



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
212th MEETING OF THE BOARD OF DIRECTORS
Thursday, September 3, 2015
9:30 a.m.
5000 Overlook Avenue, SW
Room 407**

- I. Call to Order (Chairman Matthew Brown)**
- II. Roll Call (Linda Manley, Board Secretary)**
- III. [Approval of July 2, 2015 Minutes](#) (Chairman Matthew Brown)**
- IV. Chairman's Overview**
- V. Committee Reports**
 - 1. [Governance Committee \(Ellen Boardman\)](#)
 - 2. [Human Resources and Labor Relations Committee \(Ellen Boardman\)](#)
 - 3. [Environmental Quality and Sewerage Services Committee \(Bo Menkiti\)](#)
 - 4. [Water Quality and Water Services Committee \(Rachna Butani\)](#)
 - 5. [DC Retail Water and Sewer Rates Committee \(Alan Roth\)](#)
 - 6. [Strategic Planning Committee \(Robert Mallett\)](#)
 - 7. [Audit Committee \(Nicholas Majett\)](#)
 - 8. [Finance and Budget Committee \(Robert Mallett\)](#)
- VI. [CEO/General Manager's Report](#) (George Hawkins)**
- VII. [Summary of Contracts](#)**
- VIII. Consent items (Non-Joint Use)**
 - 1. [Approval to Execute Contract No. 140050, SAK Construction LLC. - Resolution No. 15-70](#) (Recommended by Environmental Quality and Sewerage Services Committee 07/16/15)
 - 2. [Approval to Execute Contract No. 140210, Fort Myer Construction Corp. – Resolution No. 15-71](#) (Recommended by Water Quality and Water Services Committee 07/16/15)
 - 3. [Approval of Final Amendment for the Water System Replacement Fee – Resolution No. 15-72](#) (Recommended by DC Retail Water and Sewer Rates Committee 09/02/15)
- IX. **Executive Session** – To discuss legal, confidential and privileged matters pursuant to Section 2-575(b)(4) of the D.C. Official Code¹**
- X. 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)

- Governance Committee – Wednesday, September 9, 2015 @ 9:00 a.m. (5000 Overlook Avenue, SW)
- Human Resource and Labor Relations Committee – Wednesday, September 9, 2015 @ 11:00 a.m. (5000 Overlook Avenue, SW)
- Finance and Budget Committee – Thursday, September 10, 2015 @ 11:00 a.m. (5000 Overlook Avenue, SW)
- Environmental Quality and Sewerage Services Committee – Thursday, September 17, 2015 @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Water Quality and Water Services Committees – Thursday, September 17, 2015 @ 11:00 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, September 22, 2015 @ 9:30 a.m. (5000 Overlook Avenue, SW)



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

BOARD OF DIRECTORS

GOVERNANCE COMMITTEE

MEETING MINUTES

July 8, 2015

Committee Members

Ellen Boardman, Chairperson
Alan Roth
Rachna Butani
Matthew Brown

D.C. Water Staff

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

Chairperson Boardman convened the meeting at 9:09 a.m. The Chairperson requested Corey Gray, Compliance Officer, to address Agenda Item # 2 –DC Water Works! Employment Programs Update. Mr. Gray stated that his presentation would be in two parts. The first part would address FY 2015 contractor data, while the second part would be an update on the permanent program framework.

DC Water's goods and services employment data through July 2015 reflected the same figures from the May report showing 608 job positions, 352 of which were filled by residents within the user jurisdictions, 116 of which were District residents. Through this period, there were 24 new hires, 20 of whom were from the user jurisdictions.

The non-major construction projects data for July showed there was a total of 1,549 positions of which 1,024 were filled by user jurisdiction residents, 254 of whom were District residents. These figures reflect an increase from the May data. Of the 46 new hires, 37 came from the user jurisdictions, 11 of whom were District residents. These figures also reflect increases from the May data.

Mr. Gray then turned to the employment data for major construction projects. The major construction project data showed there was a total of 2,823 positions, 1,346 of which were filled by residents of user jurisdictions, 325 of whom were District residents. Of the 33 new hires, 27 were from user jurisdictions, 8 of whom were district residents. One again, the July data shows an increase over the May Report.

Mr. Gray reviewed the information on new hires through DC Water's Job Center for the period of October 2014 through May 2015. A total of 19 hires were reported. Mr. Gray gave the Committee a breakdown of the hiring contractors and the type of jobs created.

Mr. Gray provided a three year review of DC Water's contractor workforce showing total workforce, user jurisdiction participation, and DC resident participation. The highest percentage of user jurisdiction participation occurred in FY 2013 with 60%, while FY 2014 had 52 % user jurisdiction participation and FY 2015 had 55% user jurisdiction participation. The percentage of the total contractor workforce comprised of DC residents was 13% per year for FY 2013, FY2014 and FY 2015 (as of May 2015).

Mr. Gray did a similar review for DC Water contractor new hires. The review showed an increase in new hires from FY 2013- FY 2015, with percentages of 57%, 75% and 81% respectively for user jurisdiction residents. The new hire percentages for DC residents were 46 % for FY 2013, 40% for FY 2014, and 37% for FY 2015 (as of May 2015).

Mr. Gray then then gave the Committee an update on the framework for the permanent DC Water Works! Program. Mr. Gray listed the numerous agencies that give guidance and support to DC Water's efforts. These agencies include, but are not limited to, the following: The DC Apprenticeship Council, DC Department of Employment Services, DC Department of Small and Local Business Development, DC Department of Transportation, US Department of Labor, and the US General Services Administration (Saint Elizabeth's Project). DC Water has also coordinated with various organizations that specialize in job readiness training. These organizations include the District of Columbia/ NOVA Job Corps, Goodwill of Washington, DC, National Utility Contractors Association, DC chapter, PipeWorks Training and Consulting, and Strive DC. Numerous meetings were held with the DC Water Project contractors as well.

Mr. Gray described the DC Water Works! Advanced Training and Placement Program as a three stage process. Stage1 involves the creation of a pipeline of individuals prepared and interested in becoming contractor trainees. These individuals will receive training in the following areas: basic math and reading, construction training and OSHA 10, CPR and first aid, soft skills training and the National Center for Construction Education and Training (NCCER) Core Curriculum Training. In addition to the above referenced training, the Stage 1 participants will receive basic training in a specific trade to be determined by DC Water. This determination will be made based on DC Water's review of Employment Plans submitted by contractors. This training will be provided at no cost to DC Water. Stage 2 involves having participants who have successfully completed Stage 1 to work with an Advanced Skills Training provider for continued development in a selected trade. The goal is to further provide the necessary skills for employment by DC Water contractors. Stage 3 involves the placement of graduates with DC Water employers. DC Water will set a placement goal for participants and will task the Advanced Skills Training provider(s) with achieving these goals.

Mr. Gray then went over the next steps that include the following: 1) an internal review of the Program; 2) review of the Program by the Governance Committee at its September meeting; 3) a formal presentation of the Program to the Governance Committee; 4) continuing outreach to the above-noted agencies and organizations; and 5) implementation of the Program.

The Committee emphasized that there should not be a disconnect among the three stages .The Committee noted the importance for the participants to be ready for Stage 2 where the hard skills would be achieved. It was further noted that Stage 2 would last for a prolonged period of time.

The Committee members were asked if they had any emerging issues or other business to discuss. Director Roth informed the Committee about a recent Supreme Court decision involving a clean air permit wherein the Court stated that in making such determinations, costs as a factor cannot be ignored. DC Water's General Counsel, Randy Hayman will explore any parallels between clean air legislation and clean water legislation in light of the costs incurred by the Consent Decree.

General Counsel Hayman also advised the Committee that he would be presenting for review at the September meeting a proposed Financial Disclosure Form for use by DC Water Board members/staff as well as a proposed Standard of Conduct Policy. The intent is for the forms and policy to be consistent with the Comprehensive Ethics Code developed by the District's Board of Ethics and Government Accountability.

The General Counsel, Randy Hayman, informed the Committee that an executive session was not needed.

Chairperson adjourned the meeting at 10:30 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS
Human Resources and Labor Relations
Committee
July 8, 2015

MEETING MINUTES

Committee Members Present

Ellen Boardman, Acting Chair
Rachna Butani
Matthew Brown
Robert Mallett

DC Water Staff Present

George Hawkins, General Manager
Randy Hayman, General Counsel
Mustaafa Dozier, Chief of Staff
Buji George, Chief Operations Officer
Rosalind Inge, AGM Support Services
Charles Kiely, AGM, Customer Care &
Operations
Linda R. Manley, Board Secretary

1. Call to Order

Ellen Boardman called the meeting to order at 11:01 a.m.

2. CDL Presentation

- A. Charles Kiely, AGM of Customer Care & Operations (CC&O), presented a PowerPoint about DC Water's Commercial Driver's License (CDL) requirement changes and its impact to various entities of the CC&O division - Water Services, Sewer Services and Distribution and Conveyance Systems (DDCS). He also briefed the Committee on the organizational structure of each department, and spoke of the operational assessments done to create continuity with water and sewer practices. In 2011, CC&O made changes to Water Services (Local 872) job descriptions to create consistency between the water and sewer departments; bring contracted work in-house; enhance operational flexibility; and to align job descriptions with regional and industry practices.
- B. One of the main concerns of Committee members was that all water services employees be required to obtain a CDL in order to maintain or retain their job. Additional concerns dealt with the health related eligibility factors that may inhibit promotions as well. It was explained that with the exclusion of entry level positions, CC&O's objective is that all are trained to industry standard and have the skill set to function interdepartmentally, as the need arises. Management asserted the right, and made the requirement applicable to all 2015 new hires. All bargaining units affected had been notified as required by the

Human Resources and Labor Relations Committee
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collective bargaining agreement. Existing employees were grandfathered into positions, which included two medical exception cases that warranted waiver of the CDL requirement. DC Water also provides a CDL training program for all to obtain certification, with opportunities for repeat testing as often as needed in order for an employee to attain the certification. A position promotions demographic table was also presented.

- C. Matthew Brown inquired about the number of non-CDL positions that now required CDLs. Mr. Kiely agreed to send that information to the Committee. Ellen Boardman reiterated concerns about the CDL imposition and the requirements to maintain its certification. She encouraged agency staff to consider alternative job eligibility considerations where necessary, so that employees do not feel disadvantaged by the CDL impositions. Mr. Kiely responded with examples of Local 872 employees who transitioned into CDL contracted positions (e.g., flush valve control, fire hydrant), which aids to boost workforce, reduce cost and improve customer satisfaction. Fleet figures reflected DC Water's use of 175 vehicles for CDL-related duties.
- D. Robert Mallett encouraged the executive team to conduct race, gender, demographic analysis on trends of the CDL qualifying factors. All agreed that such would be taken into consideration.
- E. The Committee asked staff what percentage of jobs required CDLs, and the frequency of use of them. Mr. Kiely reemphasized that the CDL requirement provides preparedness, versatility and a competitive edge, in accordance with industry standards. Robert Mallett encouraged the executive team to consider implementing a labor and management council to address issues that impact management and the labor force. He will forward examples of such programs to the GM.

3. Executive Session

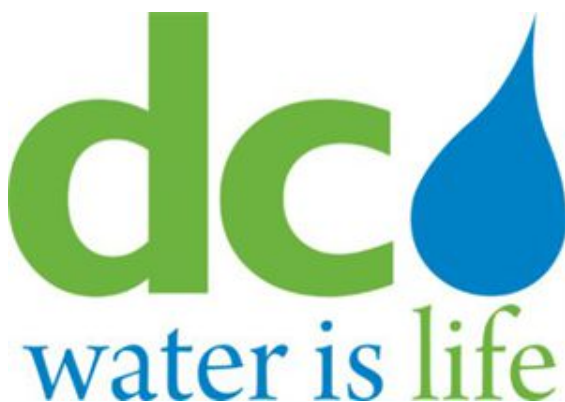
The executive session was tabled and will be rescheduled for another date.

4. Adjournment

The meeting adjourned at 12:16 pm.

FOLLOW-UP ITEMS:

- 1. CC&O to follow-up to present non-CDL to CDL conversion positions.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Sewerage
Services Committee**

Thursday, July 16, 2015

9:30 a.m.

MEETING MINUTES

Committee Members Present

Bo Menkiti, Acting Chairperson
David Lake
James Patteson
Matthew Brown
Elizabeth Feldt
Howard Gibbs
Brenda Richardson (via phone)

DC Water Staff Present

Biju George, Chief Operating Officer
Len Benson, Chief Engineer
Meena Gowda, Principal Counsel
Linda R. Manley, Secretary to the Board

I. Call to Order

Mr. Bo Menkiti, Acting Chairperson, called the meeting to order at 9:43 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 333 MGD, bringing the 12-month average to 290 MGD. 11.9-inches of precipitation fell during the June reporting period. Mr. Bailey noted that the new enhanced nitrogen removal facility is performing well, producing a low total nitrogen concentration of 2.8 mg/l. Overall, plant performance was excellent with 100% permit compliance. Biosolids production was 523 wet tons per day (wtpd).

Mr. Bailey reported that the Combined Heat and Power (CHP) facility is operating 2 turbines and at the end of June had produced 1,575 MWh of electricity for plant consumption. Mr. Bailey noted that some digester gas continued to be flared but expects all digester gas to be used once the third turbine is in operation. The committee requested the electricity usage chart to be updated to show the electricity production from CHP and the electricity purchased. Mr. Bailey responded that the bar chart will be modified for the coming months. Mr. Bailey noted that the design-build contract requires the CHP system to meet the performance guarantees during the operating period, which includes equipment maintenance and training of staff prior to receiving acceptance from DC Water.

III. UPDATES: POTOMAC INTERCEPTOR SEWER

1. Odor Abatement Project

Ms. Liliana Maldonado, DETS Director, reported that the failed valve actuator at Maryland Site 17 is being replaced and the site will be operational shortly. Site 27 (Old Angler's Inn) new carbon media specifically designed to treat hydrogen sulfide (H₂S) and dimethyl sulfide (DMS) odors will be delivered Monday, July 20, 2015 to replace the current carbon media. Site 27 odor control facility is expected to be back online the week of July 27, 2015. Virginia Site 31 started the operational demonstration test on July 16, 2015 and expects to have the required Fire Marshall approval to place the facility in full operation in early August 2015. Ms. Maldonado added that during her visit to the Potomac Interceptor Site 27 on July 16, 2015, the current carbon system was temporarily turned on and she noted the DMS odor could be perceived but was not overwhelming. Ms. Maldonado noted the entire system optimization and balancing is expected to start in August 2015 once all 7 odor control sites are in operation.

IV. ACTION ITEM - JOINT USE

1. None

ACTION ITEM – NON-JOINT USE

1. Contract No. 140050, SAK Construction, LLC

Mr. Len Benson, Chief Engineer, presented the action item 1.

Action Item 1 is a request to execute a contract to rehabilitate sewers under buildings to increase system efficiency and add 50-year service life. The committee inquired to the significant difference in the bid amount of SAK and the two other bidders, and asked whether SAK had a history of submitting low bids in anticipation of change orders. Mr. Benson responded that SAK is considered a preferred contractor and did not have a history of underbidding.

The Committee will recommend the action item to the full Board.

V. OTHER BUSINESS/EMERGING ISSUES

None

VI. EXECUTIVE SESSION

The committee went into an executive session and reconvened at 10:33 a.m.

IX. ADJOURNMENT

The meeting was adjourned at 10:35am.

Follow-up Item

1. Revise Blue Plains Electricity Usage bar chart to show electricity production from CHP and the electricity purchased.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

**BOARD OF DIRECTORS
WATER QUALITY AND WATER SERVICES COMMITTEE**

**MEETING MINUTES
THURSDAY, JULY 16, 2015**

Present Board Members

Rachna Butani, Chair (via Phone)
Bo Menkiti, Vice Chair (via Phone)
Brenda Robinson (via Phone)
Matthew Brown, Board Chairman
Robert Mallett
Howard Gibbs

Present D.C. Water Staff

Biju George, Chief Operating Officer
Jason Hughes, Director, Utility Services
Meena Gowda, Principal Counsel
Linda R. Manley, Board Secretary

I. Call to Order

Ms. Butani called the meeting to order at 11:00 a.m.

II. Water Quality Monitoring

A. Total Coliform Rule (TCR) Testing

Jason Hughes, Director, Utility Services, updated the Committee on TCR testing. For the month of June they were at 0.8 percent positive, as a result of two positive tests. One was at the EPA Headquarters Building and the other was a TCR hit at a fast food restaurant in the District. The second one was at a location that they had some trouble with in the past, particularly after extended holiday weekends on a Monday. This is a very unique situation and Mr. Hughes reported that they have been working with the business in an attempt to figure out what may be happening in their operation. He indicated that they will continue to investigate this situation.

B. Lead and Copper Monitoring

Mr. Hughes reported that the first semester's results are in and are well below the level of concern. As reported last month, these are the lowest results D.C. Water has ever had. On first draw they were 2.4 micrograms per liter on 108 samples and on the second draw they were 4.1 on 103 samples. That report has been issued to EPA and the second semester's monitoring will begin at the end of July.

III. Fire Hydrant Upgrade Program

Mr. Hughes also gave the report on fire hydrants. He stated that for the month of July there were approximately 9,457 public fire hydrants, of which 9,333 were in service. The out of service hydrants as a result of defective requiring repair or replacement were 48 at the time of the report, and out of service hydrants due to inaccessibility because of construction were 76. That was .51 percent.

Mr. Hughes stated that there was one action item that they wanted the Committee to recommend for Board approval. It was for a small diameter water main replacement contract. The prime is Fort Meyer and they have two subcontractors, Omni Excavators and Hybrid Construction Engineering that are minority business entrepreneurs (MBE) and women business entrepreneurs (WBE). This is in support of the ongoing efforts to replace one percent annually of the water distribution system.

Mr. Gibbs asked about the very narrow spread between the bidders. He thought that they were hungry for this contract. Ms. Butani noted that contractors were bidding very competitively.

Ms. Butani asked for other questions about the contract and if the Committee wanted to recommend it for approval by the Board. The Committee members indicated that they agreed it should be recommended.

Board Chairman Brown stated that he recently set down with the General Manager and the new Fire Department Chief who had some basic questions about the Fire Hydrant Program—how it was managed, how fire hydrants are replaced, what the performance metrics were, how the District receives information about fire hydrants that are out. He indicated that he thinks everything is fine on D.C. Water's side. Mr. Hawkins stated that D.C. Water would begin to send the report to the Fire Chief on a regular basis. They were trying to work through some issues about the real-time reporting when fire hydrants go out. He thinks there was a technical glitch on the District side but everyone at the meeting pledged to work on that. The meeting went well and he will come back in the future if there are any other concerns. Ms. Butani stated that Mr. Wall was going to redesign the hydrant report, so next month in September they will see if the new reporting format is working.

There being no further questions or comments, Ms. Butani adjourned the meeting.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

**BOARD OF DIRECTORS
STRATEGIC PLANNING COMMITTEE**

THURSDAY, JULY 16, 2014

MEETING MINUTES

Present Board Members

Robert Mallett, Chair, District of Columbia
Matthew Brown, Board Chairman
David Lake, Montgomery County
Bo Menkiti, District of Columbia
James Patteson, Fairfax County
Howard Gibbs, District of Columbia

Present D.C. Water Staff

Biju George, Chief Operating Officer
Sarah Neiderer, Strategic Planning Officer
Linda Manley, Board Secretary

I. Call to Order

Chair Mallett called the meeting to order at 8:35 a.m.

II. Blue Horizon 2020: Implementation Progress Report

Ms. Sarah Neiderer, Strategic Planning Officer, briefed the Committee on the status of the Blue Horizon 2020 Strategic Plan. Prior to discussing substantive details regarding implementation and progress, Ms. Neiderer recalled for the Committee the steps taken by the Board to develop and approve Blue Horizon 2020. She further explained the strategic plan was comprised of nine (9) goals. For each of the enumerated goals there are also a number of strategic initiatives.

Implementation of a goal is led by a member of executive management commonly considered to be the “goal champion”. Implementation of an initiative is led by a member of senior management commonly referred to as an “initiative champion”.

Ms. Neiderer delivered a PowerPoint presentation highlighting the status of progress for each goal area and its supporting strategic initiatives. Each goal discussed in the presentation contained a description indicating “percent complete”. Ms. Neiderer explained the “percentage complete” number represented an average of the milestones and/or initiatives completed. The majority of goals and objectives were reported as greater than fifty percent (50%) complete. A number of goals were reported as one hundred percent (100%) complete.

Based on the number of initiatives that were reported at fifty percent (50%) or more completed, the Committee raised concerns regarding how the “percentage complete” number was determined. Ms. Neiderer responded to these concerns by explaining the numbers reported were determined based on information provided by initiative champions to the relevant goal champion. Ms. Neiderer explained goal champions ensure plan progress is accomplished through regular progress meetings with initiative champions.

The Committee expressed concerns regarding the subjective nature of self-reporting and self-evaluation. The Committee suggested Authority staff pursue efforts to determine how other organizations measure similar tasks; and to benchmark DC Water’s performance in these areas against other organizations. Ms. Neiderer informed the Committee that DC Water staff are developing performance outcome metrics that will align with the goal areas. It is expected future updates will be validated using quantitative outcome metrics.

With regard to benchmarking, the Committee inquired how the Authority would benchmark the vision to be a “world-class” utility. Biju George, Chief Operations Officer, replied there were two ways to approach the challenge. First, Mr. George suggested there are industry benchmarks that many water and wastewater utilities follow. The second is that for various business processes there are industry groups that have their own benchmarks. Mr. George, further explained for asset management there is a group that conducts audits every four years, not only for metrics but for practices. Accordingly, he expressed it is a true comparison of not only numbers but the business processes. The Committee suggested we benchmark against world-class entities not just utilities.

Additionally, the Committee expressed concerns regarding areas determined to be one hundred percent (100%) complete. The Committee expressed its position that a goal or initiative is never 100% complete because efforts are ongoing. Ms. Neiderer explained the “percentage complete” number was meant to illustrate the completion of milestones and initiatives under each objective and goal area. As a result, the “percentage completed” numbers illustrated in the PowerPoint were a representation of tasks that had been completed in support of achieving an initiative or objective.

Ms. Neiderer explained proposed revisions to the plan would establish new milestones and initiatives because many of the milestones established at the time Blue Horizon 2020 was approved have been completed. By revising the plan with new milestones and initiatives, the Authority was ensuring continued progress would be made in each goal area.

In order to enhance Board oversight and facilitate a more meaningful examination of plan progress, Ms. Neiderer proposed that “Strategic Plan” be added as a standing agenda item on all Committee agendas. Accordingly, DC Water staff will regularly report progress regarding milestones, initiatives and strategic goals to the appropriate committee(s).

III. Blue Horizon 2020: Proposed Revisions

Ms. Neiderer indicated that the plan has been updated extensively from the goal to the milestone levels because of completion/progress in quite a few areas of the plan.

Ms. Neiderer reviewed the revisions to the strategic plan detailing changes at the goal and objective levels. Additionally, an appendix to the presentation package identified changes at the initiative and milestone levels.

The Committee indicated an interest in learning more about what has been achieved in the plan in order to adopt changes. As a policy body, the Committee requested to be kept apprised of progress on the Plan. It was suggested that the Committees review their respective goal progress, then bring feedback and proposed revisions to the full Board. This will aid in engaging the subcommittees so that they stay abreast of the status of the goals. The Committee agreed that the Board should make sure the strategic direction of the Authority is moving in the right direction. Mr. George stated that Mr. Hawkins advised a board retreat is slated in the fall to discuss refining the Strategic Plan.

Thereafter, Mr. Mallett requested consensus from the full aboard to approve the proposed changes with the caveat that Ms. Neiderer and others are required to speak to each committee where action is being taken on each of the goals to discuss the implications of changes. The members indicated their agreement.

The committee approved the recommended proposed revisions; whereupon, Mr. Mallett adjourned the meeting.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Audit Committee

Thursday, July 23, 2015

9:30 a.m.

Meeting Minutes

COMMITTEE MEMBERS PRESENT

Nicholas Majett, Chairman
Matthew Brown, Chairman of the Board
Ellen Boardman, Committee Member

INTERNAL AUDIT STAFF PRESENT

Dan Whelan, McGladrey LLP
Charles Barley Jr., McGladrey LLP
Jill Reyes, McGladrey LLP
David Luker, McGladrey LLP
Kelly Johnson, McGladrey LLP

DC WATER STAFF PRESENT

Biju George, Chief Operational Officer
Mark Kim, Chief Financial Officer
Randy Hayman, General Counsel
Linda Manley, Secretary to the Board

Call to Order (Item 1)

Mr. Nicholas Majett called the Audit Committee meeting to order at 9:30am. Mr. Majett then turned the proceedings over to Mr. Mark Kim.

Introductory Remarks from KPMG Regarding the Financial Statement Audit (Item 2)

Paul Geraty, engagement partner from KPMG, presented an overview of the Fiscal Year 2015 Financial Statement Audit and OMB Circular A-133 Single Audit. This included an overview of the scope, engagement team, approach and timeline. Mr. Geraty confirmed that Bert Smith, the subcontractor, and KPMG will work together to meet the Agency's MBE requirements and provide as efficient an audit as possible.

The scope of the work will include auditing the financial statements, as well as the compliance with laws and regulations throughout the organization. As a part of the audit of financial statements, performed in accordance with government auditing standards, the team will issue a report on internal controls and compliance at the

financial statement level. The report will include any noted significant deficiencies or material weaknesses.

The team's objective throughout the single audit process is to provide an opinion on compliance for the organization's three major programs. Given the size of the programs, they would be reviewed once every two years, but no less than once every three years. The presented timeline for the entire audit extends from August 2015 thru to January 2016.

Upon the conclusion of the audit, any additional findings or recommendations that do not rise to the level of significance to be included in the reports, will be included in a management letter similar to what the team has provided for the past two years.

The new accounting standards for Fiscal Year 2015 are not expected to have any effect on the audit for this year. An update will be provided as to the status of the audit at the next Audit Committee Meeting in October.

Internal Audit Update (Item 3)

Mr. Whelan announced that effective October 26, 2015, in an effort to maintain the global consistency of representation seen by its counterparts, McGladrey LLP will be rebranded from McGladrey to RSM.

Mrs. Reyes reviewed the Internal Audit Matrix and reported that to date, the Internal Audit team has issued seven of the audits on the initial plan and there are three remaining audits in progress, to be issued at the next meeting in October.

The Internal Audit Team is in the planning stages for several other tasks, and has begun the risk assessment process for the next fiscal year. A three-year plan was initially proposed, however, each year the team will review the proposed plan to ensure that the data remains relevant to the organization.

Ms. Johnson then reported the status of the prior audit findings. Ms. Johnson reported that to date, 37 prior audit items remain open. Since the last audit committee meeting, the Internal Audit team has been able to close three more items and reduce the number of pending testing items from twelve to six.

A point of clarification was offered regarding the corrective action themes, to state that most of the policies and procedures affecting 19 of the 37 items, have been drafted and presented to the General Manager. Those policies will then be passed forward to the Union for discussion and approval; until that time, the items will remain open.

Internal Audit Update (Item 3) - continued

Ms. Johnson also reported on the implementation of an automated Issue Tracker, a web-based tool that allows process owners to monitor their findings and to provide real time updates and documentation. The tool also allows process owner to request extensions and closure and thus far has been used across the Agency.

Mrs. Reyes introduced the Procurement report and reminded the committee that a memo was presented at the last meeting to request a change for the internal audit plan to include procurement in the plan. The scope of the audit was narrowed to pre-award and selection processes. Mrs. Reyes noted that once the contract has been executed, the next phase will be the contract management portion of the process, which is on the audit plan for Fiscal Year 2016.

Ms. Johnson presented the two observations from the report and an opportunity for improvement. Upon inquiry from Mrs. Boardman, it was clarified that that the observations did not impact the selection of the vendors in those instances.

Mrs. Reyes provided an update on the status of the Prior Observations and Recommendations from Procurement reports issued by Consultants and the prior Internal Auditor. The Audit Committee requested that the Internal Audit team review the observations that are still in-process and note if it is process improvement or an internal control finding, provide a risk rating for the internal control findings and document management's response to the internal control findings. Mr. Dan Bae, Director of Procurement, discussed the Agency's Business Process Improvement Plan (BPI) for Procurement and agreed, along with Mr. Kim, to review the Prior Observations and Recommendations from Procurement-related reports with the Internal Audit team and provide an email update to the Audit Committee by the end of August, for potential action and discussion as determined necessary at the October 22, 2015, meeting.

Mr. Luker presented the Engineering – Contractor Management report. Mr. Luker indicated that, due to the size and complexity of various the third-party arrangements at the Authority, this was the first phase of a three-phased audit plan for Engineering – Contractor Management, and the scope of this audit was to gain an understanding of the design of controls. Mr. Luker stated that the Internal Audit team was comfortable with the design of the controls in place. Throughout the assessment of the controls, the team did not identify any specific findings that rose to the level of having a risk level assigned or that required a response to management. The testing of the controls will take place during the next phase of the project. Mr. Luker presented two process improvement opportunities.

Internal Audit Update (Item 3) - continued

Ms. Johnson gave a brief update on the hotline calls. Ms. Johnson reported that since the last audit committee meeting the Hotline has received six additional calls; three were claims of fraud, three were classified as other. To date, the IA team has closed four cases and currently have five open.

Ms. Johnson also reported that a web-reporting tool has been implemented to allow DC Water employees to report claims online. The tool will be operated by the same vendor that presently receives the calls for the hotline and dispatches them to the Internal Audit team. Through the new tool, a caller will be able to submit their report online and it will reach the Internal Audit team directly, as opposed to the operation of a call center. Mrs. Boardman asked for clarification on who receives the calls and information, and Ms. Johnson clarified that the calls are monitored by The Network, a third-party vendor, and the web-tool is also managed by them. All claims are forwarded to the Internal Auditors rather than management.

The Internal Audit team had a quarterly joint meeting on Wednesday July 22 with General Counsel, Labor Relations and Security to discuss ongoing investigations, the open cases and the hotline standard operating procedures, which are currently in draft form.

Per inquiry from the Audit Committee, all hotline claims are taken very seriously. Once a report is received by the Internal Auditors, claims are discussed internally and distributed to the appropriate party for investigation. Based on the volume of calls, the Internal Audit team has not had a need to formally prioritize the calls.

Executive Session (Item 4)

Mr. Hayman asked for a motion to move into Executive Session to discuss legal, confidential, and privileged matters pursuant to Section 2-575(b)(8) of the D.C. Official Code. It was so moved and seconded. Ms. Manley conducted a roll call vote and the motion was approved. The Audit Committee went into Executive Session at 10:38 a.m.

Adjournment (Item 5)

The Board moved back into public session. The Audit Committee meeting adjourned at 10:53 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, July 23, 2015

11:00 a.m.

MEETING MINUTES

Committee Members in Attendance

Robert Mallett, Acting Chairperson
Adam Ortiz
Matthew Brown
James Patterson

DC Water Staff

Biju George, Chief Operating Officer
Mark Kim, Chief Financial Officer
Randy Hayman, General Counsel
Ivan Boykin, Senior Financial Analyst
Linda Manley, Secretary to the Board

Other Presenters & Guests

Dan Hartman, PFM

Call to Order

Robert Mallett called the meeting to order at 11:05 a.m.

Monthly Financial Report

Mark Kim, CFO, indicated that he will be presenting the monthly finance report going forward in an effort to streamline committee meetings. He noted that all performance indicators on the financial dashboard were satisfactory and on track with expectations.

With respect to revenues, Mr. Kim noted the shortfall in Municipal Revenues due to the ongoing dispute with the District government over the RFK IAC charge. This matter was further discussed in executive session. In addition, Other Revenue was below a straight-line projection, but Mr. Kim explained that this shortfall is due to a timing issue with several large payments expected at the end of the fiscal year in Q4. Mr. Kim stated that he expects the Authority's total revenues to be at the projected levels or even slightly above budget by fiscal year end.

With respect to expenditures, Mr. Kim noted that the total year-to-date figures are below budget for both operating and capital. However, Mr. Kim expressed two areas of concern – Personnel Services and Utilities, both of which are experiencing budget pressures. These expenditure line items will be closely monitored by staff. In Capital Disbursements, the next Quarterly CIP Report is expected to be presented by DETS in September at the Environmental Quality Committee

Meeting, but Mr. Kim explained that we are projecting capital spending to be at 90-95% of the CIP budget by fiscal year end.

Mr. Kim concluded the monthly report by noting that the Operating Reserve Account had an ending balance of \$153.3 million versus the Board's policy of maintaining a minimum balance of \$125.5 million, the Rate Stabilization fund had an ending balance of \$22.5 million, and the investment returns for the period averaged 0.49%.

Plan of Finance Presentation

Mr. Kim and our financial advisor, Mr. Dan Hartman of Public Financial Management (PFM), presented the plan of finance for the remainder of this year. Mr. Hartman gave a financial market update to the Committee and noted the continuing low interest rate environment in the municipal bond market. Mr. Kim stated that the DC Water is planning to issue \$300 million in fixed rate, tax-exempt, 30-year subordinate lien revenue bonds in October, with \$150 million issued as "Green Bonds" to finance the Clean Rivers Project and \$150 million for other capital projects. The underwriting syndicate has been identified and bond documents authorizing the sale will be presented to the Committee at its September meeting for Board approval in October.

Mr. Kim then briefed the committee on an Extendible Maturity Commercial Paper (EMCP) program in the amount of \$100 million. EMCP is a cost effective method of short-term interim financing relative to the Authority's Commercial Paper (CP) program, as it does not require the use of a bank letter of credit. The EMCP is sold based on DC Water's underlying credit rating and self-liquidity, and would be used to diversify and complement its CP program. The first anticipated use of the EMCP program will be to re-finance approximately \$50 million existing floating rate notes in December.

Mr. Kim also briefed the committee on a Forward Purchase Agreement (FPA) as a means of providing additional interest income on monthly debt service set asides held by the Authority's Trustee. It is anticipated that the FPA would cover approximately 50% of these monthly debt service set asides for a period of 3-7 years and will be exchanged for eligible interest bearing securities provided by a counter party bank, which will mature on or before the Authority's semi-annual debt service payment dates. The FPA is expected to generate an additional \$1 million in incremental interest income for DC Water.

Mr. Hartman described DC Water's participation in the first DC Investor Conference to be held at the DC Convention Center on September 24-25, 2015. The District government, Metropolitan Washington Airport Authority (MWAA), Washington Metropolitan Area Transit Authority (WMATA) and DC Water will co-host the conference. This conference will give DC Water an opportunity to meet directly with investors as a group and in one-on-one sessions. The timing of the conference is particularly opportune with DC Water's plan to issue new debt in October.

Alternative Payment Systems Presentation

A new plan to offer DC Water ratepayers Alternate Payment Sites (APS) was presented by Mr. Kim and Mr. Ivan Boykin, Senior Financial Analyst. This new program will establish 192 APS within the District, Maryland and Virginia to accept DC Water payments. There are 52 locations

in Washington DC, many of which are in traditionally underserved communities. The vendor will charge DC Water a \$1.00 convenience fee for each transaction processed. The Committee expressed its agreement with management's recommendation that DC Water absorb this cost for its ratepayers. Mr. Kim noted that DC Water currently absorbs similar fees for credit card payments (approx. \$1.60 per transaction).

Mr. Kim then moved to a discussion of DC Water's Business Office at 810 First Street, NW. The analysis compared the overhead costs of maintaining the Business Office against the cash revenues collected, and concluded that it was no longer economically feasible for DC Water to maintain its Business Office. The Committee expressed its agreement with this conclusion and management's recommendation to close the Business Office in January 2016.

Other Items

Agenda for the September meeting was accepted. The Committee agreed to meet in person in September due to the large volume of projected materials that will require review.

Action Items

None.

Follow-up Items

None.

Executive Session

The meeting moved into Executive Session at 12:05 PM and reconvened into open session at 12:30 p.m.

The meeting was adjourned at 12:32 p.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, August 25 2015

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Alan Roth, Chairperson - Teleconference
Matthew Brown - Teleconference
Rachna Butani - Teleconference
Robert Mallett - Teleconference
Brenda Richardson – Teleconference
Obiora “Bo” Menkiti - Teleconference

DC Water Staff

George Hawkins, General Manager
Mark Kim, Chief Financial Officer
Randy Hayman, General Counsel
Linda Manley, Board Secretary

Call to Order

Chairman Roth called the DC Retail Water and Sewer Rates Committee meeting to order at 9:32 a.m.

Action Item

Mr. Kim referred the Committee to the following action item.

Action Item #1: Approval of Proposed Amendment for the Water System Replacement Fee (effective October 1, 2015).

Mr. Kim explained that the amendment is a modification to the previously approved Water System Replacement Fee (WSRF) to accommodate residential customers who install a two inch (2”) meter due to fire suppression requirements. The amendment would reduce the WSRF for residential customers with a two inch (2”) meter to the fee for a one and one-half inch (1.5”) meter. Chairman Roth recalled that the reduction in the WSRF was from \$83.75 to \$41.35. Mr. Kim confirmed. Chairman Roth inquired if any public comments were submitted on the proposed modification. Mr. Kim replied that one comment was received, which was general in nature regarding the overall rates.

Following discussion, the committee forwarded the action item to the full Board for approval on September 3, 2015.

Business Office Phase-Out and Alternate Payment Sites for Ratepayers

Mr. Kim discussed with the committee the Authority's plan to phase out the Business Office at 810 First Street, NE and to implement in its place an Alternate Payment Sites (APS) approach for Ratepayers. He explained a study that was undertaken to look at our operations in our Business Office at 810 First Street. An economic analysis was conducted to take a look at the overhead cost to maintain the Business Office. At one time all of the Customer Service and the Business Office operations were housed at 810 First Street. Customer Service operations have since relocated to 80 M Street, leaving only the Business Office operations at 810 First Street. DC Water spends about \$578,000 per year to operate the Business Office. A breakdown of the cost includes six full-time staff, one armed security guard, rent and parking.

The analysis revealed it costs approximately \$0.44 to collect \$1.00 of revenue based on the number of customers that drop off payments at the Business Office. DC Water spends on average \$59 to service each customer that visits our Business Office. Management has decided to integrate the Business Office back into our main operations both at 80 M Street and at headquarters and close down the Business Office. In lieu of the one location that DC Water has for customers to make payments, management explored Alternative Payment Sites (APS) vendors through an RFP process. An APS vendor was selected which offers our customers 192 locations throughout the District of Columbia, Maryland and Virginia, with 52 locations in the District of Columbia. These sites include grocery and convenience stores, and pharmacies.

Ms. Richardson asked what will happen to the staff at the 810 First Street Business Office. Also, what is the expectation of the APS sites regarding customer service? Mr. Kim replied that there are six full-time equivalent staff -- two Customer Service Representatives and four Financial Personnel. The two Customer Service Representatives will be integrated at 80 M Street. The four Financial Personnel will be integrated at headquarters. Ms. Richardson suggested that DC Water should visit all District of Columbia 52 APS locations. Mr. Kim replied that the staff will do due diligence and commit to monitoring any feedback from customers and report back to the committee.

Mr. Kim discussed transportation costs and convenience fees. Mr. Kim noted that DC Water will absorb the over the counter APS convenience fee.

Ms. Butani suggested preparing a survey for DC Water customers to evaluate the APS customer service experience. Mr. Kim advised that staff would consider sending a survey once the APS program comes on line.

Mr. Hawkins stated that the APS vendor selected also accepts Washington Gas and Pepco payments.

Chairman Roth asked whether the APS vendor has the obligation to scale up number of locations if existing locations in the District close. Mr. Kim did not know whether DC Water has such a contractual right with respect to the number of payment location, but stated that we went through a competitive process with a number of APS vendors and one of the selected vendor's big selling points was the number of sites.

On balance, the Committee believed this approach would be a net positive for DC Water customers.

DC Retail Water and Sewer Rates Committee Workplan

Mr. Kim briefly updated the committee on the workplan and mentioned that the workplan is currently on schedule.

Other Business

Mr. Kim gave a brief update on the implementation of the new rate structure. We are about halfway done with testing of the various rates and that our interfaces between the billing and financial systems are working through the halfway point.

Executive Session

No executive session.

Adjournment

The meeting was adjourned at 10:03 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (August 25, 2015)

There were no follow-up items.



MANAGER'S

ember 201

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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

Message from the CEO/GM

Greetings to the Board, and welcome back to many of you (and me) from some time off this summer. I had the privilege of embarking on a safari in Kenya in July and early August, which my command of language is not up to the task of describing suitably. I must say, though, that is hard to miss the fundamental importance of water in the everyday life of a Kenyan, and how much time and effort is taken to gain access to that which we often take for granted. I have come back even more certain of the importance of our enterprise and the value we deliver to our customers. And despite some time off, August was still a very busy month.

Retail Rates

The entire enterprise is working hard to implement the most significant change to our rating system since DC Water was formed in 1996. As you know, we have instituted four big changes: i) differentiation of water rates between classes of customers based on peak use factors; ii) creation of a fixed Water System Replacement Fee to create a permanent funding source to replace 1 percent of our water infrastructure each year which is not dependent on volumetric use; iii) creation of a “lifeline” rate to discount the first 4 Ccfs of water use for all residential customers to emphasize an incentive for reducing water use and provide some rate relief for small households, particularly those on fixed incomes; and iv) expanding our Customer Assistance Program to provide a full credit for low income customers for the new fee. After the Board and staff engaged in a detailed review of the proposal, and then a comprehensive effort to gain public feedback, two big tasks are still at hand.

First, the Retail Rates Committee emphasized that we need to explain to our customers the changes that are coming on October 1 (and we agree.) We recognize that while our Town Hall outreach efforts are extensive, the vast majority of our customers probably still do not realize that a significant change is coming. John Lisle and our External Affairs office therefore sharpened their pencils and developed a comprehensive outreach program to explain the changes to our customers. We have been placing colorful and interesting inserts in each monthly bill during July through October. We have reached out to local media and generated articles in the Washington Post and other publications, and participated in a full program on the Kojo Nnamdi show on WAMU. Third, we just finished a public service announcement that will air on cable channels on the Comcast network shortly. Finally, we distributed a stand-alone letter to each customer explaining exactly what is to come. Of course, we are also employing all our regular outreach tools – including our website, Facebook, Twitter and the rest to get this information to the public.

Second, we have been testing our customer information system (CIS) to ensure it will generate new bills with this scale of change accurately. This effort, driven by Mark Kim, Charles Kiely and Lauren Preston, supported by Tom Kuczynski and so many others, is not glamorous, but nonetheless essential. Now that rates are different for customers in difference classes, making sure we have the accurate classification for each of our 135,000 customers is now paramount. (With the same rates across customer class, this distinction was theoretical, but did not change a bill.) Moreover, incorporating some classes with discounts (lifeline), some customers with other discounts (CAP for the WSRF), and all customers with the other increases to the water, sewer and IAC charges – is pushing our staff and the CIS system to the limit. Adding to the challenge is our consideration of changing the WSRF for residential customers who have a larger meter due to fire suppression.

Message from the CEO/GM

We still have a tremendous amount of work to do and will be working full tilt through September into October. The Board should be confident that we are engaging the entire organization to focus on these critical issues at this critical time.

End of an Era

Similar to my safari experience, my command of language is not up to the task of describing the bittersweet feelings we all have on the retirement last Friday of Walt Bailey. We honor and celebrate the 42 years that Walt has invested in DC Water and its predecessor entities. We are sad to say farewell to such a warm and humble man who is nonetheless a man of almost frightening knowledge and experience – a combination that is both profound, and in my experience, unusual. He has recruited and retained perhaps the finest senior team for any treatment facility in the world and helps them work truly as a team, often said and rarely achieved. He has orchestrated the development and operation of the largest discharger to the largest freshwater estuary in North America with the highest level of scrutiny from an agency headquartered just miles away from the facility – and helped turn it into a world class service that exceeds every relevant performance standard. He has engendered respect and admiration from employees and colleagues from an entry-level operator to the Board. He has won almost every award that it is possible to get in our industry and is literally a legend to many in the field. And perhaps most remarkable, Walt would be the last person to highlight any of these accomplishments, preferring to hold up to the light the accomplishments of his colleagues. I have told Walt that there may be no person ever that has done more to protect the water of the Potomac, Rock Creek, Anacostia and Chesapeake Bay, and that he has done so by working so well not as a single person, but always at the sides of other. I have been proud and blessed, and will always be so, to have worked at his side.

Start of New

I will spend more time at the October Board meeting to introduce the Board to the new management structure at Blue Plains. But there is a particular new employee I wanted to highlight in connection with some new directions for the Authority – which is actually the return of a great friend to DC Water. As of August 24, Alan Heymann has been hired to be DC Water's first-ever Chief Marketing Officer. Many of you remember that Alan was our Chief of External Affairs when I first started as GM, and orchestrated the branding change from DC WASA to DC Water. Alan gained valuable experience in a national role in external affairs for a non-profit organization, and I was able to entice him back with the prospect of generating new revenue sources at DC Water by marketing services that the Authority can offer other utilities. (The Board remembers the launch of our ART services – Advancing Research and Technology.) I am delighted we have Alan back at DC Water and look forward to reporting more on his efforts in the future.

External Affairs

Government Relations

On July 23, 2015 the U.S. Senate Committee on Appropriations approved the Fiscal Year 2016 Financial Services and General Government Appropriations Bill. The Committee-approved bill includes a \$14 million payment for the Clean Rivers Project. While the President's proposed budget requested a \$24.3 million appropriation in FY16, the inclusion of any funding for the Clean Rivers Project by the Republican-controlled Senate should be viewed positively. The U.S.

Message from the CEO/GM

House of Representatives Committee on Appropriations approved a bill earlier this year that contained no funding for the project.

The next steps in the appropriations process are unclear with the full Senate having passed no FY16 appropriations bills to date and the fiscal year ending in October. There is speculation of a looming government shutdown, but thankfully recent legislation passed by Congress would hold the District Government and DC Water harmless if the federal government is forced to close.

Media Relations

- OEA managed a media opportunity surrounding the cutterhead lift that generated television, website and print coverage:
 - Washington Post Express: Lady Bird TBM emerges from her hole
 - Washington Post: [Boring machine 'Lady Bird' is almost done with its work digging under D.C.](#)
 - [ANYTHING BUT BORING: LADY BIRD EMERGES](#)
 - [These "Ladies" are doing some serious river cleanup for the District](#)
 - [In D.C., saying farewell to Lady Bird](#)
 - [Channel 9: "Lady Bird" resurfaces after 2 years of digging](#)
 - [DC-ist: This Is Boring News: DC Water's 'Lady Bird' Completes Two-Year Mission](#)
 - [Channel 4: Huge Tunnel Boring Machine Completes Mission for DC Water](#)
 - [Channel 7: Tunnel boring machine lifted to surface in D.C.](#)
- Peter Beland wrote Four Things DC Water Looks For in Private Partners” <http://americanwatersummit.com/articles/four-things-dc-water-looks-private-partners>
- *Washington Post* article by Antonio Olivo explored the funding gap for infrastructure http://www.washingtonpost.com/local/report-cost-to-fix-aging-sewers-roads-schools-will-far-exceed-available-funds/2015/07/18/3332778a-25af-11e5-b77f-eb13a215f593_story.html
- [Whitney Pipken](#) wrote a piece for the *Chesapeake Bay Journal* entitled “DC Water overflow project counting on ‘green’ being the new ‘gray’” based on interviews with [Mr. Hawkins and others.](#)
- *Washington Post*’s Katie Shaver ran a piece on rate increases, entitled, “D.C. residents, businesses to face higher water and sewer bills.”
- George Hawkins was a guest on the *Kojo Nnamdi Show* on Monday, July 13 covering a range of topics including rates, GI and tunnels for the Clean Rivers Project and innovation.
- George Hawkins was interviewed by Tom Sherwood, NBC-4 for a positive story on rates
- DC Water was mentioned in a *Washington Post* article dated June 25 for assisting the Washington Nationals in pumping out Nats Stadium after flash floods.
- *Circle of Blue* covered the rate increase in a positive story based on the George Hawkins Kojo interview.
- DC Water’s response to the Soapstone sewage spill was carried by most local outlets.
- *Institutional Investor* article appeared entitled, “Investors Finally Tap into U.S. Water Market” including quotes from George Hawkins.

Message from the CEO/GM

- In a June 19 story entitled, “How DC Water Is Trying To Turn Sewage Into Fertilizer For Your Food,” Jonathan Wilson at WAMU covered the biosolids and compost story, interviewing DC Water’s Chris Peot.
- Press Releases and Advisories issued July 16 to August 15 included:
 - 8/07: Sidewalk Closures on Canal Road NW to Begin on or About August 10
 - 7/30: Soapstone Trail Closure and Audubon Terrace Parking Restriction to Begin on or Around August 3
 - 7/24: Avoid Water in Maddox Creek
 - 7/23: Lady Bird Emerges!
 - 7/22: UPDATED Media Advisory: Lady Bird Completes Mission—Will Emerge from underground after mining 4½ mile tunnel

Meetings/Presentations/Events

- As part of its Environmental Education Program, DC Water provided an environmental lesson at Paramount Baptist Church summer Camp in Southeast, Washington DC. The topic of the lesson was on water conservation and drinking water quality.
- As part of its Environmental Education Program, DC Water provided an environmental lesson at Mary McLeod Bethune Day Academy Public Charter School in Northeast, Washington DC. The topic of the lesson was on drinking water quality.
- DC Water attended a special meeting hosted by members of ANC 7D to provide important information on its Watts Branch Sewer System Evaluation Study, specifically the smoke-testing program as part of this project.
- In an effort to improve the reliability of local sewer service and reduce the risk of overflows from the sanitary sewer into Watts Branch, DC Water has recently begun conducting “smoke testing” in the Watts Branch Sewer System. The purpose of the testing is to locate breaks and defects in the sewer system as well as reveal sources of storm and other surface waters entering the sewers.
- As part of its Environmental Education Program, DC Water provided the first in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on water conservation.
- As part of its Environmental Education Program, DC Water provided an environmental lesson at Camp Believe at Noyes Education Campus in Northeast, Washington DC. The topic of the lesson was on water conservation.
- As part of its Environmental Education Program, DC Water provided an environmental lesson at Douglas Memorial United Memorial Church in Northeast, Washington DC. The topic of the lesson was on water conservation.
- As part of ongoing partnership efforts with the National Center for Children and Families’ Parent Resource Center, DC Water attended the organization’s Summer Fest Parent Summit, providing refreshing, cold tap water, giveaways, and a special guest appearance by Wendy the Water Drop.
- As part of its Environmental Education Program, DC Water provided the second in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on water pollution.
- As part of its Environmental Education Program, DC Water provided the third in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on water conservation.

Message from the CEO/GM

- DC Water co-hosted with members of ANC 3F a special public meeting to present to interested community members alternatives for design of the Soapstone Valley Park Sewer Rehabilitation Project that have been developed and are under evaluation. Among notable individuals/agencies represented at the meeting, there were as follows: Ward 3 Councilmember Mary Cheh and members of her key staff; former member of DC Water's Board of Directors, David Bardin; NPS; and DDOE.
- DC Water hosted a public information meeting to further discussions with Watts Branch community members regarding the smoke-testing portion of the Watts Branch Sewer System Evaluation Study. The meeting was organized in a town hall format similar to DC Water's annual town halls. Among other important information, the presentation primarily consisted of short video clips showing successful smoke-testing activities during which smoke did not infiltrate the interiors of homes.
- As part of its Environmental Education Program, DC Water provided the fourth in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on drinking water and water quality.
- As part of its Environmental Education Program, DC Water provided the fifth in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on the DC Clean Rivers Project.
- As part of its Environmental Education Program, DC Water provided the sixth in a series of environmental lessons at Learning Tree at Tyler Elementary School in Southeast, Washington DC. The topic of the lesson was on water pollution.
- In helping 'McGruff the Crime Dog' and Metropolitan Police Department "take another bite out of crime", DC Water attended the agency's annual National Night Out event, providing tap water, the Misting Tent, giveaways, and a special guest appearance by Wendy the Water Drop.
- As a new partnering venture with the Washington Nationals, DC Water took part in the Nats' Youth Baseball Academy, specifically its Final Day of Summer Academy Event. DC Water provided its Quench Buggy as a much needed source of hydration for the 144 kids and 100 volunteers, staff, parents and Nats team players during this long day of program closeout activities and good natured play time! The Quench Buggy proved such a big hit, a staff request was made to rent it for next summer's 6-week academy. Conversations may follow to at least commit the Quench Buggy to a series of 2-3 separate dates for the academy.
- DC Water attended a Back to School Kickoff Event co-hosted by the offices of At-Large Councilmember Elissa Silverman, Ward 6 Councilmember Charles Allen, and Ward 7 Councilmember Yvette Alexander. DC Water provided the Misting Tent, tap water, giveaways and a special guest appearance by Wendy the Water Drop.

Drinking Water Marketing and Communications

- DC Water provided an overview of the drinking water system to ANC 8D upon their request.
- DC Water presented to employees at the Inter-American Development Bank about the drinking water system and shared household tips for water conservation and efficiency.
- DC Water participated in the first meeting for Water Research Foundation study #4651 to investigate the impact of forested land cover on drinking water treatment costs.

Message from the CEO/GM

- DC Water met with Washington area water utilities to discuss potential development of a regional water quality smartphone application.
- DC Water discussed drinking water regulatory requirements with the Metropolitan Washington Health Officials Committee (HOC). This meeting is the first quarterly HOC briefing to identify coordination opportunities around drinking water and public health issues.
- DC Water met with the Water Environment Federation to discuss opportunities to increase DC student participation in the 2016 Stockholm Junior Water Prize Competition.
- Water Research Foundation accepted a research proposal submitted by Interstate Commission on the Potomac River Basin, DC Water, Fairfax Water and WSSC to study the impacts of forested land on drinking water treatment costs.

Customer Newsletter

The July customer newsletter, the “Green Issue” included a cover story on the GI modification to the consent decree, a GM Message about it, water conservation, keeping nitrogen-rich fertilizers out of the Chesapeake Bay, and a spotlight on the Rock Creek Songbirds.

Tours

- 12 EPA Summer Interns
- 6 guests from Arcadis
- 12 guests from L.S. Caldwell & Associates
- 8 students from Buchanan High School, PA
- 11 guests from Healthy Buildings
- 20 visitors from Anacostia Museum
- 15 students from Northern Virginia Community College
- 7 visitors Mixed group- DC residents
- 5 guests Mayor’s Policy Office

Social Media

We’ve met our Twitter and Facebook growth goals for FY15 and on schedule for Instagram. We’ve also been invited to present at WEFTEC, Chesapeake Tri-Con, Metropolitan Council of Governments about our social media work. Social Driver, a local digital firm, has also asked us to present at their monthly informal “learning” sessions. We also retired @LadyBirdTBM now that her portion of the Clean Rivers project is over.

Message from the CEO/GM

Engagement Statistics July 1 – August 1

Twitter	7/1-8/1	Growth since 10/1/14	% growth since 10/1/14
New Followers	361	3,747	48%
Total Followers	10, 669	3,747	48%
Mentions	804	7,682	n/a
Retweets	208	4,508	n/a
Facebook			
New Fans	42	471	10%
Total Fans	1,941	471	41%
Impressions	80.6K	687K	N/A
Users	493	310K	
Interactions	0.6K	9K	
Instagram	372		
New Followers	72	331	900%
Likes	91	n/a	
Comments	3	n/a	

Website

Session totals for the period of July 16 through August 15, 2015







- Total Sessions: 75,717
- New Sessions: 42,062

ORGANIZATIONAL PERFORMANCE DASHBOARD (JULY, 2015)

Financial Highlights

Net Operating Cash Actual 76170 Target 39100 (\$ tho)	Operating Revenues Actual 440 Target 452 (\$ mil)	Operating Expenses Actual 388 Target 430 (\$ mil)	Capital Disbursements Actual 468 Target 526 (\$ mil)
Operating Cash Balance Actual 163 Target 126 (\$ mil)	Delinquent Account Receivables Actual 2 Target 3 (%)	Core Investments Yield Actual 0.92 Target 0.63 (%)	Short Term Investment Yield Actual 0.29 Target 0.01 (%)

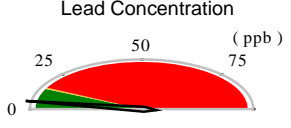
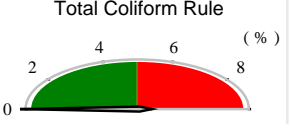
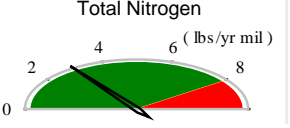
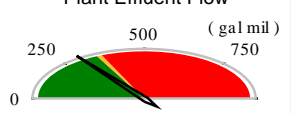
Customer Care and Operations Highlights

Call Center Performance  Jul 80 85 (% of calls rec)	Command Center Performance  Jul 92 85 (% of calls rec)	First Call Resolution  Jul 92 75 (% of calls rec)	Emergency Response Time  Jul 97 90 (% of calls rec)
Fire Hydrants out of Service  Jul 46 96 (count)	Fire Hydrant Insp. and Maint. 12 (count)	Fire Hydrants Replaced  Jul 103 250 (YTD count)	Permit Processing within SLA 89 (%)

Low Income Assistance Program

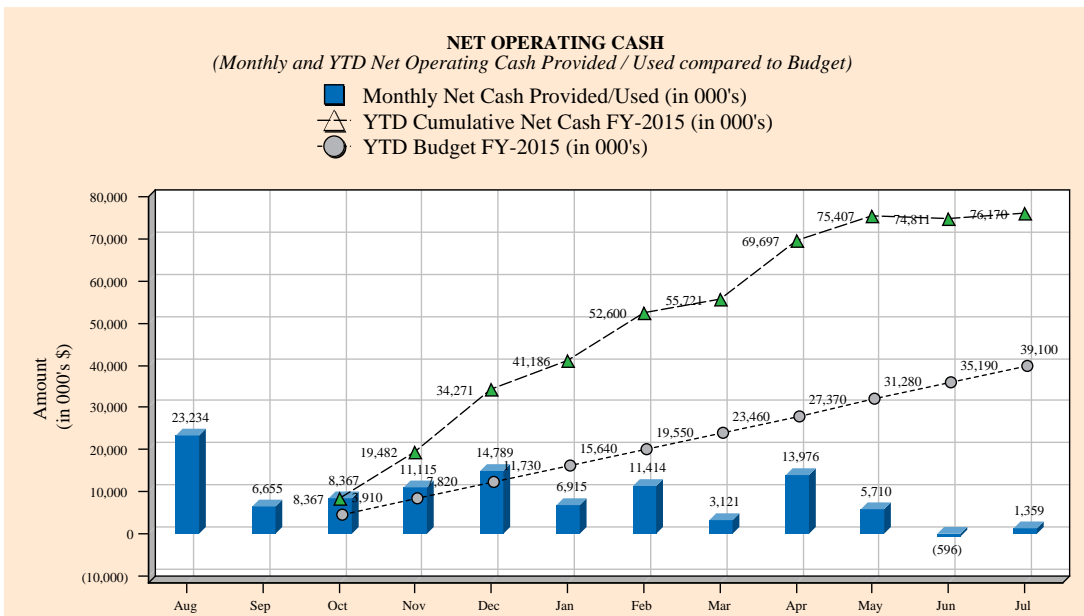
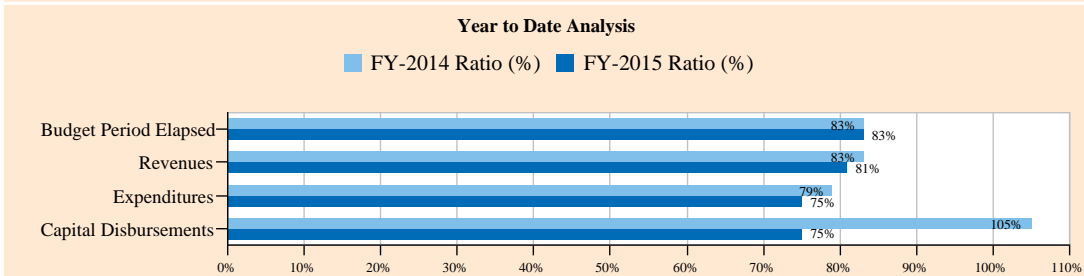
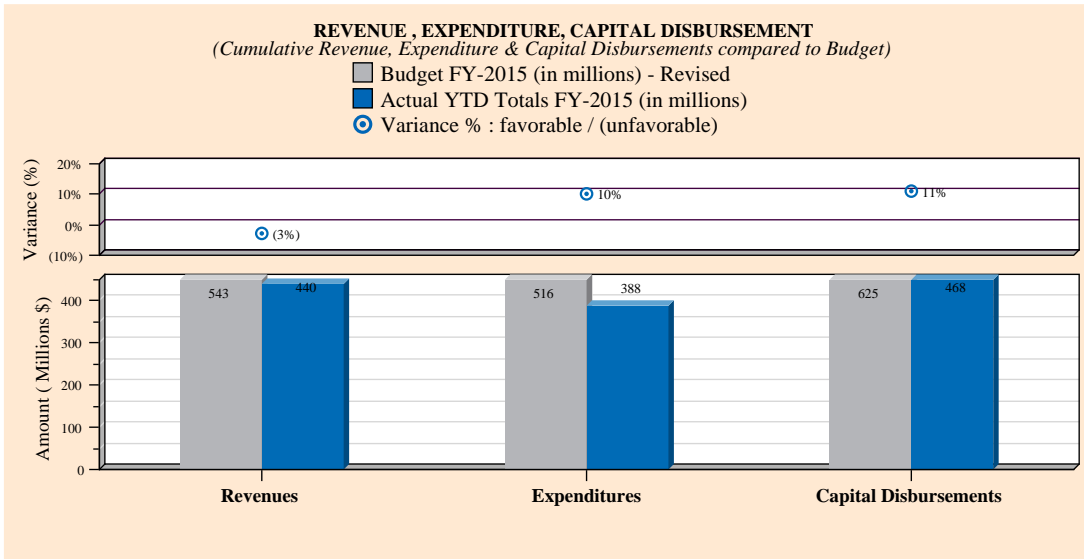
Splash Contributions Actual 96 Target 67 (\$ tho)	Customer Assistance Program Previous 160 Current 148 (\$ tho)
--	---

Operational Highlights

Lead Concentration  25 50 75 (ppb)	Total Coliform Rule  2 4 6 8 (%)	Biosolids Production 473 (wet tons)	Total Nitrogen  2 4 6 8 (lbs/yr mil)
Plant Effluent Flow  250 500 750 (gal mil)	Excess Flow 10 (gal mil)	Water Main Leaks 31 (count)	Water Valve Leaks 1 (count)
Non-Revenue Water Sold 9 Purchased 13 (CCF mil)	Sewer Main Backups 8 (count)	Sewer Lateral Backups 203 (count)	Dry Weather CSO 0 (events)
Recruitment Activity Filled 12 Open 85 (count)	Electricity Usage 19613 (MWh)	Employee Lost Time Accidents 3 (count)	Vendor Payments Actual 97 Target 97 (%)

FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE SUMMARY



Net cash to date for July was above budget by \$37 Million

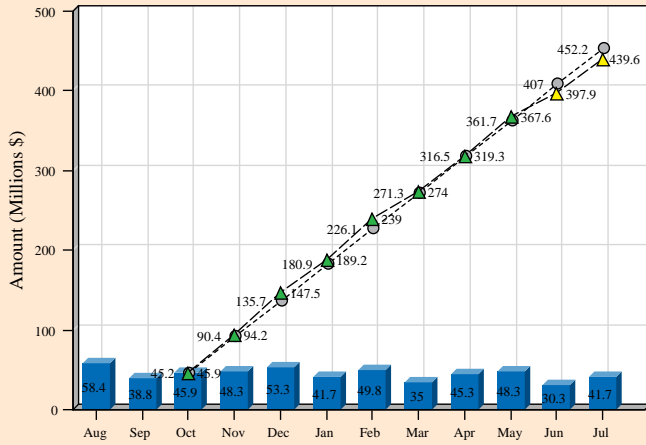
FINANCIAL HIGHLIGHTS

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

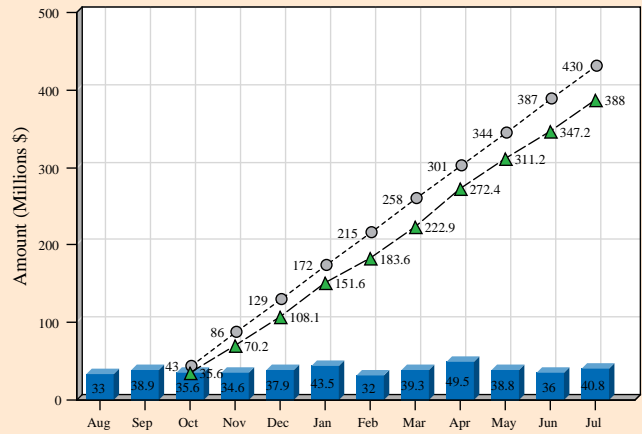


Revenue to date for July was below budget by \$13 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

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



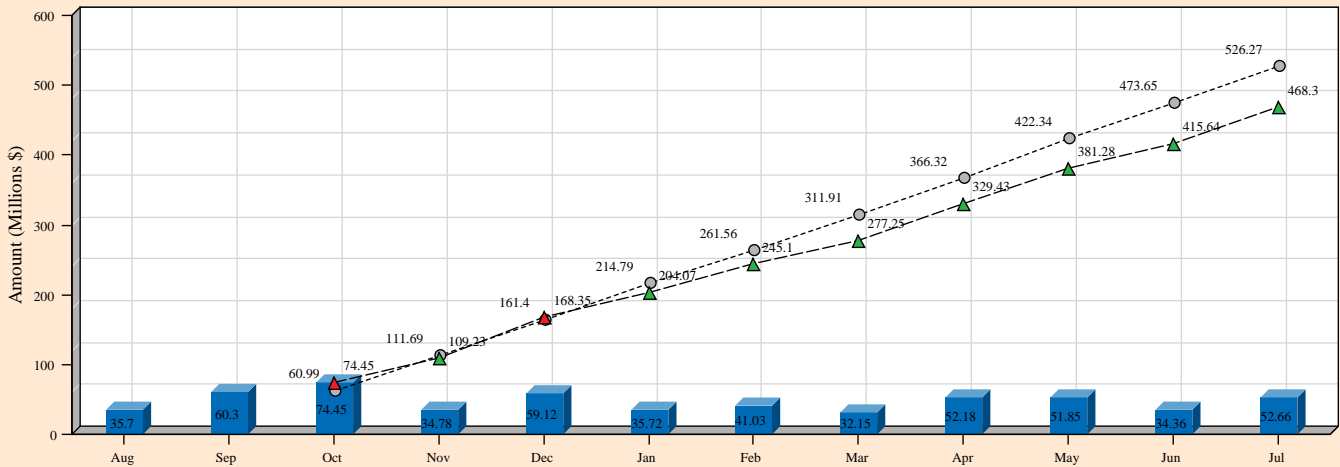
Expenditure to date for July was below budget by \$42 Million

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 July were below budget by \$58 Million

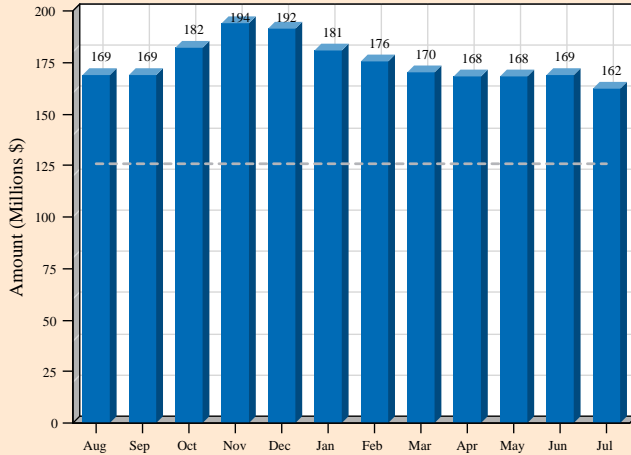
FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

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

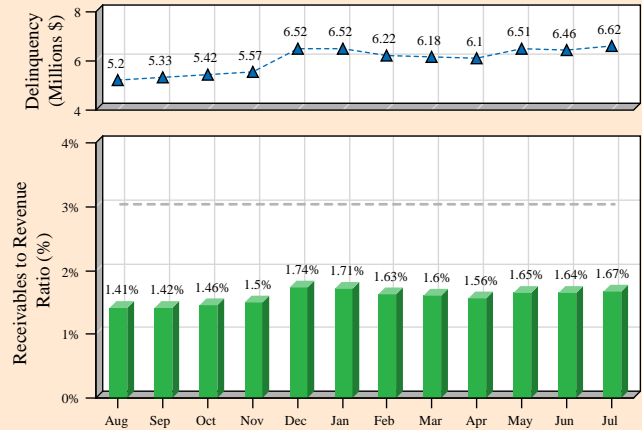


Cash Balance for July was above target by \$37 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

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



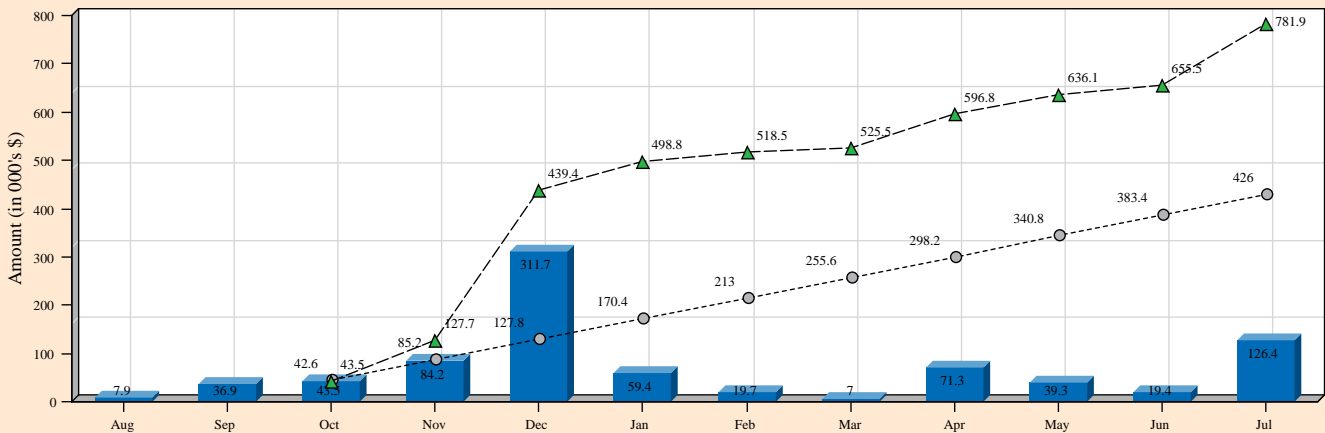
July Receivables to Revenue Ratio 1.7%, Delinquency \$6.6 Million

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 July were above Projected Budget by \$356,000

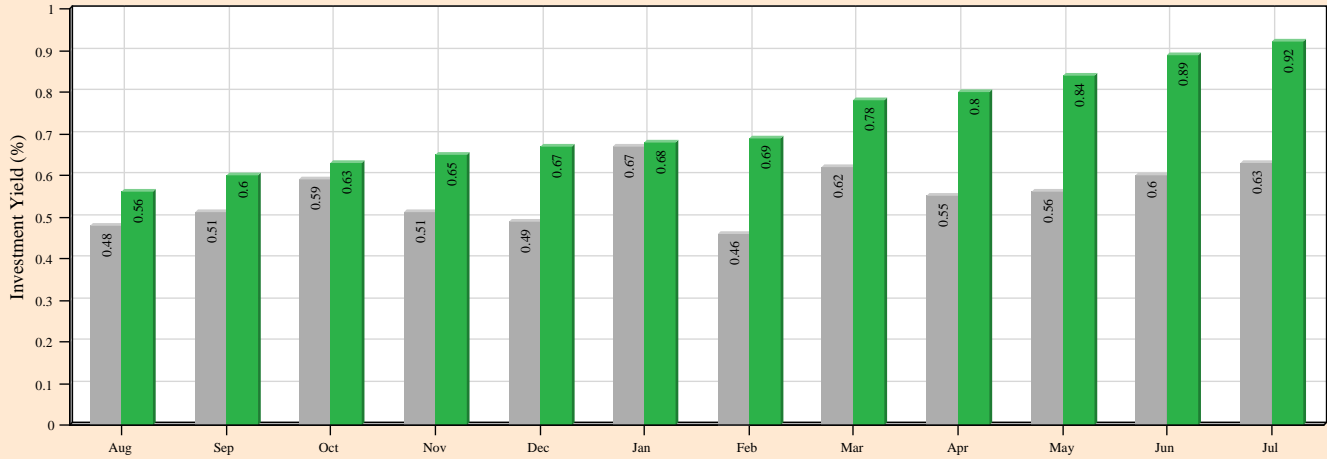
FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark

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

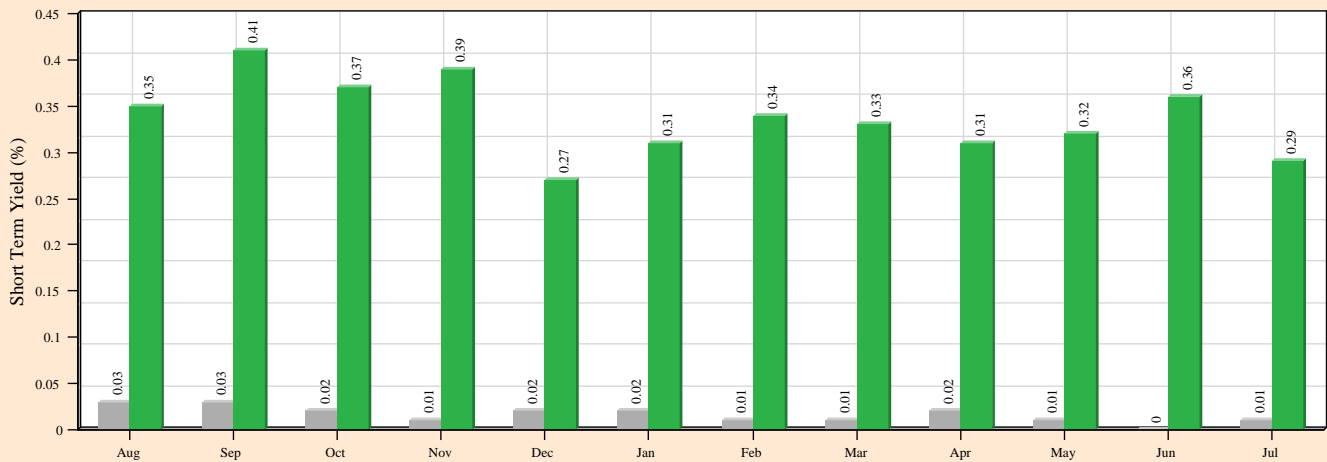


Yield for July was higher than the treasury index by 0.29%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark

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



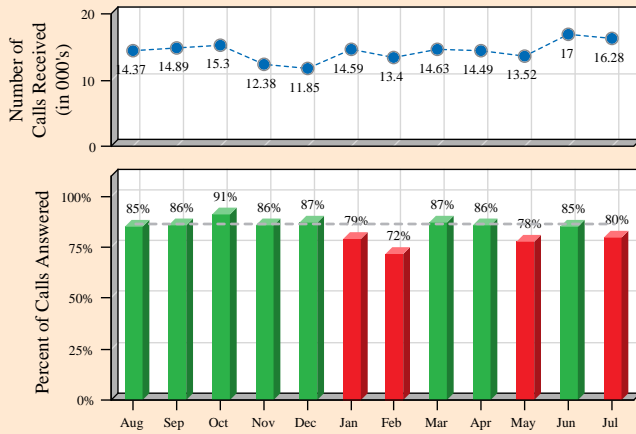
Short Term Yield for July was higher than the Merill Lynch yield by 0.28%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

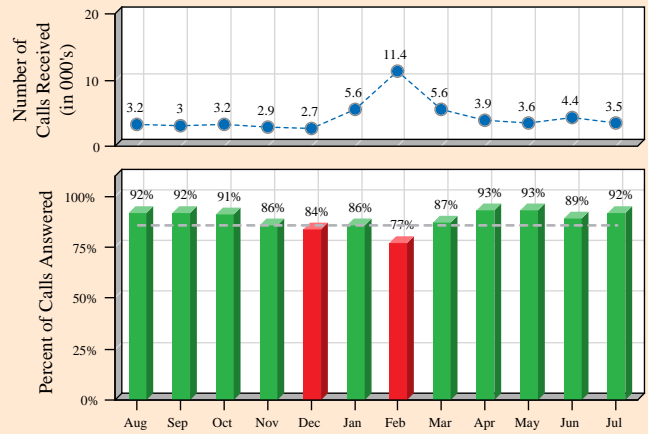
- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target -Call Center (85%)



Performance for July was below target by 5%

COMMAND CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

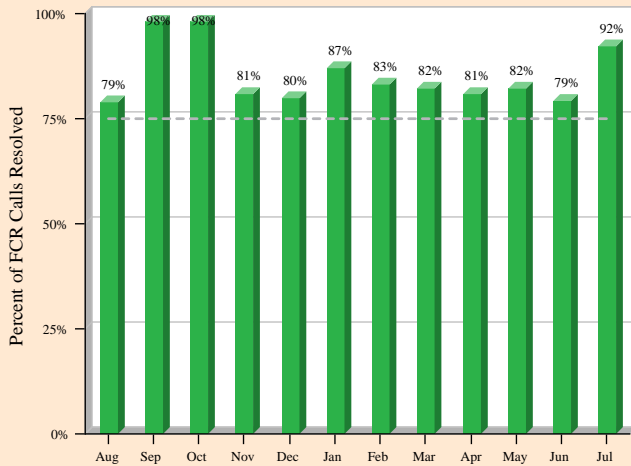
- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target -Command Center (85%)



Performance for July was above target by 7%

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

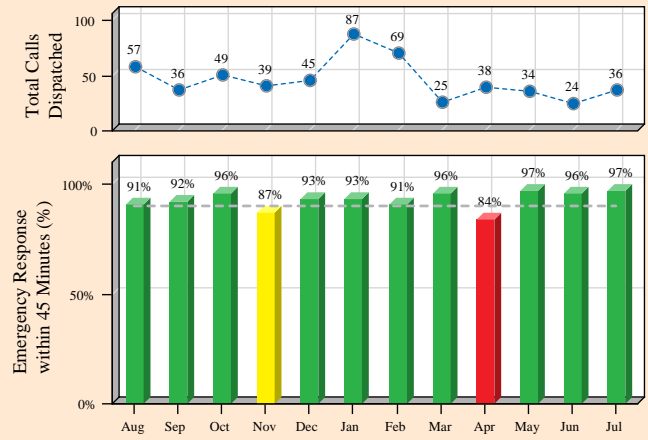
- FCR (%)
- FCR Target (75%)



Performance for July was above target by 17%

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

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



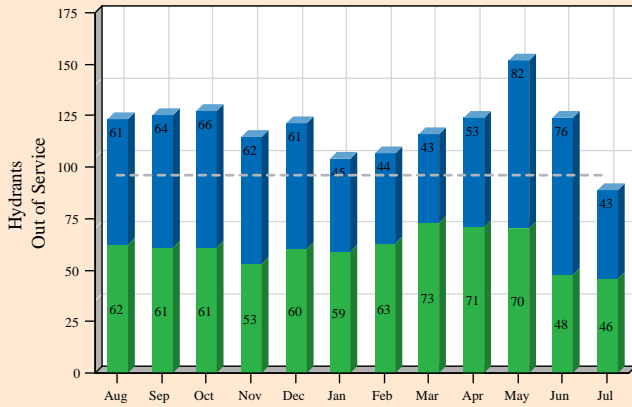
Performance for July was above target by 7%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

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

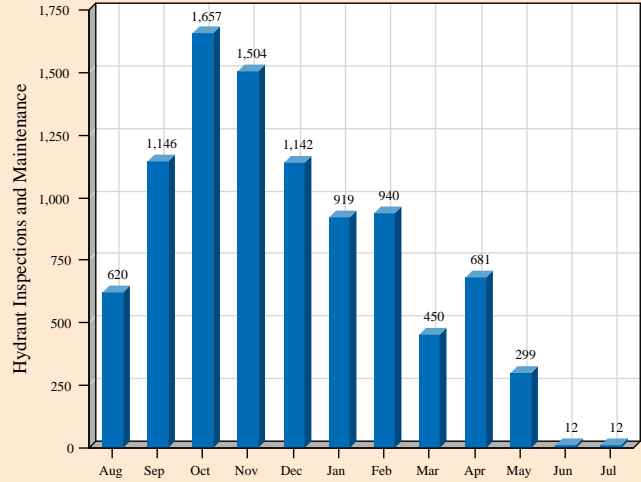
- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

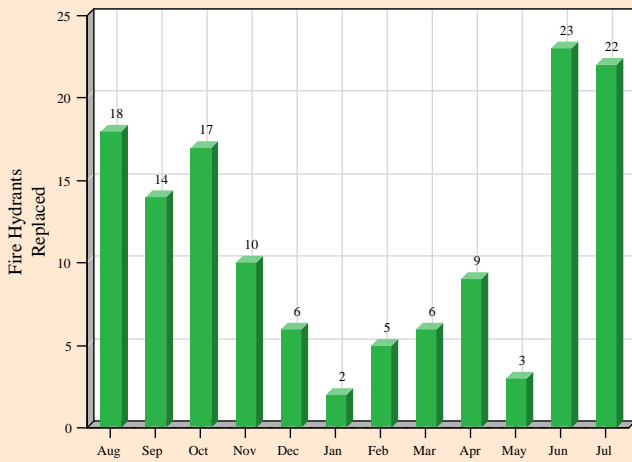
- Hydrant Inspections and Maintenance



FIRE HYDRANT REPLACEMENTS

Total Hydrants Replaced per Month

- Hydrants Replaced
- Annual Replacement Target (250)

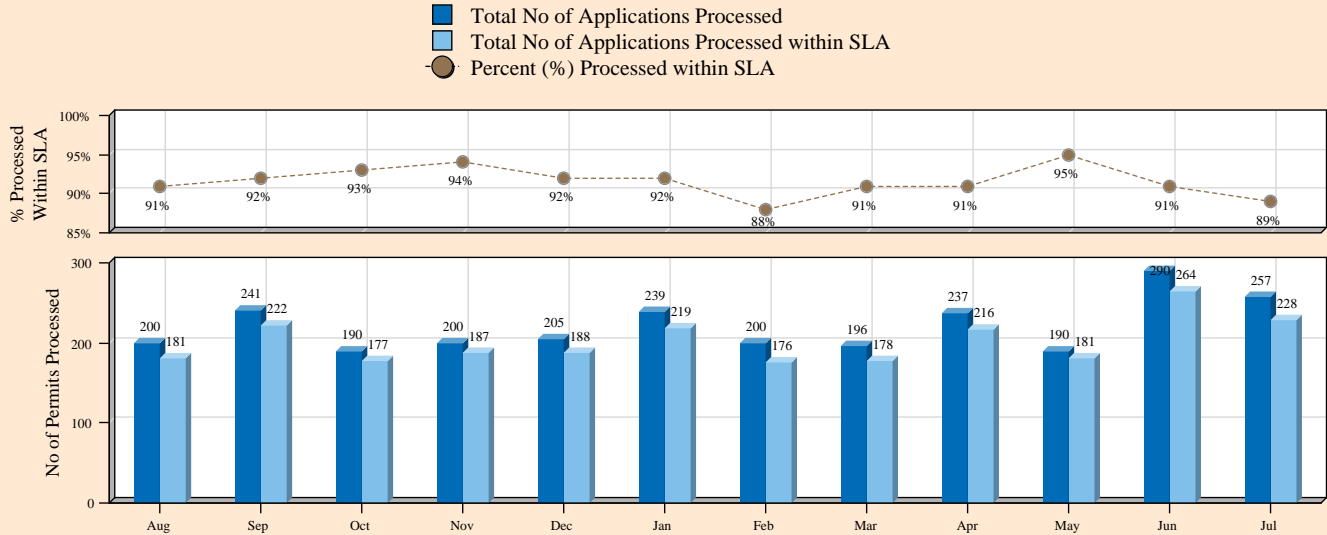


Total replacements as of July were 103 against annual projections of 250

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 July were 11% Note that different SLA's range from 7 days to 45 days

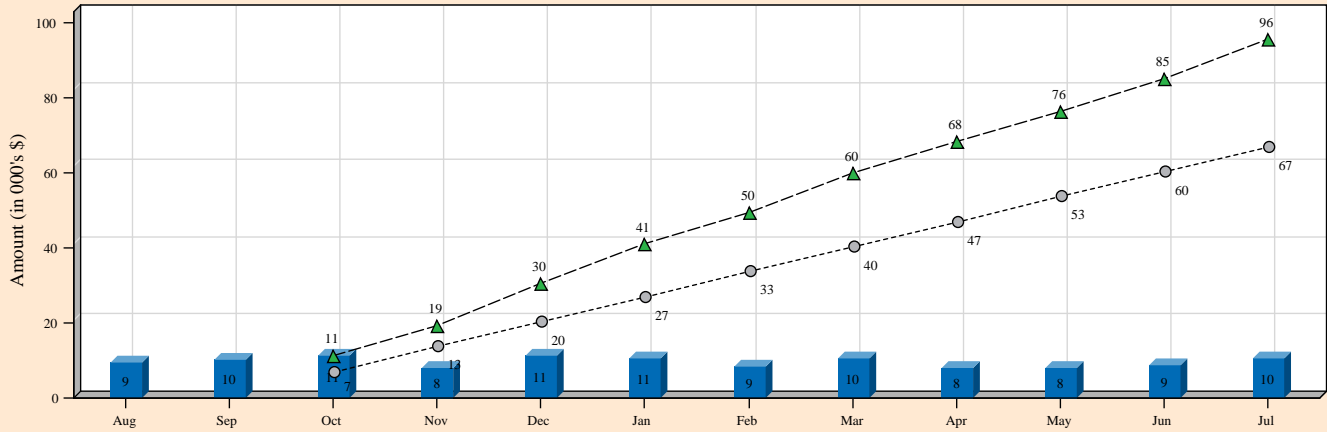
LOW INCOME ASSISTANCE PROGRAM

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)



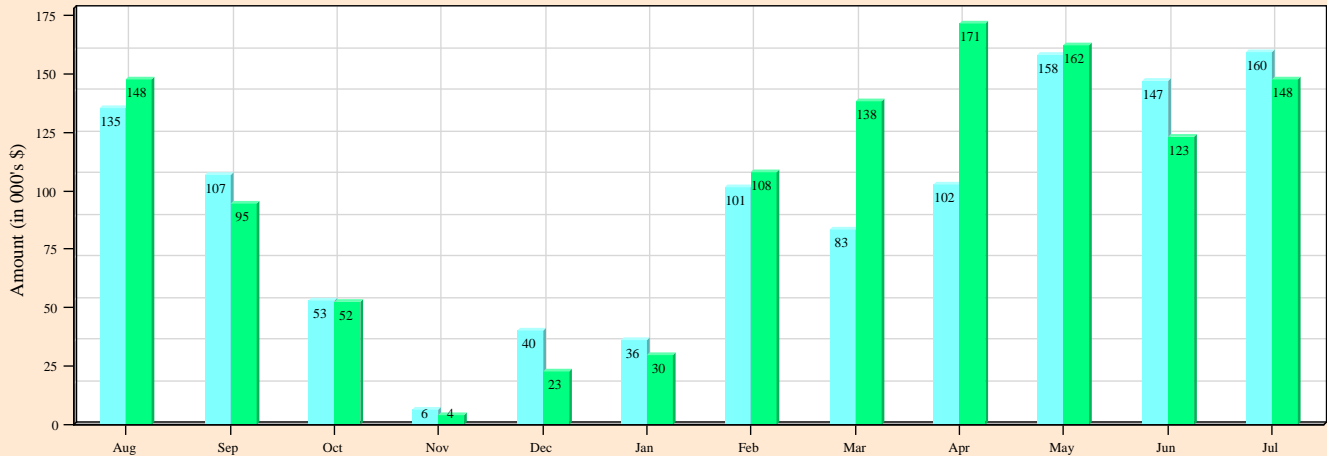
Total SPLASH Contributions to date for July were above target by \$29,000

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)

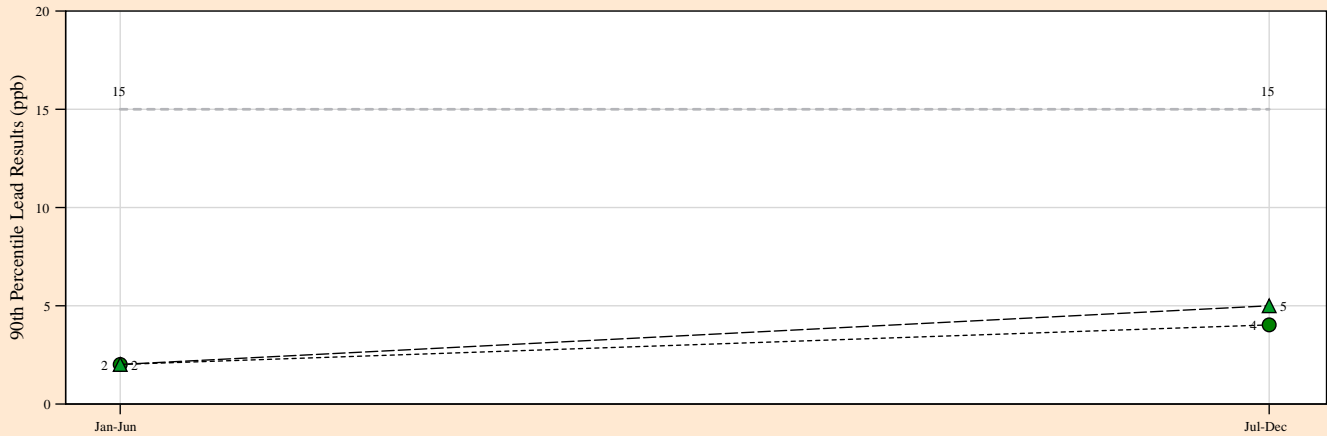


OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

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

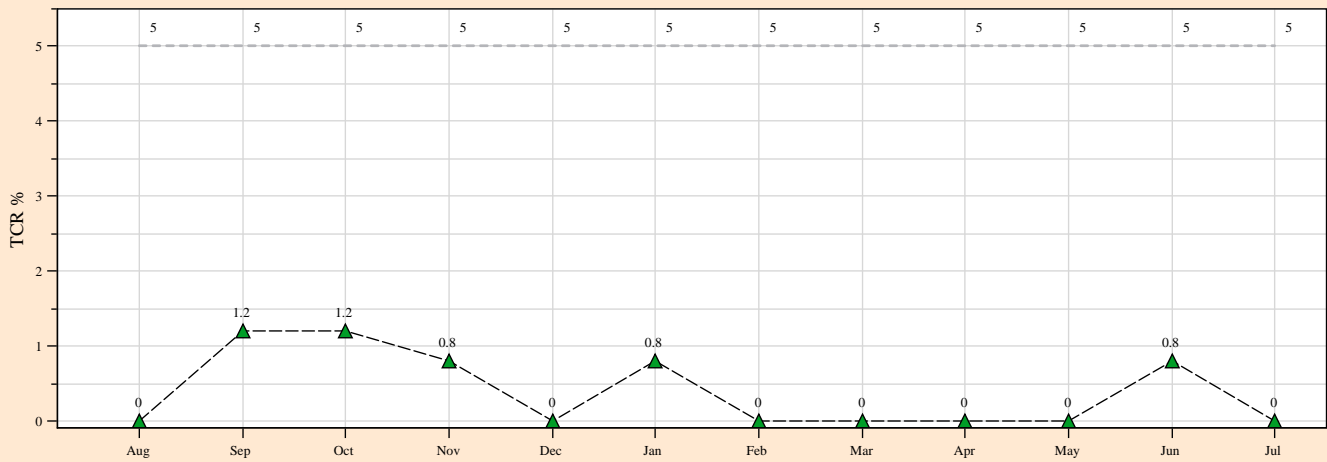
- 2014 LCR Results
- △ 2015 LCR Results
- Action Level : 15 parts per billion (ppb)



Jul-Dec 2015 results to date

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

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



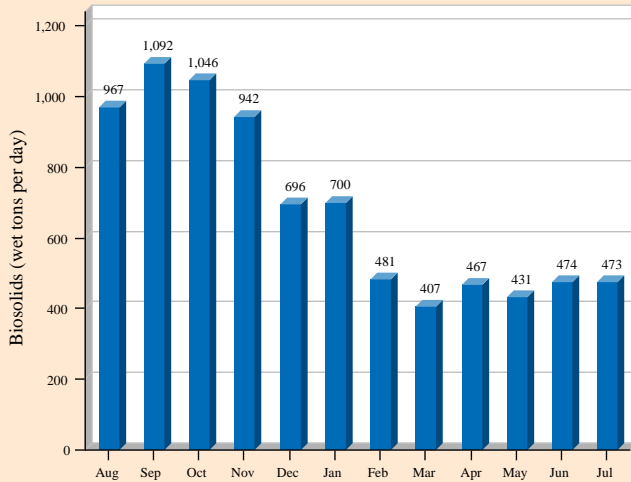
No Coliform Positives were recorded in July

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION
Average Daily Biosolids Production

■ Average Daily Biosolids Hauled

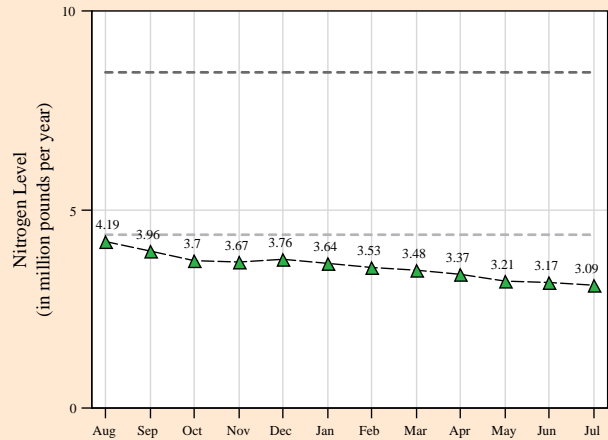


Biosolids Average Daily Production for July was 473 wet tons per day

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)

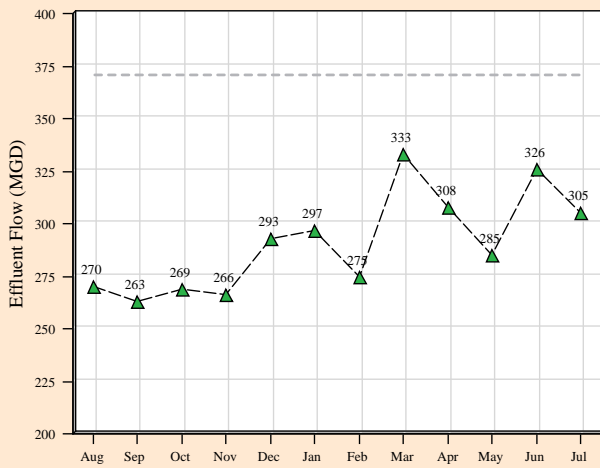


Nitrogen level for July was below permit by 5.4 million lbs/yr

PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit

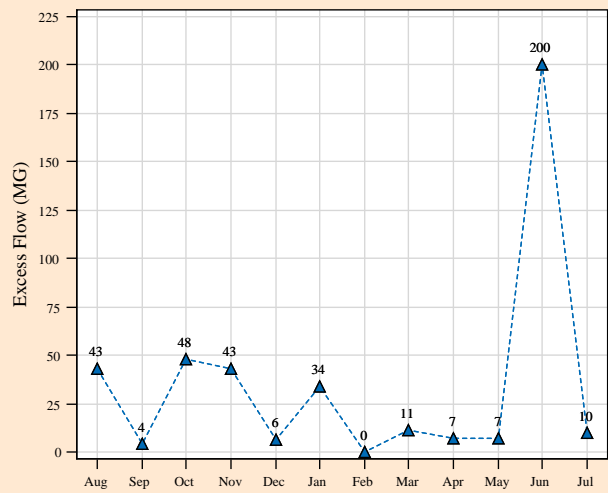
△ Effluent Flow
 - - - Design Average (370 mgd)



In July, Effluent flow was below design by 65 MGD

EXCESS FLOW

△ Excess Flow

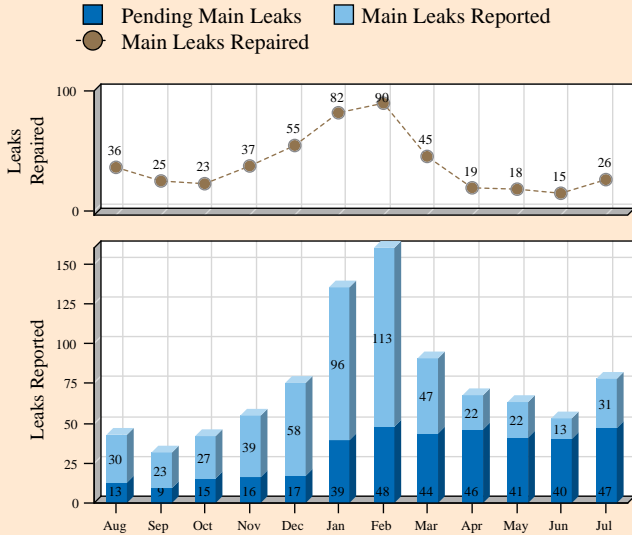


10 Million Gallons per day excess flow were recorded in July 2015

OPERATIONAL HIGHLIGHTS

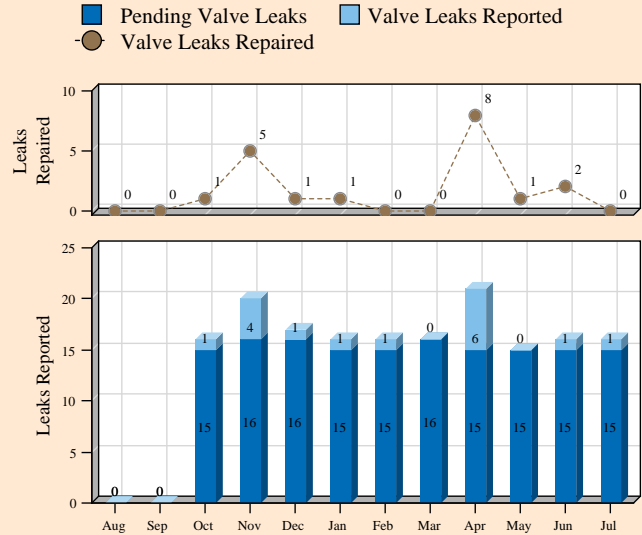
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 31 main leaks reported in July

WATER VALVE LEAKS



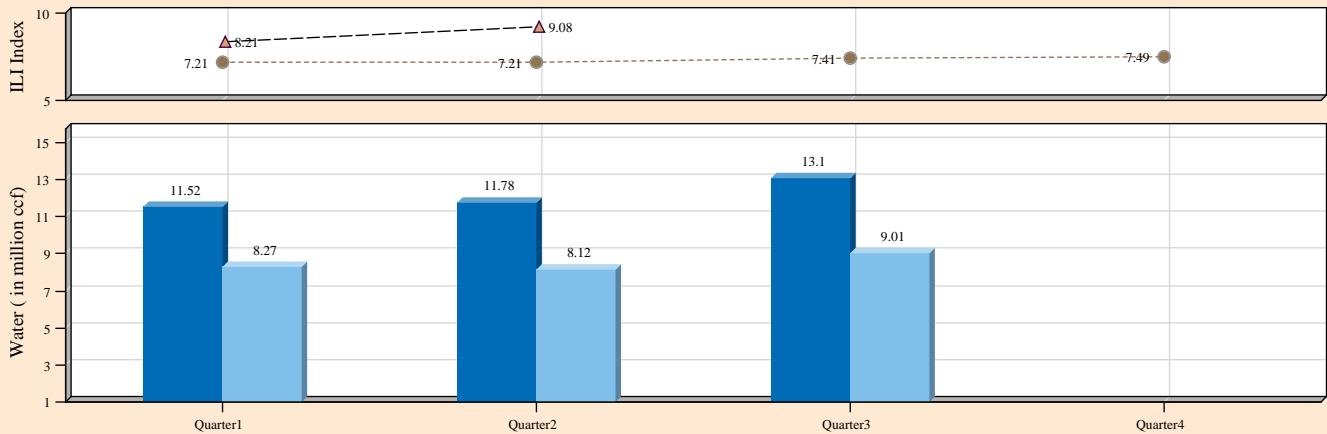
No leaks were resolved in July

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter

- FY-2015: Water Purchased
- FY-2015: Water Sold
- FY-2014: Infrastructure Leakage Index
- ▲ FY-2015: Infrastructure Leakage Index



In the third quarter 9.0 out of 13.1 million cubic feet of water was sold

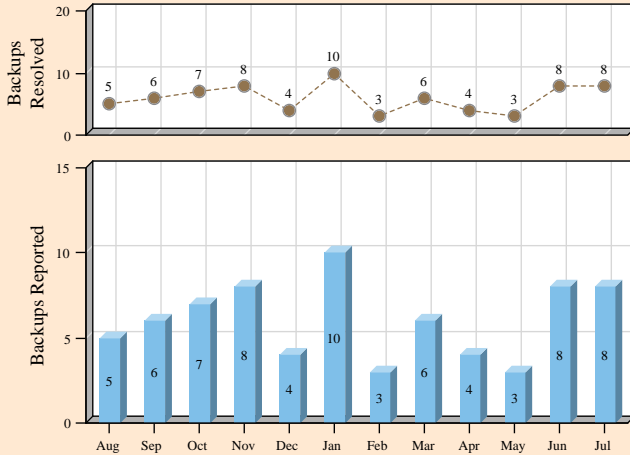
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

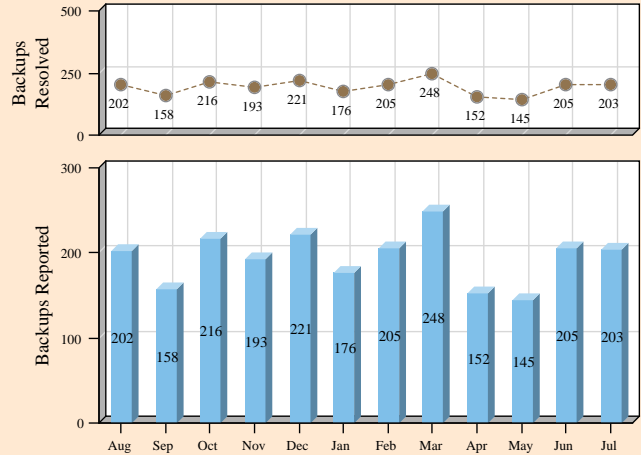


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



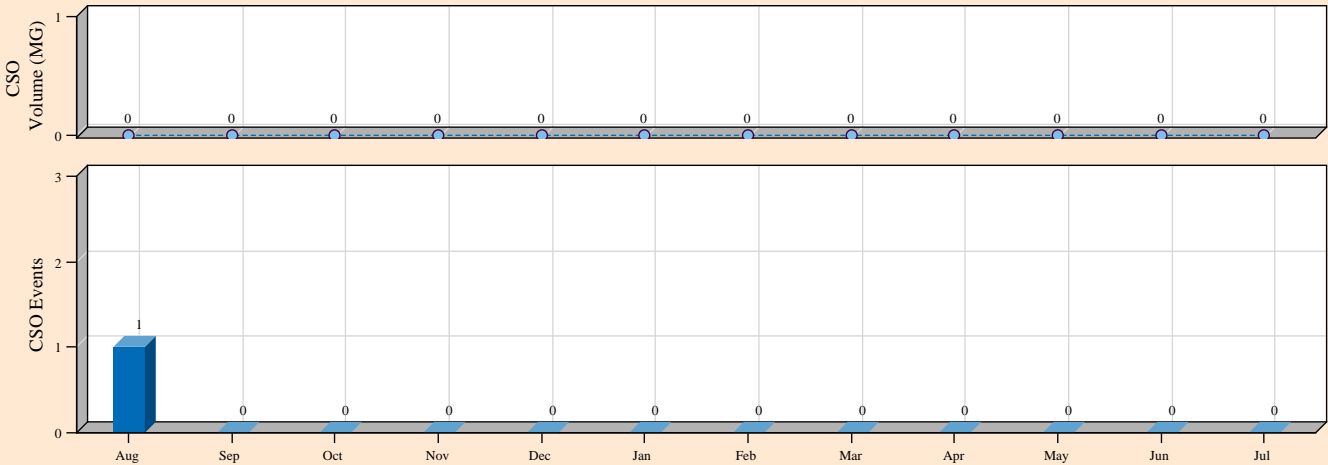
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Number of CSO Events
- Overflow Volume (MG)

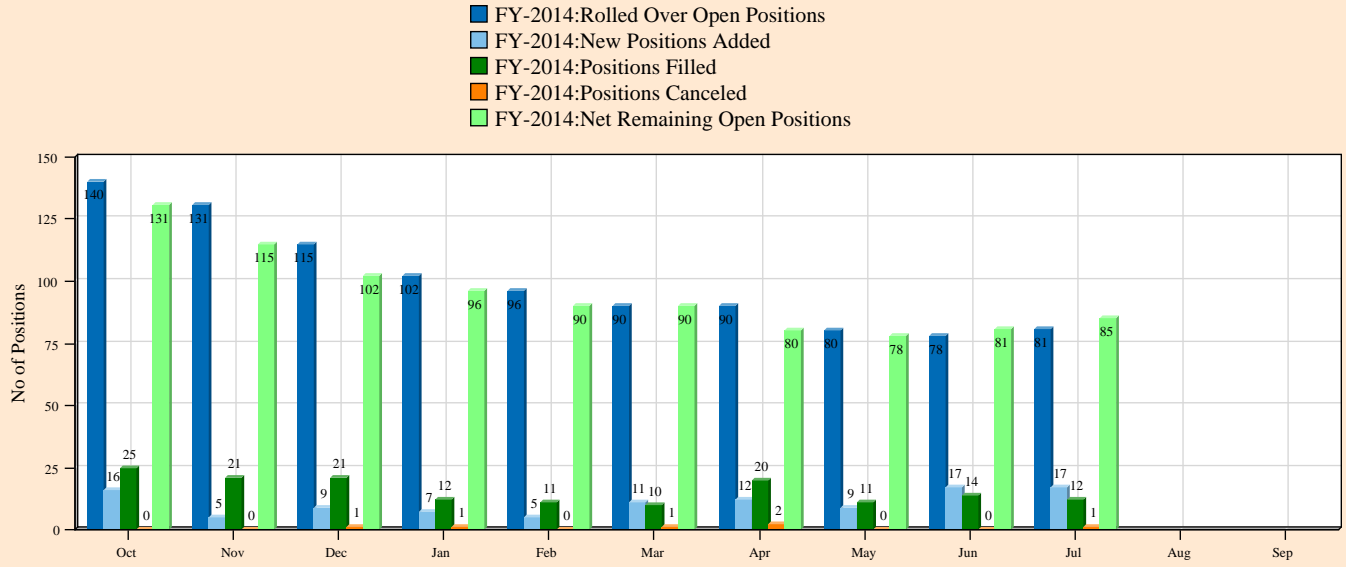


No dry weather Combined Sewer Overflow event was recorded in July 2015

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY



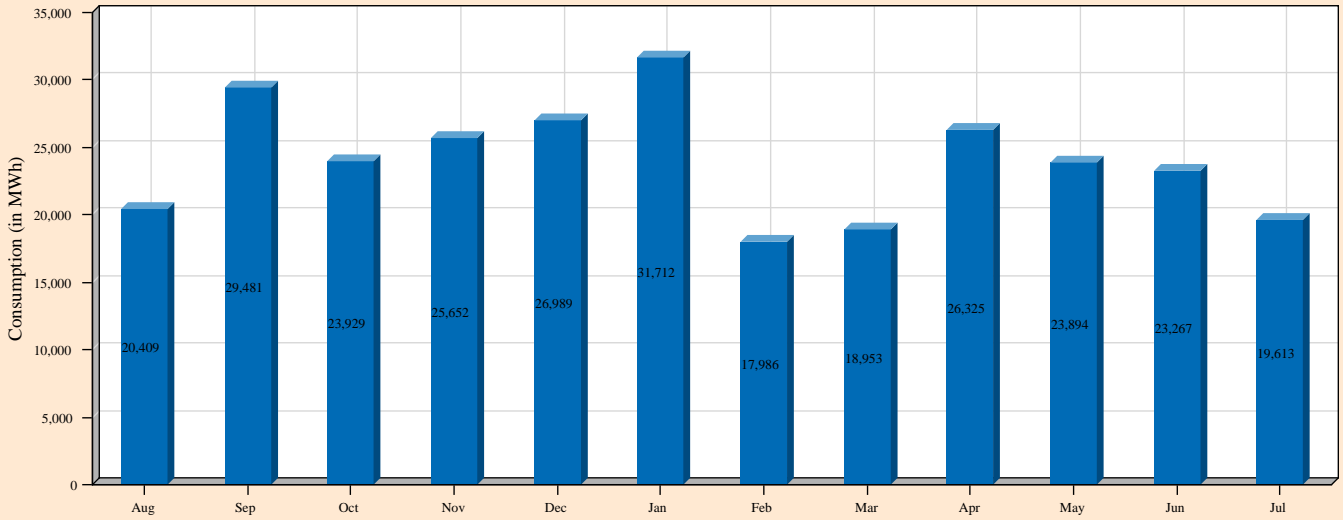
In July, we began the month with 81 positions, received 17 new positions, filled 12, 1 cancellation and ended the month with 85 positions

OPERATIONAL HIGHLIGHTS

ENERGY

ELECTRICITY USAGE SUMMARY

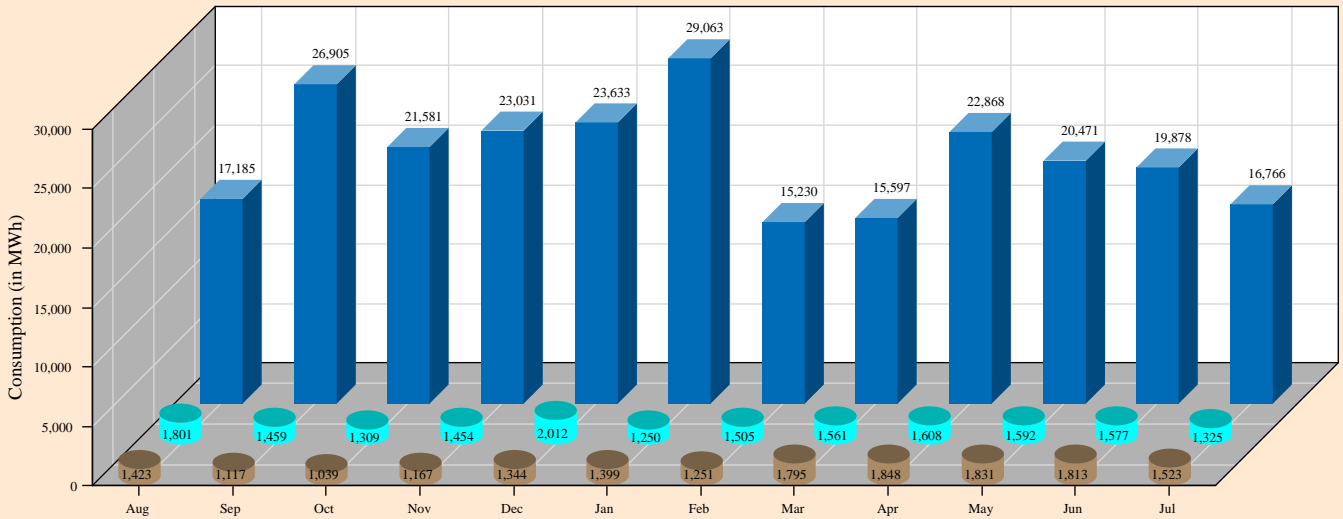
Total Consumption (MWh)



Electricity Consumption in July was 19,613 MWh

ELECTRICITY USAGE BY SERVICE AREA

Sewer Pumping Water Pumping Waste Water Treatment



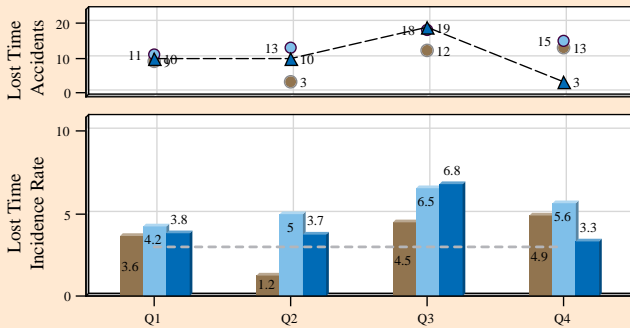
Wastewater treatment had the highest electricity consumption in July at 16,766 MWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

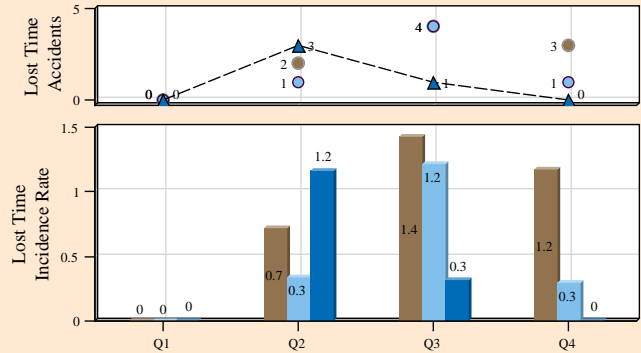
- FY-2013: LT Incidence Rate
- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2013: No of LT Accidents
- FY-2014: No of LT Accidents
- ▲ FY-2015: No of LT Accidents
- Target/National: LT Incidence Rate



In the 4th quarter, 3 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

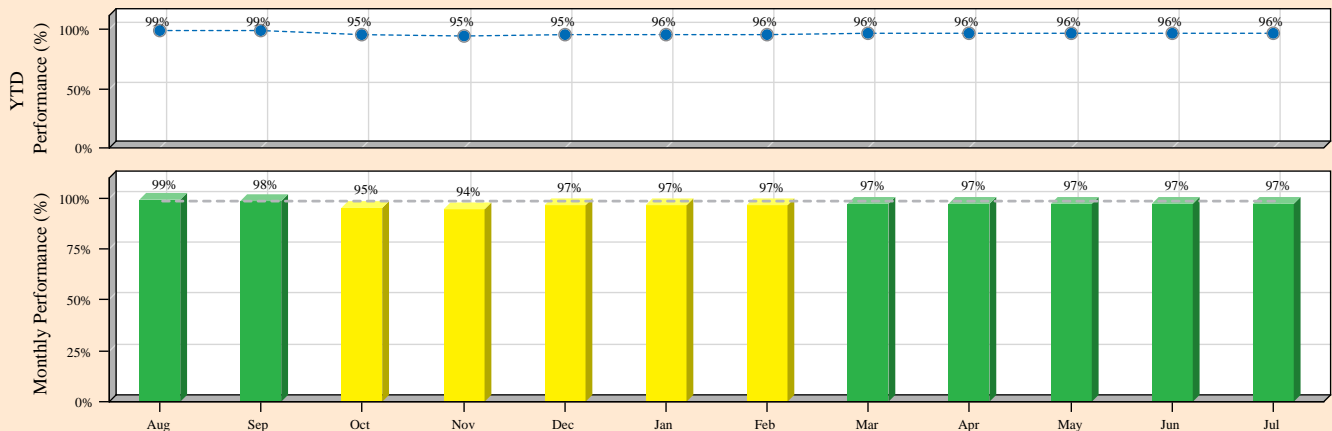


In the 4th quarter, No lost time accident was reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE
Percentage of Invoices Paid within 30 days

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



Monthly performance for July 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, □)

E



District of Columbia Water and Sewer Authority
Summary of Contracts on Consent Agenda
212th Meeting of the DC Water Board of Directors
Thursday, September 3, 2015

Non-Joint-Use Contracts

1. Resolution No. 15-70- The Board of Directors hereby authorizes the General Manager to execute Contract No. 140050, SAK. The purpose of the contract is to rehabilitate the identified sewers under building that will increase system efficiency and add at least 50-years asset life. The contract amount is \$3,580,990. (Recommended by the Environmental Quality and Sewerage Services Committee 7/16/15)
2. Resolution No. 15-71 - The Board of Directors hereby authorizes the General Manager to execute Contract No. 140210, Fort Myer Construction Corp. The purpose of the contract is to replace water mains and associated valves and appurtenances. The contract amount is \$10,709.51. (Recommended by the Water Quality and Water Services Committee 7/16/15)

Presented and Adopted: September 3, 2015

**SUBJECT: Approval to Execute Contract No. 140050, SAK
Construction, LLC**

**#15-70
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on September 3, 2015 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 140050, SAK Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 140050, SAK Construction, LLC. The purpose of the contract is to rehabilitate the identified sewers under building that will increase system efficiency and add at least 50-years asset life. The contract amount is \$3,580,990.

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:
Sewers Under Buildings Phase 2
(Non-Joint Use)**

Approval to execute a construction contract for \$3,580,990.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
SAK Construction, LLC 1405 Benson Ct. Suite C Arbutus, MD 21227	TFE Resources, Ltd Owings Mills, MD	WBE 4.06%
	Envirenew, Inc. Gaithersburg, MD	WBE 1.42%
	Bulldog Distribution, LLC Owings Mills, MD	MBE 4.20%
	Luther's Supply Company Shreve, MO	MBE 2.28%
	Daco Construction Corp. Hanover, MD	MBE 2.44%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$3,580,990.00
Contract Time:	403 Days (1 Year, 1 Month)
Anticipated Contract Start Date (NTP):	09-18-2015
Anticipated Contract Completion Date:	10-25-2016
Bid Opening Date:	06-03-2015
Bids Received:	3
Other Bids Received	
Proshot Concrete, Inc.	\$ 4,964,988.00
Midwest Mole, Inc.	\$ 7,468,245.00

Purpose of the Contract:

To rehabilitate the identified sewers under building that will increase system efficiency and add at least 50-years asset life.

Contract Scope:

- Replacement and rehabilitation of 36 pipes at several locations using cured-in-place pipe lining, shotcrete lining, chemical grouting.
- Installation of one new manhole.

Federal Grant Status:

- Construction Contract is eligible for Federal grant funding assistance; inclusion in grant is pending availability of grant funds.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	140050
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary, Storm, Combined Sewer	Department Head:	Liliana Maldonado
Project:	G6, G7 & GY		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 3,580,990.00
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%	\$ 3,580,990.00


 _____, 7/10/15
 Gail Alexander-Reeves Date
 Director of Budget

_____, _____
 Dan Bae Date
 Director of Procurement


 _____, 9/10/15
 Leonard R. Benson Date
 Chief Engineer


 _____, 8/17/2015
 George S. Hawkins Date
 General Manager

Presented and Adopted: September 3, 2015
SUBJECT: Approval to Execute Contract No. 140210
Fort Myer Construction Corp.

#15-71
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on September 3, 2015 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. 140210, Fort Myer Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 140210, Fort Myer Construction Corp. The purpose of the contract is to replace water mains and associated valves and appurtenances. The contract amount is \$10,709,591.

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:
Small Diameter Water Main Replacement 11a
(Non-Joint Use)**

Approval to execute a construction contract for \$10,709,591.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Fort Myer Construction Corp. 2237 33 rd Street, NE Washington, D.C. 20018 (MBE)	Omni Excavators, Inc. Washington, D.C. MBE Hybrid Construction & Engineering Washington, D.C. WBE	32% 6%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$ 10,709,591.00
Contract Time:	365 Days (1 Year, 0 Months)
Anticipated Contract Start Date:	09-11-2015
Anticipated Contract Completion Date:	09-09-2016
Bid Opening Date:	06-10-2015
Bids Received:	6
Other Bids Received	
Anchor Construction Corp.	\$ 10,734,358.00
Sagres Construction Corp.	\$ 10,827,523.00
Capitol Paving of D.C., Inc.	\$ 10,861,648.00
J. Fletcher Creamer & Son, Inc.	\$ 10,988,075.00
Judlau Contracting, Inc.	\$ 12,444,193.00

Purpose of the Contract:

Replace water mains that have experienced failures, or have a history of low water pressure or water quality complaints.

Contract Scope:

- Approximately 3.6 miles of water mains and associated valves and appurtenances.
- Copper water services 2 inch and smaller in public and private space.
- Curb stops /curb stop boxes, meter boxes and penetration through building walls and connection to first fitting inside the building including installation of a shut-off valves and pressure reducing valves.
- Permanent pavement and surface restoration.

Federal Grant Status:

- Construction contract is funded in part by Federal grant.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	140210
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	Liliana Maldonado
Project:	O3		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	26.85%	\$ 2,875,790.00
Federal Funds	73.15%	\$ 7,833,801.00
Washington Suburban Sanitary Commission	0.00%	\$ 0.00
Fairfax County	0.00%	\$ 0.00
Loudoun County & Potomac Interceptor	0.00%	\$ 0.00
Total Estimated Dollar Amount	100.00%	\$ 10,709,591.00

 7/10/15
 Gail Alexander-Reeves Date
 Director of Budget

 7/10/15
 Dan Bae Date
 Director of Procurement

 7/10/15
 Leonard R. Benson Date
 Chief Engineer

 8/17/2015
 George S. Hawkins Date
 General Manager

Presented and Adopted: September 3, 2015

Subject: Approval of Final Amendment for the Water System Replacement Fee

**#15-72
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the DC Water”) at the Board meeting held on September 3, 2015 decided, in a non-joint use matter, by a vote of () in favor and () opposed, to take the following action with respect to the approval of final amendment for the 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 new Water System Replacement Fee (“WSRF”) to recover the cost of the 1 percent renewal and replacement of aging water infrastructure for residential, multi-family and non-residential customers; and

WHEREAS, on February 5, 2015, the Board approved the proposed new WSRF to be published in the D.C. Register (DCR); and

WHEREAS, on February 20, 2015, DC Water published a Notice of Proposed Rulemaking (NOPR) in the *D.C. Register* (DCR) at 62 DCR 2367, which if approved, would implement the WSRF, effective October 1, 2015; and

WHEREAS, although the WSRF is not subject to the public hearing requirements of 21 DCMR Chapter 40, on April 3, 2015, DC Water published a Notice of Public Hearing in the *D.C. Register* at 62 DCR 3934, for the public hearing on May 13, 2015 to receive additional public comments on the proposed rulemaking referred to above; and

WHEREAS, a notice of the public hearing on the WSRF and other rate and fee proposals was also published on DC Water’s website and in The Washington Informer on May 7 – May 13, 2015; and DC Water also conducted 8 town hall meetings from April 1, 2015, through April 30, 2015, to receive comments on the WSRF and other rate and fee proposals; and

WHEREAS, on May 13, 2015, a public hearing was held to receive comments on the WSRF and other rate and fee proposals, and the record of the public hearing was left open to receive written comments for a period of 30 days through June 15, 2015; and

WHEREAS, on June 23, 2015, the DC Retail Water and Sewer Rates Committee met to consider the comments offered during the public comments period of the proposed rulemaking, and comments received at the May 13, 2015 public hearing; and

WHEREAS, on June 23, 2015, the DC Retail Water and Sewer Rates Committee considered and recommended to the Board to approve for final rulemaking the proposed WSRF; and

WHEREAS, on June 23, 2015, the DC Retail Water and Sewer Rates Committee considered also recommended to the Board an amendment to the District of Columbia Municipal Regulations pertaining to the WSRF, whereby a Residential customer, whose premises is served by a single 2” meter used for both Demand Flow and Fire Flow, shall be charged a monthly Water System Replacement Fee set forth in section 112.10 for a 1.5” meter; and

WHEREAS, on July 2, 2015, the Board approved the final rulemaking for the WSRF and the proposed amendment to the WSRF to be published in the *D.C. Register*; and

WHEREAS, on July 17, 2015, DC Water published a Notice of Final Rulemaking for the FY2016 Rates and Fees, including the WSRF, in the *D.C. Register* at 62 DCR 9798, effective October 1, 2015; and

WHEREAS, on July 17, 2015, DC Water published Notice of Proposed Rulemaking (NOPR) for the amendment to the WSRF regulation in the *D.C. Register* (DCR) at 62 DCR 9852, which if approved, would implement the proposed amendment to the WSRF, effective October 1, 2015; and

WHEREAS, on August 25, 2015, the DC Retail Water and Sewer Rates Committee met to consider the comments received during the public comment period and the recommendation of the General Manager; and

WHEREAS, on August 25, 2015, given the comments received during the public comment period and the recommendation of the General Manager, the DC Retail Water and Sewer Rates Committee recommended for final approval the amended WSRF as proposed; and

WHEREAS, the General Manager received additional public comments from residential customers served by 1.5" meters and those served by 2" meters challenging the appropriateness of the WSRF for their meter size because the larger sized meters were required by District of Columbia Construction Codes to meet fire service requirements; and

WHEREAS, the General Manager did not wish to create a disincentive for residential customers who invest in fire suppression systems, which generally require a larger meter size per District of Columbia Construction Codes for new construction of one or two family residences; and

WHEREAS, the General Manager conducted additional analysis, which revealed that the median consumption for residential customers served by a 1.5" meter and those served by a 2" meter are similar to the median consumption of residential customers with a 1" meter; and

WHEREAS, on September 2, 2015, the DC Retail Water and Sewer Rates Committee met to consider the additional comments and recommendation of the General Manager; and

WHEREAS, on September 2, 2015, the General Manager recommended to the DC Retail Water and Sewer Rates Committee to revise the original proposed WSRF amendment to set the WSRF for all residential customers with 2" meters to 1" meter WSRF; and

WHEREAS, the General Manager concluded that there is, at this time, insufficient information to determine the degree of impact that the DC Construction Codes requirement for fire suppression systems had on residential customers served by 1.5" meters, and recommended to the DC Retail Water and Sewer Rates Committee to set the WSRF for all residential customers with 1.5" meter to 1" meter WSRF until more information has been collected; and

WHEREAS, on September 2, 2015, the DC Retail Water and Sewer Rates Committee considered the public comments submitted after the public comment period and the analysis and recommendation of the General Manager; and recommended to the Board a final amendment to the District of Columbia Municipal Regulations pertaining to the Water System Replacement Fee (WSRF) whereby a Residential customer, whose premises is served by a 1.5" meter or 2" meter (meter larger than 1") shall be charged a monthly Water System Replacement Fee set forth in section 112.10(a) for a 1" meter, effective October 1, 2015; and

WHEREAS, after consideration of the recommendations of the DC Retail Water and Sewer Rates Committee, the report of the General Manager on this subject, and comments submitted during and after the public comment period for the proposed rulemaking, the District members of the Board of Directors, upon further consideration and discussion, recommended to implement an amendment to the WSRF to charge

Residential customers whose premises is served by a meter larger than 1 inch, the WSRF for a 1 inch meter; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the additional amendment to the District of Columbia Municipal Regulations pertaining for the Water System Replacement Fee as shown below:

Residential customer, whose premises is served by a meter that is larger than one inch (1”), shall be charged a monthly Water System Replacement Fee set forth in section 112.10(a) for a one inch (1”) meter.

2. The General Manager is authorized to take all steps necessary in his judgment and shall provide notice of the final rulemaking in the manner provided by the District of Columbia Administrative Procedure Act.

This resolution shall be effective immediately.

Secretary to the Board of Directors