6.33 per 1,000 gallons) to:
- Residential customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.
 - Multi-Family customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.
 - Non-Residential customers: \$5.44 per Ccf (\$7.27 per 1,000 gallons) of water used.
- c. An increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$201.0 to \$243.60 per Equivalent Residential Unit (ERU). The charge per ERU will be billed monthly at:
- Residential customers: \$20.30 for each ERU
 - Multi-Family customers: \$20.30 for each ERU
 - Non-Residential customers: \$20.30 for each ERU

Water System Replacement Fee

- d. Implement a fixed monthly fee designed to fund the 1 percent renewal replacement of aging water infrastructure for residential, multi-family and non-residential customers:

Meter Size (inches)	Meter Register Type	Monthly Water System Replacement Fee
5/8"	Single Register	\$ 6.30
3/4"	Single Register	\$ 7.39
1"	Single Register	\$ 9.67
1"x1.25"	Single and Multiple Register	\$ 15.40
1.5"	Single Register	\$ 41.35
2"	Single and Multiple Register	\$ 83.75
3"	Single and Multiple Register	\$ 232.13
4"	Single and Multiple Register	\$ 561.02
6"	Single and Multiple Register	\$ 1,292.14
8"	Single Register	\$ 5,785.51
8"x2"	Multiple Register	\$ 1,899.60
8"x4"x1"	Multiple Register	\$ 2,438.35
10"	Single and Multiple Register	\$ 6,679.65
12"	Single and Multiple Register	\$ 6,679.65
16"	Single Register	\$ 6,679.65

The following terms will be defined in the proposed rulemaking:

Single Register – Meter that has only one device that displays the consumption volume.

Multiple Register – Meter that has two or more devices that can display the consumption volume at different flow rates (high or low) or different uses, including, but not limited to, Demand Flow and Fire Flow.

Amend Customer Assistance Program

Amend CAP Program - Extend CAP benefits to eligible customers that are charged the monthly Water System Replacement Fee by crediting \$6.30 on their monthly bill as follows:

- Eligible households and tenants will receive a credit of \$6.30 on the monthly billed Water System Replacement Fee.

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

- e. There is no increase in the Right-of-Way fee, which shall remain as follows:
 - Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.

- Multi-Family customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.
- Non-Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons) of water used.

**District of Columbia Pass Through Charge
Payment in Lieu of Taxes Fee**

- f. An increase in the Payment in Lieu of Taxes fee from \$0.46 per one Ccf (\$0.61 per 1,000 gallons) to:
 - Residential customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.
 - Multi-Family customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.
 - Non-Residential customers: \$0.47 per Ccf (\$0.64 per 1,000 gallons) of water used.
3. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed rate adjustments and fees in the manner provided by 21 DCMR Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution is effective immediately.

Secretary to the Board of Directors