



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
221st MEETING OF THE BOARD OF DIRECTORS**

Thursday, June 2, 2016

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 May 5, 2016 Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Human Resources and Labor Relations Committee (Bradley Frome)**
 2. **Environmental Quality and Sewerage Services Committee (James Patteson)**
 3. **Water Quality and Water Services Committee (Howard Gibbs)**
 4. **Finance and Budget Committee (Timothy Firestine)**
- VI. **CEO/General Manager's Report (CEO/General Manager George Hawkins)**
- VII. **Summary of Contracts (FYI)**
- VIII. **Consent Items (Joint Use)**
 1. **Adoption of Collective Bargaining Agreement on Working Conditions Between DC Water and AFGE Local 872 – Resolution No. 16-40 (Recommended by Human Resource and Labor Relations Committee 5/11/16)**
 2. **Approval to Execute a Contract Modification to Contract No. 15-PR-DETS-03, RJN Group - Resolution No. 16-41 (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)**
 3. **Approval to Execute Option Year Four of Contract No. WAS-12-007-AA-SH, Nutri-Blend Inc. – Resolution No. 16-42 (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)**
 4. **Approval to Execute Option Year Four of Contract No. WAS-12-017-AA-RA, Complete Building Services – Resolution No. 16-43 (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)**
 5. **Approval to Execute a Contract Amendment to Contract No. WAS-140050, Skanska USA Building. – Resolution No. 16-44 (Recommended by Finance and Budget Committee 5/26/16)**

6. [Approval to Execute a Contract Modification to Contract No. WAS-12-019-AB-SS, Alliant Insurance Services, Inc. – Resolution No. 16-45](#) (Recommended by Finance and Budget Committee 5/26/16)

IX. Consent Items (Non-Joint Use)

1. [Approval to Execute Contract No. 150080, Anchor Construction Corp.– Resolution No. 16-46](#) (Recommended by Water Quality and Water Services Committee 5/19/16)
2. [Approval to Revise the Resolutions for Implementing the Lead Service Line Replacement Policy – Resolution No. 16-47](#) (Recommended by Water Quality and Water Services Committee 5/19/16)

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

XI. Adjournment

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

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

- D.C. Retail Water and Sewer Rates Committee – Thursday, June 9, 2016 @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Environmental Quality and Sewerage Services Committee – Thursday, June 16, 2016 @ 9:30 a.m. (5000 Overlook Avenue, SW)
- Water Quality and Water Services Committee – Thursday, June 16, 2016 @ 11:00 a.m. (5000 Overlook Avenue, SW)
- Finance and Budget Committee – Thursday, June 24, 2016 @ 11:00 a.m. (5000 Overlook Avenue SW)
- D.C. Retail Water and Sewer Rates Committee – Tuesday, June 28, 2016 @ 9:30 a.m. (5000 Overlook Avenue SW)



***DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY***

***BOARD OF DIRECTORS
Human Resources and Labor Relations
Committee
May 11, 2016***

MEETING MINUTES

Committee Members Present

Bradley Frome
Matthew Brown
Ellen Boardman
Rachna Butani (via conference call)

DC Water Staff Present

George Hawkins, CEO & General Manager
Henderson Brown, General Counsel
Mustaafa Dozier, Chief of Staff
Linda R. Manley, Board Secretary

Union Presidents Present

Barry Carry, AFSCME 2091
Michelle Hunter, NAGE R3-06
Barbara Milton, AFGE 631
Jonathan Shanks, AFGE 872
Calvert Wilson, AFGE 2553

1. Call to Order

Vice Chairman, Bradley Frome called the meeting to order at 11:07 a.m. He welcomed attendees and relayed the structure for the Board meeting. Both Mr. Frome and Mr. Brown stated the Committee's purpose and function, which is to review matters of policy while being mindful of the collective bargaining agreement. They expressed support for an open forum, while reiterating the importance of being aware of the language of the collective bargaining agreements that are currently in place.

2. Union Topics

Johnathan Shanks expressed concerns of union employees regarding their rights to access the Board for issues that go unresolved by staff and George Hawkins, CEO/General Manager. He also requested clarification on the Board's role in overseeing CEO/General Manager's responsibility for unanswered claims. Mr. Hawkins reassured all of his intent to practice an inclusive, communicative system on an ongoing basis as outlined in the

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collective bargaining agreement. Mr. Frome concurred the same of the Committee's intent.

Barbara Milton also requested clarity on the quarterly vs. annual schedule of union representation at the discussion table. Mr. Hawkins reiterated the terms of the original annual schedule and affirmed that exceptions could be accommodated. Mr. Frome and Ellen Boardman acknowledged the unions' right to share concerns, grievances, etc. However, Mr. Frome reemphasized the Board's role to focus on policy determination.

A. The Unions are seeking the reason why DC Water abandoned their request to the Board to offer an early out incentive to civil service employees.

Ms. Milton inquired why the early out incentive program was abandoned, and requested that the proposal be made accessible to all union presidents. Mr. Hawkins explained that the plan was not an early out incentive, it was an incentive for eligible retirees and the HR/Labor Relations and the Finance and Budget Committees determined that the current decision not to proceed with the program was an assessment of the Authority's business needs, which proved inconclusive. To that end, the Authority plans to revisit the incentive retirement plan in the future.

Mr. Frome asked union representatives to share ideas they would like considered for inclusion in a potential incentive retirement plan. Ms. Milton spoke on behalf of the presidents conveying union members were concerned about DC Water's recent trends to abolish and reduce the workforce. Because they are unaware of the proposal language or specifics, there is ongoing speculation that many may be released without an opportunity to participate. Mr. Hawkins reiterated that DC Water does not have an early out program, but reference relates to the potential incentive for eligible retirees. Once a legitimate business case has been prepared, it would be resubmitted to the committees for consideration.

B. Lay-off and Recall - Board of Director's Publication of Lesser Competitive Area. DC Water currently has a 2005 notice that has not been updated to reflect the Permit's Department or the Clean River's Department. What happens if there is a reduction in force in these departments?

Ms. Milton expressed her concerns regarding the lack of updates and clarity represented in the 2005 DC Water Lay-off and Recall policy which does not include the Permit and Clean River's Departments. The major question that arose was, whether or not employees whose positions have been abolished within a department would have to compete amongst their colleagues of the overall general employee population. Committee members asked for clarity on the question posed, and encouraged Ms. Milton to address the claims of dated policy, procedures, RIF policies, and contract terms with the management staff. She confirmed such efforts were made. Mustafa Dozier relayed that management is aware of claims, but explained the matter is pending in the Office of Employee Appeals (OEA) and thus it cannot be discussed. All contract

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actions are covered by the DCMR 5207 a District regulation which states that the competitive area for the Authority is authority-wide unless a lesser competitive area is established by the General Manager and approved by the Board. Ms. Milton and Mr. Dozier agreed that going forward, all changes to policies will be updated accordingly.

- C. We want a follow-up regarding Mr. Kiely's presentation about the CDL requirement that was given to the HR Committee on January 13, 2016. The union made a prior verbal request at the HR Board of Director's meeting regarding identifying the race demographic of employees being required to obtain a CDL in the Sewer Department. He had other demographics in his presentation but not this one.**

Ms. Milton requested a copy of Mr. Kiely's presentation dated January 13, 2016 regarding CDL requirement presented to the HR/Labor Relations Committee. Mr. Hawkins briefed the committee on some of the workforce stats as well as the Authority's hiring practices, and agreed to forward the presentation to the union representatives. Ms. Boardman encouraged union representatives to direct all inquiries or follow-ups to Mr. Dozier.

- D. The Board said they would have the GM look at current positions that require CDL but the employee does not operate or work on CDL vehicles as part of their job description. We want to know did the GM make any modifications or remove the CDL requirement for any positions meeting these criteria.**

Mr. Frome asked the CEO/General Manager if he has made any modifications to current positions that require a CDL, where the employee does not operate or work on CDL vehicles as part of their job description. Mr. Hawkins confirmed that the Authority had not made any modifications to currently remove CDL requirements as a criteria.

Calvert Wilson questioned the CEO/General Manager about the Authority's stance in handling employees who are unable to obtain their CDL, due to medical conditions. Mr. Hawkins clarified that such topic had not been addressed and presented versions of other scenarios that had been discussed in previous meetings. Such scenarios included newly created positions that would require CDL (with promotion potential); and roles of employees holding positions that required CDL, but may not be able to maintain that requirement due a change/shift in one's medical condition. Mr. Brown also inquired about the status of individuals holding positions that had been reclassified with the CDL requirement. Mr. Shanks suspects that the new CDL imposition will push out the older workforce within his shop (valve, fire hydrant, investigations and repair), due to their medical issues. Mr. Dozier confirmed that the latter scenarios have affected one or two cases across departments, which included a transfer of position and a decision governed by Article 34.

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Ms. Milton requested a review of the CDL requirement process to ensure that all employees have a fair chance at attaining adequate training for the retention of their job or when a reorganization occur. Barry Carry agreed with Ms. Milton and challenged the administration to provide open communication channels to union presidents so that they can disseminate current, relevant information and/or directives to union members about the Authority's plans. A meeting request between union presidents and Mr. Hawkins has been requested.

E. Discussion on the poor labor management relationship at DC Water. Labor Relations is telling managers not to talk to the Union(s).

Mr. Hawkins acknowledged that there are communication challenges on both the Authority and union sides. He is prepared to schedule a meeting with Mr. Dozier and all union presidents in the near future. Committee members echoed the importance of open dialogue and look forward to encouraging results.

3. Executive Session

The executive session commenced at 12:04 p.m.

4. Adjournment

The meeting adjourned at 12:35 p.m.

FOLLOW-UP ITEM:

1. A copy of Charles Kiely's January 13th CDL requirement presentation to be forward to union presidents by the next July 13th meeting.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Sewerage
Services Committee Meeting**
Thursday, May 19, 2016

9:31 a.m.

MEETING MINUTES

Committee Members

James Patteson, Chairperson
Mathew T. Brown
Howard Gibbs
Elisabeth Feldt
David Lake

DC Water Staff Present

George Hawkins, CEO and General Manager
Len Benson, Chief Engineer
Henderson L. Brown, General Counsel
Linda R. Manley, Board Secretary

Other Board Members

Rachna Butani Bhatt
Reverend Kendrick Curry

I. Call to Order

Mr. Patteson called the meeting to order at 9:31 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Assistant General Manager for Wastewater Treatment, began his update by pointing out that the report format has been slightly modified for ease of navigation and readability. He then proceeded to report the monthly-average influent flow for April 2016 was 280 MGD. Total precipitation for the month was 2.05 inches; slightly lower than the expected 3.06 inches. However, one significant weather event was noted, which resulted in excess flow of 7.5MG during this reporting period. The Committee inquired as to how a single-location measurement of rainfall could be considered accurate. Mr. Tesfaye responded that the intent of these measurements is to give representative values of precipitation for the DC metro area and that DC Water would look into increasing the accuracy of collected precipitation data in the future.

Mr. Tesfaye further stated that the average plant performance with regards to suspended solids remained excellent with a 100% compliance. PH, Dissolved Oxygen and E. Coli levels also were significantly within or below permit limits. The enhanced nitrogen removal facility is performing well, producing a low total nitrogen (TN) concentration of 2.94 mg/l and is on target to meet permit limits for 2016. Overall, the Plant performance was excellent with 100% permit compliance. In

April, biosolids production was 423 wet tons per day (wtpd) with most of the production going to land applications. As an exception, some loads were used by Waste Management to demonstrate the usability of Blue Plains generated biosolids as landfill daily cover. The biosolids generated were Class A Biosolids that also met Exceptional Quality standards for Pathogen Reduction, Volatile Solids Reduction (VSR) and presence of Metals. The committee inquired if the Quality standards were set by the Environmental Protection Agency (EPA) or by individual states. Mr. Tesfaye replied that Class A standards are set by the EPA and then adopted by states. The Committee further inquired if the thresholds for Class A quality standards were different than the Exceptional Quality standards. Mr. Tesfaye responded that Class A quality standards use thresholds that are determined by the EPA but that Exceptional Quality is not a threshold. It is terminology used to describe that the quality levels attained in a particular measurement category were significantly higher/above than those required by EPA permit levels.

Mr. Tesfaye stated the commissioning, acceptance and optimization activities of the Combined Heat and Power (CHP) facility continued through April 2016. The CHP facility generated an average of 171 MWH/day, making up 28% of total energy consumed at Blue Plains (i.e., 605 MWH/day) while the average energy purchased from PEPCO was 434 MWH/day.

The Committee inquired if there was a benchmark set for CHP power generation and asked how April's power generation compared to that benchmark. Mr. Tesfaye stated that the target percentage of CHP power generation is 33% and DC Water expects this percentage to improve in the coming months as the commissioning activities are completed. The Committee added it was pleased with the overall changes in the report format and requested if the trend line graphs in previous report versions showing total tonnage of Biosolids could be incorporated in future reports. Mr. Tesfaye responded that the graphs will be added to reports going forward.

III. CLEAN RIVERS PROJECT STATUS UPDATE

Mr. Carlton Ray, Director, Clean Rivers Project, began his presentation by providing an overview of the agenda which included a discussion of the Anacostia projects, major accomplishments of the Clean Rivers Project and schedule and spending to date. Mr. Ray proceeded to show an animation showing progress of all tunneling activities and began the update with the Blue Plains Tunnel (BPT) project. He stated that the BPT (23ft inside diameter, 24,000 LF long, 75 MG storage capacity), which is the first tunnel in the program, was successfully managed and completed in December 2015. Some of the innovations of the BPT project included:

- first design-build project for DC Water; utilization of 100-year Green Century bond;
- implementation of a proprietary collaborative procurement process resulting in significant savings;
- utilization of circular de-aeration channels at intermediate shafts eliminating need for separate drop shafts and de-aeration tunnels (patenting of this methodology is being considered); and
- construction of a binocular shaft at Blue Plains eliminating need for a connecting tunnel between shafts.

In summary, the BPT project entailed a final contract cost of \$318, 735,119, which reflected a savings of \$11, 825,881 from the original contract amount.

Mr. Ray also updated the Board on progress of the Division D – JBAB Overflow and Diversion

Structures project and mentioned that the relationship between DC Water and JBAB remains strong. This project will capture flow from the Potomac Outfall Sewers (POS) and convey it to Blue Plains via the BPT while having the capability to allow overflow to the Anacostia River when BPT is at capacity. As of April 1, 2016, the project is at 27% completion with the following construction activities completed: installation of bulkheads over the POS, bypass structure for the POS and installation of support of excavation (SOE) for the overflow structure.

Mr. Ray continued to update the Board on the progress of the Division Z – Poplar Point Pumping Station Replacement and Main Outfall Sewers Diversion project. As of April 1, 2016, the project is at 23% completion with the following construction activities completed: excavation and bracing of the pumping station; 375-ft long microtunneling of 42-inch shaft at Barry Road and installation of forms, rebar and concrete pouring for walls at the Emergency Overflow Chamber (EOC).

Division I – Main Pumping Station (MPS) Diversions project is at 40% completion as of April 1, 2016. To date, the following construction activities have been completed or are ongoing: installation of 152 secant piles and internal shaft concrete structures and Auger Cast pile installations. During construction of the diversion structures, some segments of the Tiber Creek Trunk Sewer were found to be in poor condition, resulting in rehabilitation of those segments.

Division H – Anacostia River Tunnel project is at 56% completion as of April 1, 2016. To date, the following construction activities have been completed or are ongoing:

- Cured-In-Place (CIP) lining of CSO-019, CSO-018 & M Street CSA shaft;
- installation of Tunnel Boring Machine (TBM) support facilities and sheet piles for CSO-019;
- NSS SOE installation for CSO-018;
- installation of shaft hydraulic structures and NSS SOE for the M Street CSA shaft and NSS;
- installation of tie backs for NSS and excavation of CIP lined shaft for CSO-007;
- shaft excavation and concrete base slab placement for CSO-005.

The TBM has advanced 2,739 ft (approx. 22% of total expected length).

Division PR-B – Kennedy Center CSO 021 Diversion Facilities project is at 4% completion as of April 1, 2016. The purpose of the CSO 021 Diversion Facilities is to intercept and redirect flows from the CSO 021 outfall to the planned Potomac River Tunnel during wet-weather conditions. Notice to Proceed (NTP) for the contractor was issued on March 31, 2016 and to date, permit for instrumentation has been obtained from Department of the Environment and Energy (DOEE). Permit application for rock grouting and secant pile installations is still under review.

Mr. Ray also stated that the program is continuing to address the recommendations from the Mayor's Task Force Report on the Prevention of Flooding in Bloomingdale and LeDroit Park. He mentioned that lining of the First Street Tunnel has been completed and work near Channing St is still ongoing. Division P – First Street Tunnel project is at 82% completion as of April 1, 2016.

Division U – Northeast Boundary Tunnel (NEBT) Utility Relocation project NTP was on May 19, 2016. The purpose of the project is to clear and relocate existing utilities as preparation for mining of the NEBT. The expected duration of the project is 18 months.

Division J – Northeast Boundary Tunnel (NEBT) project, has a planned NTP date of September

18, 2017. At completion, the tunnel will have an inside diameter of 23 ft., a length of 27,000 ft. and have depths ranging from 60- to 140-ft. vertical. When constructed, this tunnel will be the longest tunnel in the Clean Rivers project.

Mr. Ray further mentioned that the Amended Consent Decree that includes the design for eliminating the proposed Rock Creek Tunnel and building of green infrastructure in Rock Creek and the Georgetown neighborhood is currently undergoing final DC Water internal design review. Mr. Ray stated that development of a Request for Proposal (RFP) of the Division RC-A project is 90% complete with procurement expected in mid-2016 to early 2017, and construction slated from early 2017 to 2019. RFP development for Divisions PR-A1 and PR-A2 projects is currently underway with procurement expected in late 2016 to mid-2017 and construction from mid-2017 to 2019.

The design work for the Kansas Avenue Parks and Kennedy Street Green Infrastructure (GI) projects is at 90% and 100 % completion, respectively. The Kennedy Street GI project will be constructed with DDOT's planned Street Improvement Project. Mr. Ray also stated that the GI Certification Program will conduct its first technical training in late 2016 and begin certification examinations in early 2017. Some of the jurisdictions that have formalized their partnership with the GI Certification Program include Milwaukee Metropolitan Sewerage District (MMSD); Montgomery County, MD; Kansas City, Missouri, Water Services Department; Fairfax County, Virginia; City of Baltimore Department of Public Works; Louisville Metropolitan Sewer District and San Francisco Public Utilities Commission.

Mr. Ray concluded his presentation by stating that the DCCR project is on schedule. He mentioned the current shortfall in spending is due to lagging invoices but that DCCR expects to have spending on target at the completion of the 2016 fiscal year. The Committee commended Mr. Ray and the DCCR project in general for its consistent exceptional performance; specifically highlighting the significant monetary savings achieved to date. The Committee further exhorted the DCCR project management team to continue to maintain this level of performance and added that the benefits derived from this project will be multi-generational. In addition, the Committee informed DC Water that it has requested further discussion regarding the timing of expenditure of funds for the DCCR project before the Board adopts new rates in July 2016. The Committee added that it expects DC Water will strive to have up-to-date information regarding the assumptions made to set the Impervious Area Charge.

IV. ACTION ITEMS

JOINT USE

1. Contract No. 15-PR-DETS-03, RJN Group
2. Contract No. WAS-12-017-AA-RA, Complete Building Services
3. Contract No. WAS-12-007-AA-SH, Nutri-Blend, Inc.

Mr. Dan Bae, Director, Procurement, presented action items 1 through 3.

Action Item 1: Request to execute contract modification to furnish, install, calibrate, operate, maintain, collect and report data from flow monitors and rain gauges in various portions of DC Water's Wastewater Collection System.

Mr. Bay stated that the modification is partially because of insufficient wet weather events during the original contract period. The Committee requested further clarification and Mr. Bae and Mr.

Len Benson, Chief Engineer, further explained that the data collected from the flow monitors and rain gauges during the original contract period was not sufficient because there was not enough wet weather (i.e., heavy rain) events that could be used for calibration of the Collection System hydraulic model. This calibration is in turn necessary to determine a baseline level of service for the Waste Water Collection System and inform the development of wastewater-related Capital Improvement Projects.

The Committee inquired as to the reason why the requested modification amount was \$1.9M compared to the previous modification amount \$233,774. Mr. Benson responded by saying the current modification entails not just the extension of the contract period and associated data collection activities from existing flow monitors and rain gauges but also includes the purchase, installation and use of 25 additional flow monitors and associated costs of data acquisition and analysis. Mr. Benson also mentioned that these 25 additional flow monitors would be permanent DC Water property intended for perpetual data collection.

Action Item 2: Request to exercise option year four (4) for HVAC and Plumbing Service contract.

The Committee stated that Option Year three (3) ended in April 30, 2016 but Option Year four (4) period started in May 16, 2016 resulting in a zero-dollar modification between May 01 and May 15, 2016 not approved by the Board. The Committee then inquired why the current request for extension did not come to the Board's attention in April 2016. Mr. Bae responded that the Committee was correct, that this request should have been made in April and this was an oversight. The Committee stated its expectation that such oversights do not occur in the future. Mr. Bae responded that going forward DC Water will strive to ensure such irregularities do not occur.

The Committee further inquired as to how effectively DC Water is tracking and processing invoices and if existing procurement processes have mechanisms in place whereby contract expirations and renewal needs can be known in advance. Mr. Bae responded that DC Water is looking to incorporate a procurement system that automates such monitoring to improve payment of invoices and the procurement process in general. The Committee then requested DC Water present a high-level briefing on ongoing and planned updates to its procurement process.

Action Item 3: Request to exercise option year four (4) for Biosolids Management contract.

Mr. Bay mentioned that this request was removed from last month's Committee meeting agenda because the contract had not yet been finalized. The Committee inquired if this was due to negotiations not being complete. Mr. Bay responded in the affirmative and added that the negotiations yielded slightly reduced rates.

The Committee recommended all three (3) Joint-Use actions to the full Board.

NON JOINT USE

None.

V. QUARTERLY CIP REPORT

Ms. Liliana Maldonado, Director, DETS gave an update on the second quarterly report for fiscal year (FY) 2016 regarding DC Water's Capital Improvement Program (CIP). Current projected FY 2016 disbursements through the end of March 2016 were 2.9% above the baseline. This slight overage reasonable considering the volume of projects in the CIP. Ms. Maldonado mentioned that there were no major/significant causes for this variance but noted that the Sanitary Sewer service area had disbursements higher than baseline projections of \$10.6M. The Water Service area also had an overage of disbursements of \$5.9M that was a result of a number of small variances.

Ms. Maldonado mentioned the 6-month look ahead for large contract actions include the following: Raw Wastewater Pumping Station No.2, Program Management Consultant for Water and Sewer Programs, Project Delivery Consultant for the Sewer Service area and various Small Diameter Watermain (SDWM) Rehab projects, among others.

Ms. Maldonado next summarized the status of the Key Performance Indicators (KPIs) for the CIP as of 2nd quarter FY 2016. For the 2nd quarter, one KPI was achieved early; one 1st quarter KPI was achieved late and four were achieved on time. The KPI for construction substantial completion of the Biosolids Combined Heat and Power (CHP) was not achieved due to issues with commissioning of the turbines. This KPI is expected to be achieved in 3rd quarter FY 2016.

The Committee requested a modification of the table showing future anticipated large-contract actions to show which contracts are joint use vs. non-joint use and which contracts have a small joint-use component to be determined during actual project delivery.

VI. HEADQUARTERS BUILDING PROJECT UPDATE

Mr. George Hawkins, CEO and General Manager, DC Water gave an update to the Board on the ongoing DC Water Headquarters building project. Before the update, Mr. Hawkins briefly mentioned that DC Water along with other public utility partners has recently been involved in advocating that the United States Congress set up a national program to support low-income households in their payment of water bills similar to national programs that support such households with their heat and power bills. Next, Mr. Hawkins proceeded to give his presentation.

Mr. Hawkins stated that the DC Water Board of Directors (BOD) approved the contract to build the Headquarters Office (HQO) on January 8, 2015. DC Water staff will be presenting to the Finance Committee, for review and approval, a change in total cost of the contract. However, DC Water wanted to take the opportunity to also brief the EQSS and WQWS Committees and present a similar update on the ongoing project.

Mr. Hawkins began with a review of the 'Revised 2013 Non-Process Facilities Master Plan' approved by the DC Water BOD on September 5, 2013. The previous Facilities Master Plan called for the continued long-term use of existing DC Water facilities by upgrading them and maintaining them for the foreseeable future. This resulted in a continued decentralized location of DC Water personnel and a higher budget estimate than construction of a new headquarters building. As a result, a revision of the Facilities Master Plan ensued.

Mr. Hawkins stated the goals of the revised Master Plan aligned with DC Water's commitment to being a "world-class utility" and included optimizing efficient use of existing DC Water land and DC Water facilities for projected future needs. Before the 2013 approval of the Facilities Master Plan, the budget for facility needs was approximately \$105M. This earlier approach called for the use of already existing facilities and had significant limitations because it could not alleviate

growing office space problems and did not provide space for potential new future processes or technologies at Blue Plains. Some of the operational efficiency problems with the pre-2013 Facilities Master Plan included lack of consolidation of DETS for efficiency of operations, lack of space for the expansion of the IT department and lack of new space for training and new treatment processes. The pre-2013 Facilities Master Plan also did not consolidate administrative functions of Customer Service and Water and Sewer Operations.

Some of the risks identified with the pre-2013 Facilities Master Plan included limited space availability at Blue Plains for future process improvements, management and mitigation of risks and accidents or safety problems caused by operations or natural disasters and lack of space for expansion of non-process facilities. Concerns were also raised by the DC Historic Preservation Office (DC HPO) about the long-term use of the Old Anacostia Pumping Station for office facilities with off-street parking.

Mr. Hawkins stated the benefits of the revised 2013 Facilities Master Plan with a total estimated budget of \$98M include:

- reduced cost;
- reservation of space at Blue Plains for expansion of wastewater treatment processes well into the future;
- optimization of operational efficiencies and improved response time to customers;
- limited access to the largest industrial complex in DC to essential personnel only; and
- Operational and Maintenance (O&M) savings of approximately \$2M per year from not having to lease space for Customer Service and Water & Sewer Administration facilities.

The Committee inquired if these benefits also take into consideration the stated O&M savings. Mr. Hawkins responded that O&M savings have not yet been quantified and are not reflected in the \$98M budget but that these will be additional savings that will be realized over the life of the HQO building. Mr. Hawkins also mentioned that the revised 2013 Facilities Master Plan contributes to goals 4 through 8 of the DC Water Blue Horizon 2020 strategic plan.

Mr. Hawkins stated the proposed HQO facility will contribute to the reduction of risk by ensuring essential personnel with industrial experience and training are located in Blue Plains for operations and emergencies by relocating all non-essential administrative staff to the new HQO facility. The construction of the HQO will also free up approximately one acre of valuable land at Blue Plains, provide greater flexibility for Customer Care and operations departments and leverage operating funds allocated for leasing of space towards debt service.

Ms. Maureen Holman, Sustainability Chief, DC Water, mentioned that two components of the proposed HQO address sustainability and resilience strategies: the stormwater management system and the innovative heat recovery system. Ms. Holman stated that the ground floor of the HQO building will be set above the 500-year flood plain thereby minimizing risk of flooding for the surrounding community and the facility itself. The innovative heat recovery system in turn will heat and cool the facility by transferring energy to and from the sewage flowing through the existing onsite pump station. Mr. Hawkins also added that sophisticated energy modeling has been used in the design of this building to significantly reduce energy consumption by utilizing window glazing, overhangs and sunshades.

The Committee inquired as to community educational opportunities that will be available during tours and visits to the HQO once it is constructed. Mr. Hawkins replied that although the building will be a secure facility with restricted and permitted access only, multiple educational

opportunities will be made available in the form of scheduled tours and school trips. There will also be exhibits that highlight the operations of DC Water, including the active, onsite pump station and the numerous sustainability features of the facility.

Mr. Hawkins also reported the HQO facility is now ready for construction having obtained the National Capital Planning Commission (NCPC), Planned Unit Development (PUD) approval and related map amendment on January 7, 2016. DC Water has also gotten final approvals from the DC Zoning Commission and the U.S. Commission of Fine Arts in February 8, 2016 and March 17, 2016 respectively. The Committee inquired what the anticipated date of completion is for the HQO facility. Mr. Hawkins replied completion date is November 2017, approximately in 18 months.

Mr. Benson next gave an overview of the construction costs for the HQO facility and began by stating that the original Design-Bid-Build (DBB) budget of the HQO as approved by the DC Water BOD in December 2013 was \$69,750,000 while the current budget is \$71,100,000. Some of the significant contributors to the variance include increases of \$1,350,000 to the 'Soft Cost' line item in FY 2014 and 2015 to account for a new, Progressive Design-Bid-Build Procurement method, including design competition, design stipends, Rolling Owner Controlled Insurance Program (ROCIP) and additional legal and PM/CM costs related to the extensive permitting process required for facility approval.

Mr. Benson stated that the revised 2016 guaranteed-maximum-price (GMP) to be presented to the Finance Committee is \$75,641,931, which is an increase of \$4,541,931. The increase includes additions to the building construction and furniture / fixture line items (modification due to raised access floors for future wiring modification needs and inclusion of movable, modular walls/partitions). Mr. Benson also pointed out that the requested budget increase is actually \$428,000 less than the 2013 budget when considering inflation and includes more features and flexibility.

The Committee inquired about the additional budget costs attributed to the permitting process and changes from the initially anticipated permitting effort. Mr. Benson and Mr. Hawkins replied that the efforts to secure permits and approvals from the NCPC and U.S. CFA, and the extensive negotiations between Forrest City Development and DC Water, consumed a significant amount of time and resources because the Developer's plans had been approved by the permitting agencies without proper consideration of the Authority's needs.

Mr. Benson concluded by summarizing the proposed HQO construction schedule as follows: proposed Board approval of contract by June 2, 2016; proposed NTP to Skanska by June 9, 2016; proposed construction start by June 20, 2016 and proposed substantial completion by November 2017. The Committee inquired where the Emergency Operations Center (i.e., Command Center) will be located in the future. Ms. Holman replied that the Command Center, which is currently located in M St., will be moved to the new HQO facility when it is completed.

VII. OTHER BUSINESS/EMERGING ISSUES

None.

VIII. ADJOURNMENT

Meeting adjourned at 11:33 a.m.

Follow-up Items

1. Director Procurement: Present a high-level briefing on ongoing and planned updates to its procurement process.
2. Director Engineering: Modify table showing future anticipated large contract actions to show which contracts are joint use vs. non-joint use and indicate which contracts have a small joint-use component yet to be determined.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

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

**MEETING MINUTES
THURSDAY, MAY 19, 2016**

Present Board Members

Rachna Butani Bhatt, Chair
Chairman Matthew Brown
Kendrick Curry
Howard Gibbs

Present D.C. Water Staff

George Hawkins, General Manager
Charles Kiely, Assistant General Manager
for Customer Care and Operations
Henderson Brown, General Counsel
Linda R. Manley, Secretary to the Board

I. Call to Order

Ms. Butani Bhatt called the meeting to order.

II. Water Quality Monitoring

A. Total Coliform Testing (TCR)

Charles Kiely, Assistant General Manager for Customer Care and Operations, reported that there were zero positives in April and so far in May. He stated this is expected when spring cleaning is being done. It has now been completed. D.C. Water is in excellent shape on the drinking water side.

B. Lead and Copper Rule Monitoring

Mr. Kiely stated that they have completed the collecting of samples for lead and copper rule monitoring. This is the first time that they have not had to chase people and Mr. Kiely indicated that may be due to the publicity recently about water quality in Flint, Michigan. They are at 4 parts per billion which will be filed with EPA and is very low in terms of water treatment processes.

C. Fire Hydrant Upgrade Program

Mr. Kiely reported that in the summer they almost shut down the Fire Hydrant Upgrade Program to concentrate on other priorities. The service line inspection program started in March and includes replacement projects. All of the lead service replacements are now being done in-house. The current report shows that there are 32 fire hydrants out of service, which is at .32 percent, under the 1 percent goal. This is excellent.

D. Automated Meter Reading Update

Mr. Kiely presented an update on the Automated Meter Reading Project. He stated that back in 2002 they started the Automated Meter Reading (AMR) Project which meant that D.C. Water was the first in the country to install the Fixed Network AMR System. They receive radio communications from a meter reading transmitting unit device on the meter to their data collection units which is a network they have around the city and then a cell phone call to the meter readers who drive around the city so that they can be updated every day. The technology has transitioned to two-way communication. They are piloting the newest technology which will continue through the summer. A 90-day evaluation period will be done.

This presentation was made to update the Committee and highlight some of the benefits. In 16 months, 105,000 installations were completed, starting in March 2002 to August 2003. This represented all the residential meters. Commercial meters were owned by the property owners, and following the D.C. Water Board's action to assume meter control, this project was completed in 2008. These projects were paid for from the savings in manual versus automatic meter reading. Mr. Kiely went through all the steps taken to update the meter reading function and improve customer service, including the establishment of a call center.

Mr. Kiely reported that today they have in the ground 76,000 of the original residential meters from the Fixed Network AMR System. Now is the time to replace all those meters. They are now piloting the new systems. New meter contracts will go out soon for all required meters. They are working with the labor union to get their suggestions for how to handle the installation since D.C. Water does not have the staff to install all of the meters. Mr. Hawkins stated that they want to expedite the installations over a 36 month or less period. The present staff could do this but it would take until 2024 and they do not have that much time. D.C. Water has been reviewing the new technology over a number of years and has now determined that they can wait no longer. Mr. Kiely assured the Committee that they would report back periodically on their progress with this major project.

E. Lead Service Line Inventory Update

Maureen Schmelling, Water Quality Manager, made a presentation on their profiling initiatives to improve their lead service inventory. There is a large number of lead services that they have no information on, approximately 16,000. They are trying to work toward identifying more of them. There are now a couple of initiatives to address this issue. External Affairs, General Counsel's Office, and Information Technology departments have been working with them as a team to put together a map on the website where customers can go, enter their addresses, and see what information D.C. Water has on their service line material. Ms. Schmelling walked the Committee through the slides which described the map and information, and pointed to a disclaimer that customers have to acknowledge that they have read concerning the information. Old records were hand written and may not be wholly accurate and they do not want people to

rely on it. Mr. Hawkins indicated that customers must realize that this is the best data they have but that there is a possibility that it is incorrect. Ms. Schelling walked them through the online service line software and how it works. Included is an explanation of what the customer should do to identify their service and its material in order to minimize the exposure to lead. There is written information, videos, and other information that will assist them in making good decisions. EPA has already issued guidance to water systems throughout the country to require notification to customers of lead service lines and what action they should take. D.C. Water is ahead of this requirement and continues to work with EPA to develop an excellent system for addressing this issue.

Ms. Schmelling talked about several steps in the profiling project. One is to send out test kits to homes that include ten bottles to collect samples of water. D.C. Water will use the data to determine if the service line is lead or not. This does not involve digging or any disturbance of the service line, and it is a pretty good indicator when you get lead results. Mr. Kiely said that there are approximately 16,000 service lines that they do not have records on. As they see the results, they will go in and talk to the customer and inform them that they have identified a lead source somewhere in their service line and then work with them step by step. This is a pilot program. As time progresses and EPA issues a rule, the process will be accelerated.

Ms. Schmelling presented the projected costs for the project. The Washington Aqueduct is the laboratory that will analyze the samples. Mr. Kiely indicated that a \$500,000 cap was placed on the replacement of service lines on the public space and that now they are exceeding this amount due to the attention that has been placed on lead service lines. The meeting materials on the website show how much money is spent per replacement. Now they have an estimate of \$1.4 million for the replacement. D.C. Water pays for the public and pays a contractor to do the private side, which is later reimbursed by the customer. Chairman Brown said that there should be no constraint for this when customer ask for the services.

Lead in the public schools has come up lately and D.C. Water is working with the schools to identify and remedy the problem. She said that the service lines into schools are not made of lead because they are large, but lead is somewhere in the buildings. In drinking water fountains lead particles are caught when water runs through it. They can put filters on the fountains, but ultimately the lead needs to be removed. Any source of water in the schools are being tested and monitored.

Mr. Hawkins feels that the schools are focused on this problem and will resolve the problems.

Mr. Kiely stated that they have resolutions regarding lead service lines. One is to increase the funding for replacements. Everyone agreed that whatever the costs, it should be budgeted. The proposed resolution is for \$2 million. Ms. Butani Bhatt stated that this resolution should include a caveat that if required, they will come back to the Board for an increase. Mr. Curry asked how the \$2 million was arrived at and Mr. Kiely stated that now they are at \$1.4 million worth of requests for replacements, but they are now embarking on a project concerning the unknowns which require additional funding.

Ms. Butani asked why the contract for small diameter water main replacements in Bloomingdale was being awarded to someone who did not have the lowest bid. Lennie Benson, Chief Engineer, stated that the two lowest bidders were determined to be nonresponsive to the solicitation. The solicitation explicitly stated that the bidders had to provide documentation of compliance with the EPA Fair Share objective in MBE goal Program and document their outreach. Contractors have to advertise broadly, receive MBE bids, analyzed them, and indicate if they will use the MBE contractors. This has to be included with the bid. The first two

lowest bidders did not include that information. Mr. Benson indicated that the way the requirements are written, there can be no discretion on D.C. Water's part on a contractor's responsiveness. This is all part of the requirements when D.C. Water signs on for grants from the Federal Government. Mr. Gibbs asked why this was not clearly stated in the award documentation and Mr. Benson said that they would include it in the future. Mr. Benson assured the Committee that in the future the unresponsive explanation would be clearly specified. The Committee agreed to recommend to the Board approval of the resolution concerning Anchor Construction Corp.

There being no other questions and concerns, Ms. Butani Bhatt adjourned the meeting.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, May 26, 2016

11:00 a.m.

MEETING MINUTES

Committee Members

Timothy L. Firestine, Committee Chairperson
Matthew Brown
Sarah Motsch
Adam Ortiz

DC Water Staff

George Hawkins, CEO & General Manager
Mark Kim, Chief Financial Officer
Len Benson, Chief Engineer
Henderson Brown, General Counsel
Tanya DeLeon, Manager, Risk
Liliana Maldonado, Director, DETS
Linda Manley, Secretary to the Board

Other Presenters and Guests

Joe Underwood, Albert Risk Management

Call to Order

Chairperson Timothy L. Firestine called the meeting to order at 11:00 a.m.

April 2016 Financial Report and Year End Projections

Mr. Mark Kim, CFO, reported that with 58% of the fiscal year completed, financials are on track with budgetary expectations and targeted performance metrics through this reporting period. Total revenues are at \$334.9M or 58% of budget, operating expenses at \$266.6M or 49% of budget and capital disbursements at \$343.8M or 63% of budget in the respective categories.

Operating revenues are projected to be slightly below budget at 0.2%. Mr. Kim noted that the lag in Water System Replacement Fee (WSRF) receipts is due to collection timing for the new fee that was implemented in FY 2016, which once reconciled will be reflected in FY 2017. This also reflects non-receipt of WSRF from the federal government, which is typically billed two years in advance. Chairman Firestine enquired about the accounting treatment for revenue recognition. Mr. Kim discussed both the cash basis and accrual basis of accounting that is used by the Authority. He further explained that while the non-receipt of WSRF from the federal government in the current fiscal year will negatively impact revenue on a cash receipts basis, the revenue will be duly recognized/accrued for year-end financial reporting purposes.

Operating expenditures are projected to be 8.3% below budget with savings largely driven by the Digester with less spending in chemicals, electricity and hauling. As a result of this savings at Blue Plains, the projected refunds to IMA customers has increased. Mr. Kim reported that the projected overspending in personnel services is attributed to increased hiring efforts to lower vacancy rate. Mr. Ortiz asked whether there is a lapse in vacancies for projecting costs. Mr. Kim explained that vacancies are not fully funded but have enough funding to allow for recruitment of all vacant positions.

Total capital disbursements are projected to be below budget at 1.5%, with overspending in capital projects offset by underspending in capital equipment. Mr. Kim noted that the overspending in the capital projects will be reviewed in more detail as part of the second quarterly report delivered by Ms. Liliana Maldonado. He explained that the underspending in the capital equipment programs is due to contract delays mainly for IT related work such as the customer billing system and meter replacement program which are large scale projects that have taken more time than expected to kick off due to the level of complexity.

Mr. Kim's stated that the year-end surplus is projected to be approximately \$17M and that staff will be making its recommendation on the use of that surplus at its the scheduled committee meeting in June. Chairman Firestine asked for a more detailed explanation of the basis of accounting used to calculate the surplus, which Mr. Kim offered to provide at the June committee meeting.

Mr. Kim briefly reviewed the performance of the investment portfolio which is currently earning 0.74% noting that all investments are consistent with the Board adopted Investment Policy. He reported that the current contracts with the Authority's financial advisors and investment advisor will expire in December 2016. The Authority has issued a joint Request for Proposal (RFP) for both financial advisory and investment advisory services and the responses are due June 1, 2016. The responses will be evaluated, oral interviews are planned for July, and a recommendation will be presented to the Finance and Budget Committee thereafter. Mr. Kim mentioned his visit to Harrisburg, PA, along with members of the financing team last month to conduct due diligence with the Authority's asset manager. They met with the Authority's portfolio manager as well as trading desk personnel, and reviewed the performance of the Authority's investments.

Insurance Renewal Update

Ms. Tanya DeLeon and Mr. Joe Underwood, Independent Insurance Advisor from Albert Risk Management presented the insurance options available to DC Water and provided an update of the market conditions. Ms. DeLeon reported that the Authority's broker has indicated that combined premium costs are projected to exceed the \$1M threshold for the Excess liability and Property Insurance coverage, therefore a request for approval to purchase the mentioned coverage costing up to \$2.9M.

Ms. DeLeon presented an executive summary with an action item to allow for the purchase of Excess Liability and Property Insurance. It was mentioned that the current carrier no longer provides underwriting services to the public sector thus requiring a search for new carrier. She

noted that a full and hopefully final update will be provided at the June Finance & Budget Committee meeting.

Chairman Firestine inquired about the basis for the \$100M coverage purchase limit. Mr. Underwood and Ms. DeLeon explained that although there is an annual evaluation in cost, the continued purchasing limit amount was based on exposures and benchmarking data from 2002 and 2007. The goal is to align with the Authority's policy of getting the best value, which is obtaining the best coverage at the lowest premium cost.

Capital Improvement Program Quarterly Report

Ms. Liliana Maldonado presented an overview of the capital projects with a current forecast of 3% above the baseline capital disbursement budget. She explained that the overspending is mainly in the Sanitary Sewer Service area due to better than anticipated progress of the construction contract during the fiscal year, offset by the underspending for the New Fleet Management Facility due to delayed agreement between the DC Water and the District government. Many of the large contracts requiring action from the Board in the near future are for small diameter watermain program. The small diameter program is in its 6th year. It was noted that they continue to achieve the 1% goal of updating the water lines.

New Headquarters Building Update

Mr. George Hawkins, CEO & General Manager, provided an overview of the new headquarters (HQO) building project with detailed comparison of the underlying assumptions in the Pre-2013 and Revised Master Plans for the Non-Process Facilities Service Area. He explained that the goal of the HQO project is to move all non-process oriented personnel from a series of locations in Blue Plains and around the District to a centralized location. This plan among other benefits will reserve the office facilities at Blue Plains for process personnel and existing land in use for office trailers for potential future waste water treatment process needs, and also eliminate rental expense for Customer Service staff space. The HQO building, which is at 80% design completion, has more environmental components and less operational cost thereby making it very sustainable. The construction is anticipated to begin in June 2016, after Board approval, and substantial completion is scheduled for November 2017.

Mr. Leonard Benson, Chief Engineer, presented an overview of an additional budget request of \$4.5M above the current Board-approved FY 2016 budget for the HQO project, which is within the GM's authority for reprogramming within the CIP Service Areas. Mr. Benson discussed that the increase from \$71.1M to \$75.6M is consistent with the Design-Build contract requirement for the Guaranteed Maximum Price (GMP) for construction of \$65M. The initial budget for the building did not include an escalation cost, and the size of the building has increased to include additional employees from Bryant Street and accommodate internal and external auditors.

In response to Chairman Firestine's enquiry concerning the Owner Contingency/Soft Cost of \$10.6M, Mr. Benson stated that this line item includes the contingency and other costs for project management, advertisement, stipends, legal fees and insurance.

Mr. Brown asked about the performance of the contractor in the completed Design – Phase 1 of the contract with regards to MBE/WBE compliance, and the anticipated participation of minority and local businesses in the Construction - Phase 2. Mr. Benson responded, stating that the project's compliance with MBE/WBE requirements will be monitored by the project management team and the contractor has assured participation of sub-contractors from the minority firms in the area to meet the goals.

Action Items

The Committee recommended the following action items for the Board's consideration:

- Property and Casualty Insurance Brokerage Services
- New Headquarters Building

Adjournment

Hearing no further business Chairperson Firestine adjourned the meeting at 12.32pm.

Follow-up Items

1. Provide additional details regarding the basis of accounting used to calculate the projected FY2016 surplus.
2. Review fact sheet to clarify whether the Phase 1 costs should be included in the total requested contract amount and provide original target M/WBE participation percentages as well as actual results.



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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

My greetings to the Board – and I hope you all enjoyed a relaxing Memorial Day weekend. We at DC Water come back from the three day weekend ready to keep moving forward.

Bloom

On May 12, I was delighted to moderate a press conference at which we formally launched our new soil product produced from our Class A biosolids – Bloom! Please take a look at the website Bloomsoil.com for a view of our branding. Bloom is not yet a commercial product ready for sale at a neighborhood store – but we are getting closer! We have several pilot projects ongoing with local businesses to mix and “cure” Bloom to create a variety of different products. We are also experimenting with arrangements to bag and distribute the product – mostly likely relying on partnerships with other companies that specialize in this work. Yet we take Board Chair Matt Brown’s challenge that we transform this hauling expense into a revenue generator and will continue to report our progress.

In the meantime, we are providing Bloom to several partners in the District and region, including Casey Trees and the District Department of Transportation. At a minimum, we will require those parties that want to use Bloom to pay for the transport costs – saving us operating funds on that basis. We are pleased to report that we have received our Class A certification in the District of Columbia, Maryland and (shortly, we hope) Virginia – which enables us to start the distribution process. Hence the press conference! I am grateful to Matt Brown for speaking at the event, along with DDOE Director Tommy Wells and Mark Busciano, Executive Director of Casey Trees. We were also pleased to see Board members Ellen Boardman and Ana Harvey at the event, as well as past Board members David Bardin and Joe Cotruvo. By the way, my favorite memory of the event was our Board Chair hoisting a 75 pound bag of Bloom to take back to his car and home. I felt I had to emulate our leader, so I did the same. My garden is very happy.

There are so many people who have joined in the effort to launch Bloom. At the core are Chris Peot and Bill Brower who lead our Bloom effort and the biosolids program. Of course, Walt Bailey was engaged in this effort until his retirement, and current Assistant General Manager for Blue Plains Aklile Tesfaye supports these efforts today, as he did when he was Director of Operations. Salil Kharkar also supports this progress as the current Director of Operations, and the previous Director of Process Engineering. Leonard Benson and his crew have overseen the highly complex design and building of the facilities that have created the biosolids facilities. Alan Heymann and Gloria Cadavid have been focused on developing the business marketing of Bloom – and the External Affairs team has overseen the logo, website design and once again delivered a flawless program. There is so much to come!

Rate Hearing

Our comprehensive development, review and outreach strategy for our FY 2017 budget and our two-year rate proposal (FY 2017 and 2018) completed an important milestone with our formal public hearing on May 11. DC Water members of the Board from the District host this hearing, Chaired by Matt Brown, and including Ellen Boardman, Bo Menkiti, Reverend Kendrick Curry and Howard Gibbs. I make a presentation to the Board about the budget and rate structure, joined at the table by CFO Mark Kim in case there are any questions that he can answer. After me, Raftelis, our independent rate consultant, reviews the budget and rate proposal with respect

Message from the CEO/GM

to past and current year financial performance and in comparison to other similar utilities. We have edged up to be slightly above the average for annual costs in comparison to our peers, which is what we would expect after the significant increases we have seen due to the Clean Rivers Project. We do project lower rate increases over the next two years than any previous year – 5.1% in 2016 and 6.2% in 2018 (both less than the 7.5% increases we projected for both years last year), although we recognize the significant challenge that is placed on many of our ratepayers at the current rate, let alone any increase. After Raftelis, Chairman Brown opens up the forum to members of the public. We had only a few parties testify – but each delivered important feedback from our different classes of ratepayer. We look forward to further engagement with the Retail Rates Committee in June to finalize a rates decision.

Maryland Washington Minority Business Award

I am pleased to announce that at a breakfast event in Baltimore on May 13 we received the “Best Water Utility Company for Minority Business” from the Maryland Washington Minority Companies Association. I was joined by Mustafa Dozier, Dan Bae, Korey Gray and Lisa Barton. This is an area where we know we need to maintain not just a focus, but tangible results – but we are also pleased to receive recognition for our past efforts.

Capital Hill Briefings

I was invited to the Hill to participate in two staff briefings in May, and have been invited back for a third in June. The May briefings were on a) lead in water and new public health challenges to water systems; and b) affordability and challenge to low income customers. On the latter, we are strongly supporting the creation of a federal program to provide assistance to low income customers for water bills – parallel to the Low Income Heating Assistance Program (LIHEAP) that has received bi-partisan support for many years. The briefing in June is focused on potential updates to the federal Safe Drinking Water Act. I am pleased that we are seen as a policy leader in the water arena, and particularly in the effort to support low income customers, we are prepared to engage in every way possible.

ART and China

Through our Advancing Research and Technology (ART) program that offers lab and monitoring services to entities for a fee, we are offering technology and support for the introduction of process approaches to wastewater that were partly developed here at Blue Plains. Our first potential clients are in China and India, and we have sent Chief Operating Officer Biju George and Innovations Chief Sudhir Murthy to meet directly with clients and discuss business terms. Chief Procurement Officer John Bosley is reviewing all of the potential arrangements along with General Counsel Henderson Brown. This is a very exciting opportunity that has the potential for generating revenue that can offset ratepayer costs. We look forward to reporting more to the Board.

External Affairs

Website: Session totals for the period of April 16 through May 15, 2015
 Total Sessions: 81,981
 New Sessions: 46,243

Message from the CEO/GM

Government Relations

On May 17, 2016, the DC Council held its first vote on the District of Columbia's Fiscal Year 2017 budget and capital improvement plan. After considerable negotiations between the Mayor's office and the DC Council, the budget presented on May 17 did not contain any provisions of concern to DC Water.

On May 11, 2016, DC Water sent a letter of support to the Chairperson of the DC Council's Committee on Transportation and the Environment, Mary Cheh, regarding the "Renewable Portfolio Standard Expansion Amendment Act of 2016." At DC Water's request, Councilmember Cheh included a provision in the legislation that would allow sewer heat recovery projects to be eligible for renewable energy credits in the District of Columbia. DC Water is hopeful that the addition will promote the use of this exciting sustainable technology. A public hearing will be held on the bill May 23, 2016.

Media Relations

DC Water launched the pilot program for its new product, Bloom™, at a press event May 12 at Oxon Run Park at a Casey Trees installation. The event featured speakers Tommy Wells, Director, District Department of Energy and Environment; DC Water Board Chair Matthew Brown; Casey Trees Executive Director Mark Buscaino; and DC Water CEO and GM George Hawkins. The announcement was covered by WTOP, NBC 4 and others and continues to garner attention, with stories in the works with outlets including Public Radio International.

Press releases issued:

May 12: DC Water showcases new, made-in-DC soil amendment

Media Coverage:

- DC turning waste water solids into gardeners' gold
<http://wtop.com/dc/2016/05/d-c-turning-waste-water-solids-gardeners-gold/slide/1/>
- Award-Winning DC Water Selects InfoWorks ICM
<http://www.wateronline.com/doc/award-winning-dc-water-selects-infoworks-icm-0001>
- One city's solution to drinking water contamination? Get rid of every lead pipe.
https://www.washingtonpost.com/national/health-science/one-citys-solution-to-drinking-water-contamination-get-rid-of-every-lead-pipe/2016/05/10/480cd842-0814-11e6-bdcb-0133da18418d_story.html
- Digging the District's 21st Century Sewer System
<http://wateronline.epubxp.com/i/672151-may-2016/22>
- City-Wide Water Testing Planned
<http://www.afro.com/city-wide-water-testing-planned/>
- D.C. is handing out bottled water to students at one school after brownish water discovered
<https://www.washingtonpost.com/news/education/wp/2016/04/27/d-c-is-handing-out-bottled-water-to-students-at-one-school-after-brownish-water-discovered/>

Message from the CEO/GM

- ‘Sediment’ Detected in Water at Martin Luther King Jr. Elementary School [UPDATE]
<http://www.washingtoncitypaper.com/blogs/citydesk/2016/04/27/sediment-detected-in-water-at-martin-luther-king-jr-elementary-school/>
- DCPS Is Testing Brown Drinking Water At A Congress Heights Elementary School
http://dcist.com/2016/04/dcps_replaces_discolored_drinking_w.php
- Water. Cool, clear water.
<http://www.energytomorrow.org/blog/2016/04/21/vote-for-clean-water>
- Flint water crisis becomes wake-up call across the country: Is our water safe?
http://www.wktv.com/news/local/Flint_water_crisis_becomes_wake-up_call_across_the_country_Is_our_water_safe.html
- Should you be checking your water for lead?
<http://www.11alive.com/news/should-you-be-checking-your-water-for-lead/152082620>
- MAIN PROCESS TRAIN PROJECT AWARDED ENGINEERING EXCELLENCE AWARD
<http://www.pconstruction.com/blog/main-process-train-project-awarded-engineering-excellence-award/>
- Mayor Bowser Urges Tennessee Governor To Veto LGBT Counseling Bill
http://dcist.com/2016/04/mayor_bowser_sends_letter_to_tennes.php
- Analysis of Recent Cases Reveals What Justice Garland Could Mean for Employers
<http://www.jdsupra.com/legalnews/analysis-of-recent-cases-reveals-what-55165/>
- Meet the Storyfest Finalists: Jesse Gurney
<http://www.planetforward.org/idea/meet-the-storyfest-finalists-jesse-gurney>
- Emory WaterHub Awarded 2016 U.S. Water Prize
<http://emorywheel.com/emory-waterhub-awarded-2016-u-s-water-prize/>
- A safer bike ride through Rock Creek Park is on the way
<http://greatergreaterwashington.org/post/30385/a-safer-bike-ride-through-rock-creek-park-is-on-the-way/>

Meetings/Presentations/Events

- In support of Earth Month, Wendy ‘dropped’ in at Alice Ferguson Foundation’s 28th Annual Potomac River Watershed Cleanup event. She greeted and entertained cleanup crews as they worked diligently to pick up trash and fill their collection bags within the vicinity of Bladensburg Road NE and Neal Street NE.
- DC Water attended the 2nd Annual Anacostia River Festival. Wendy kept spectators entertained as they visited our station to pick up water bottles, refill their bottles at the Quench Buggy, and/or take part in the DCCR kids’ coloring activity.
- DC Water co-hosted with Councilmember Charles Allen the 7th Annual Ward 6 Town Hall.
- DC Water attended the monthly meeting of ANC 4D to provide an update on the RC-A portion of its Green Infrastructure program.

Message from the CEO/GM

- In support of Earth Month, DC Water attended the US Department of Transportation's Earth Day Celebration event to provide information and updates on its Green Infrastructure program. The theme for this year's event was "Green Infrastructure and Sustainability", so appropriately DC Water's GI team was in attendance.
- DC Water co-hosted with Councilmember Mary Cheh the 7th Annual Ward 3 Town Hall.
- In support of Earth Month, DC Water attended the United States Botanic Gardens' 2016 Earth Day Open House Celebration. Among items provided by DC Water included a special guest appearance by Wendy, Cooling Station, mugs, reusable bags, lanyards and Activity Books.
- In support of Earth Month, DC Water provided to Joint Base Anacostia-Bolling one-day use of a 30 feet roll-off dumpster and recycling container for its Earth Day Cleanup event.
- In support of Earth Month, DC Water attended the 2016 Earth Day River Cleanup Event, sponsored by Earth Conservation Corps, DOEE and Girl Scouts Nation's Capital. Wendy made an appearance, and the DC Water Trivia Wheel and a host of giveaways were also provided.
- In support of Earth Month, DC Water attended the Anacostia Watershed Society 2016 Earth Day Cleanup Event & After Cleanup Celebration. Wendy made an appearance, and water bottles and reusable bags were also provided.
- DC Water co-hosted with Councilmember Yvette Alexander the 7th Annual Ward 7 Town Hall.
- DC Water co-hosted with Councilmember LaRuby May the 7th Annual Ward 8 Town Hall.
- DC Water attended the monthly meeting of ANC 5A to provide an update on the RC-A portion of its Green Infrastructure program.
- In support of Earth Month, DC Water attended the DC VA Medical Center's Earth Day Celebration event, providing a host of literature and giveaways.
- In promotion of National Drinking Water Week, DC Water staffed a booth at the 4/28 home game of the Washington Nationals to provide water bottles to spectators. In addition, Wendy was fortunate enough to get a few "cool" snap shots with the Presidents' heads between innings.
- DC Water participated along with DDOT and Councilmember Todd and staff in a community walkthrough in the 5300 block of 28th Street NW. The main purpose for the walkthrough was to discuss remaining punchlist items to be completed following completion of DC Water's Small Diameter Water Main Replacement Project in the area.
- In promotion of National Drinking Water Week, DC Water participated in one of the weekly FRESHFarm Markets near the White House (800 Vermont Avenue NW). During this event, DC Water conducted a water taste test challenge in which nearly 50 passersby participated. In addition, DC Water provided its DC Water Trivia Wheel, another huge hit at the Market. Also, Wendy made an appearance and a host of TapIt and other literature and giveaways were provided as well.
- In support of National Drinking Water Week, DC Water participated in the S.T.E.M. Expo at Maury Elementary School. DC Water hosted a water conservation/water quality information table during the event.
- In promotion of National Drinking Water Week, DC Water attended the Smithsonian Garden Festival. Despite wet weather conditions and the event being moved indoors at

Message from the CEO/GM

the S. Dillon Ripley Center, the event was still overall a huge hit, and Wendy entertained passersby as they played the Trivia Wheel to win a cool prize (water bottle or mug).

- In promotion of National Drinking Water Week, DC Water attended the Congress Heights Day Festival, held at Saint Elizabeths Gateway Pavilion. Despite lots of activity at the event including a parade containing local area high schools, battle of the bands belonging to these schools and a series of live hip hop performances throughout the event, DC Water still proved one of the greatest attractions with its Cooling Station, Trivia Wheel and table full of TapIT glasses, water bottles and other interesting giveaways and information.
- In promotion of National Drinking Water Week, DC Water attended the WSSC “Wonders of Water Journey”. DC Water facilitated a hands-on activity for scouting troops.
- DC Water attended the Rhode Island Avenue Main Street Annual Meeting, mainly to make a formal introduction between this group and DC Water’s new DCCR outreach staff that will be responsible for management of outreach efforts in support of the Northeast Boundary Tunnel Project.
- DC Water attended the monthly meeting of ANC 3B to share important updates on its Green Infrastructure program.
- DC Water participated in the Youth & Casting Call, sponsored by DOEE at Fletcher’s Boathouse. DC Water hosted an information table covering a wide variety of water related topics.

Customer Newsletter

The May bill insert featured a cover story on the end of the spring cleaning, or disinfectant switch, a District student winning the DC Water research award, dialing Miss Utility before digging and leave hydrants alone. The GM’s Message reflected on the Town Hall meetings and a story on keeping meters clear of obstructions was included to remind customers that DC Water can’t get accurate readings if the meter isn’t sending readings.

Tours

- 19 students from Lorien Wood Junior High School
- 20 students from John Hopkins University
- 20 students from Eastern SHS AP Environmental Science
- 14 guests from Risk Management PMA Claims Administrator
- 20 students from DCPS- Industry Partnership Programs
- 12 guests from MW Council of Governments
- 25 students from Lab Junior High School of Washington

Message from the CEO/GM

Social Media

Twitter	4/16 - 5/16	Fiscal Year to date total 10/15 – 4/16
New Followers	161	1,837
Total Followers	12,884	
Mentions	542	4,616
Retweets	205	2,336
Favorites	606	4,449
Facebook		
New Fans	48	369
Total Fans	2,233	
Impressions	48,380	455,487
Users	24,195	212,370
Interactions	407	5,319
Instagram		
New Followers	21	203
Followers	630	
Likes	231	2,041
Comments	2	91

ORGANIZATIONAL PERFORMANCE DASHBOARD (APRIL, 2016)

Financial Highlights

Net Operating Cash Actual 63121 Target 43722 (\$ tho)	Operating Revenues Actual 335 Target 339 (\$ mil)	Operating Expenses Actual 267 Target 316 (\$ mil)	Capital Disbursements Actual 344 Target 339 (\$ mil)
Operating Cash Balance Actual 159 Target 126 (\$ mil)	Delinquent Account Receivables Actual 2 Target 3 (%)	Core Investments Yield Actual 1.13 Target 0.75 (%)	Short Term Investment Yield Actual 0.65 Target 0.15 (%)

Customer Care and Operations Highlights

Call Center Performance Apr 84 85 (% of calls rec)	Command Center Performance Apr 93 85 (% of calls rec)	First Call Resolution Apr 83 75 (% of calls rec)	Emergency Response Time Apr 100 90 (% of calls rec)
Fire Hydrants out of Service Apr 32 96 (count)	Fire Hydrant Insp. and Maint. 435 (count)	Fire Hydrants Replaced Apr 50 250 (YTD count)	Permit Processing within SLA 92 (%)

Low Income Assistance Program

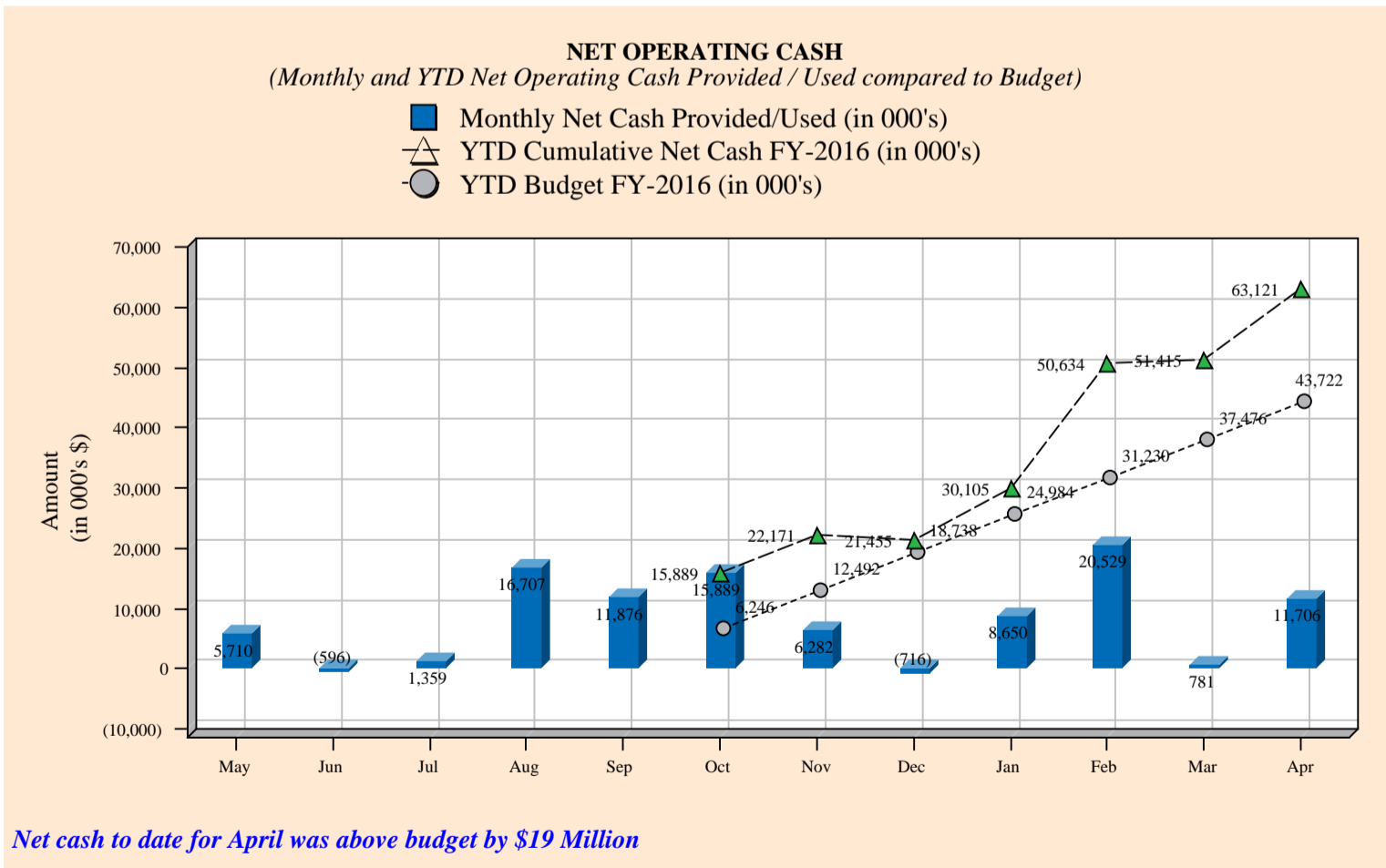
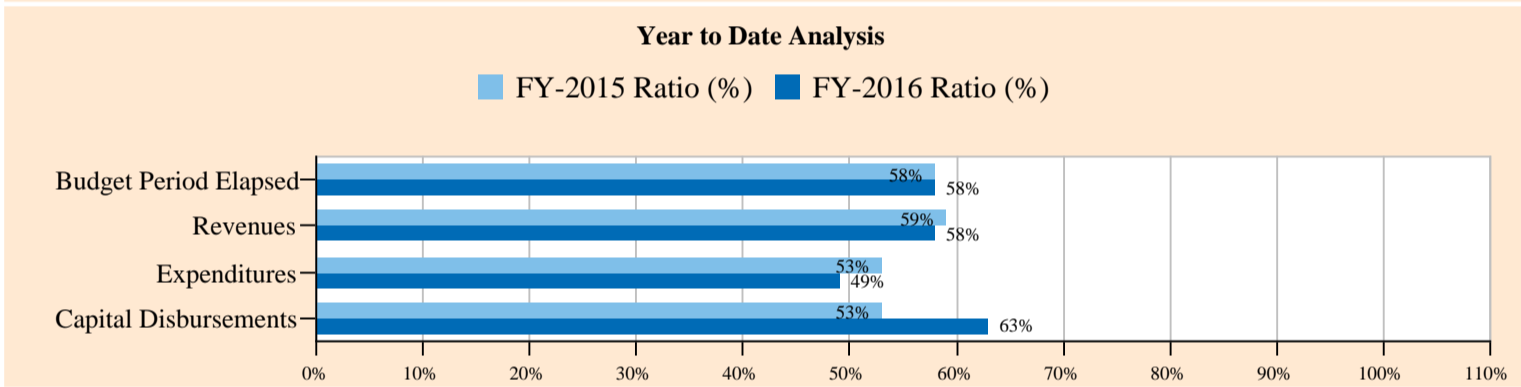
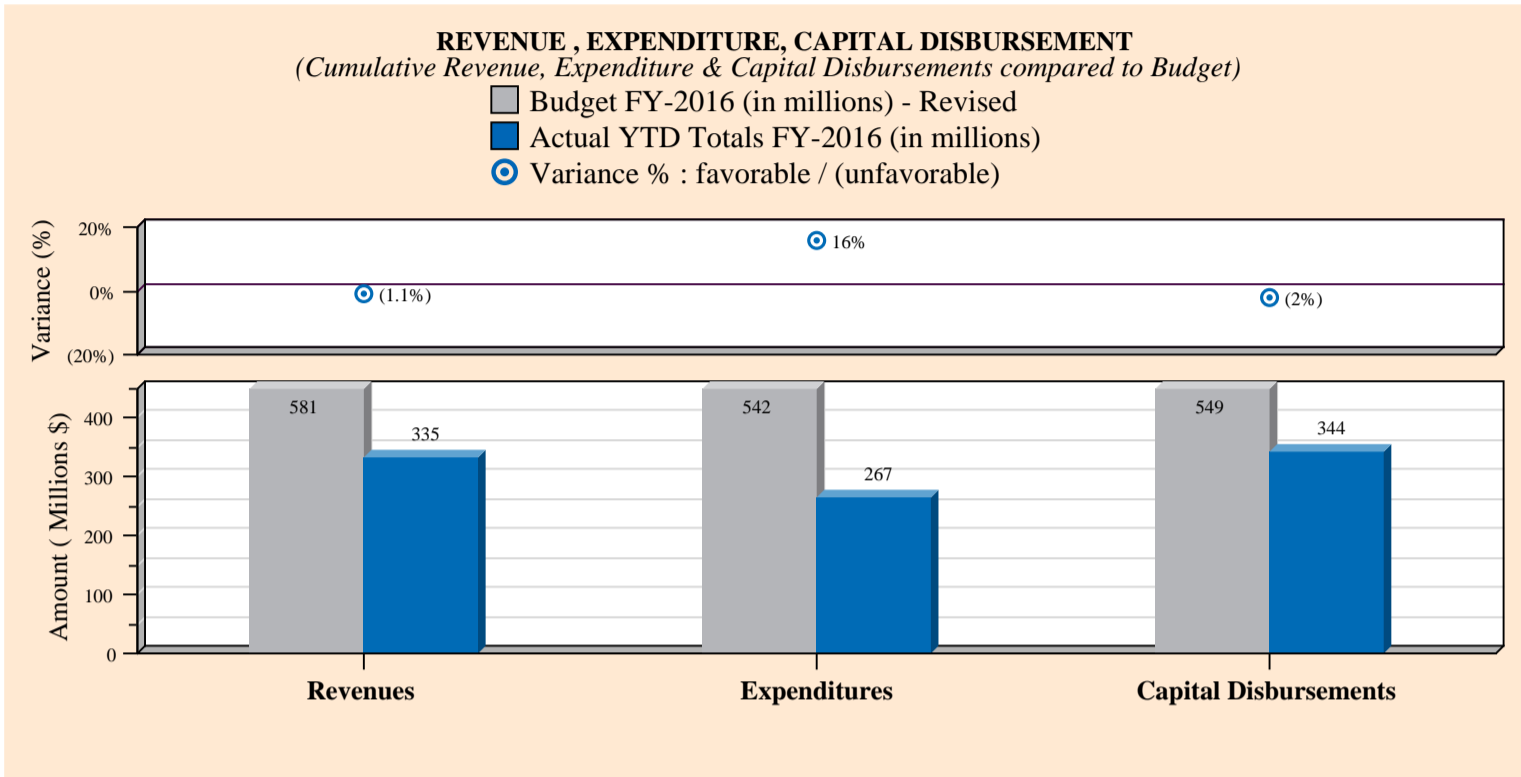
Splash Contributions Actual 60 Target 47 (\$ tho)	Customer Assistance Program Previous 171 Current 84 (\$ tho)
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Operational Highlights

Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production 423 (wet tons)	Total Nitrogen (lbs/yr mil)
Plant Effluent Flow (gal mil)	Excess Flow 7 (gal mil)	Water Main Leaks 14 (count)	Water Valve Leaks 4 (count)
Non-Revenue Water Sold 9 Purchased 11 (CCF mil)	Sewer Main Backups 8 (count)	Sewer Lateral Backups 240 (count)	Dry Weather CSO 0 (events)
Recruitment Activity Filled 5 Open 79 (count)	Electricity Usage 19154 (MWh)	Employee Lost Time Accidents 4 (count)	Vendor Payments Actual 98 Target 97 (%)

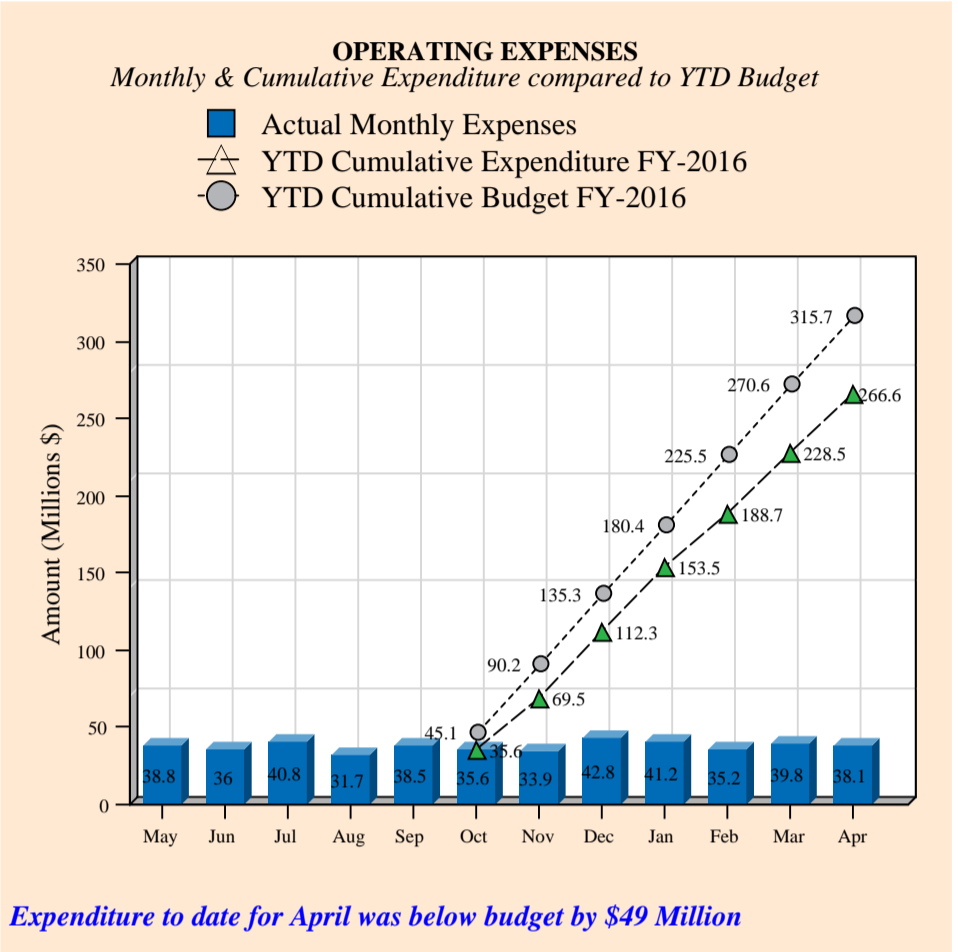
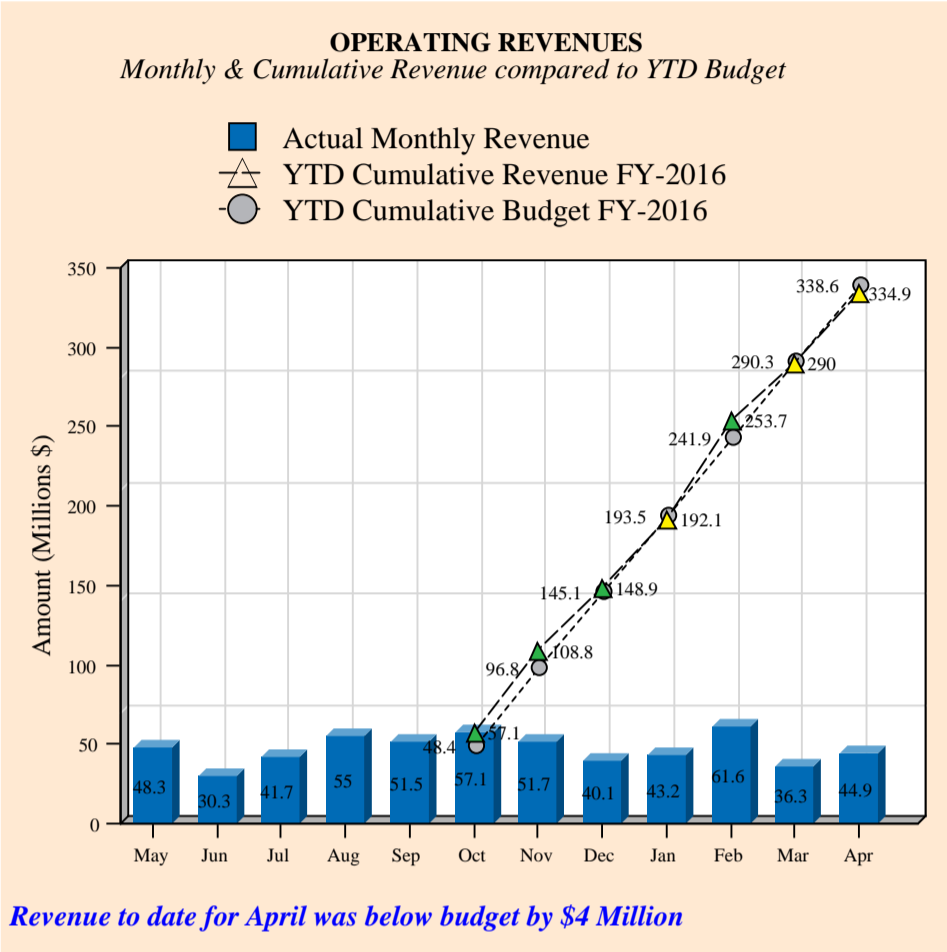
FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE SUMMARY

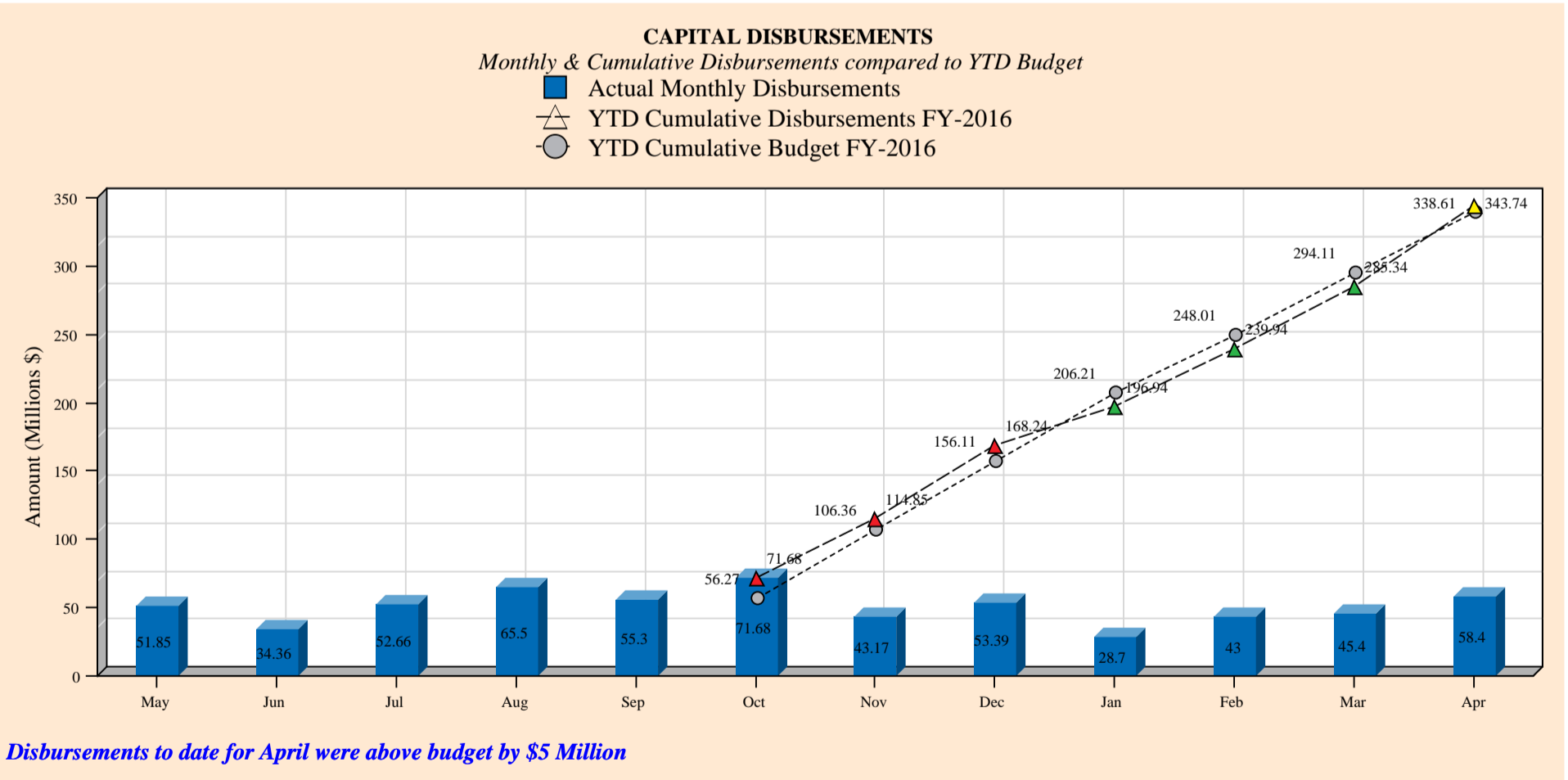


FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

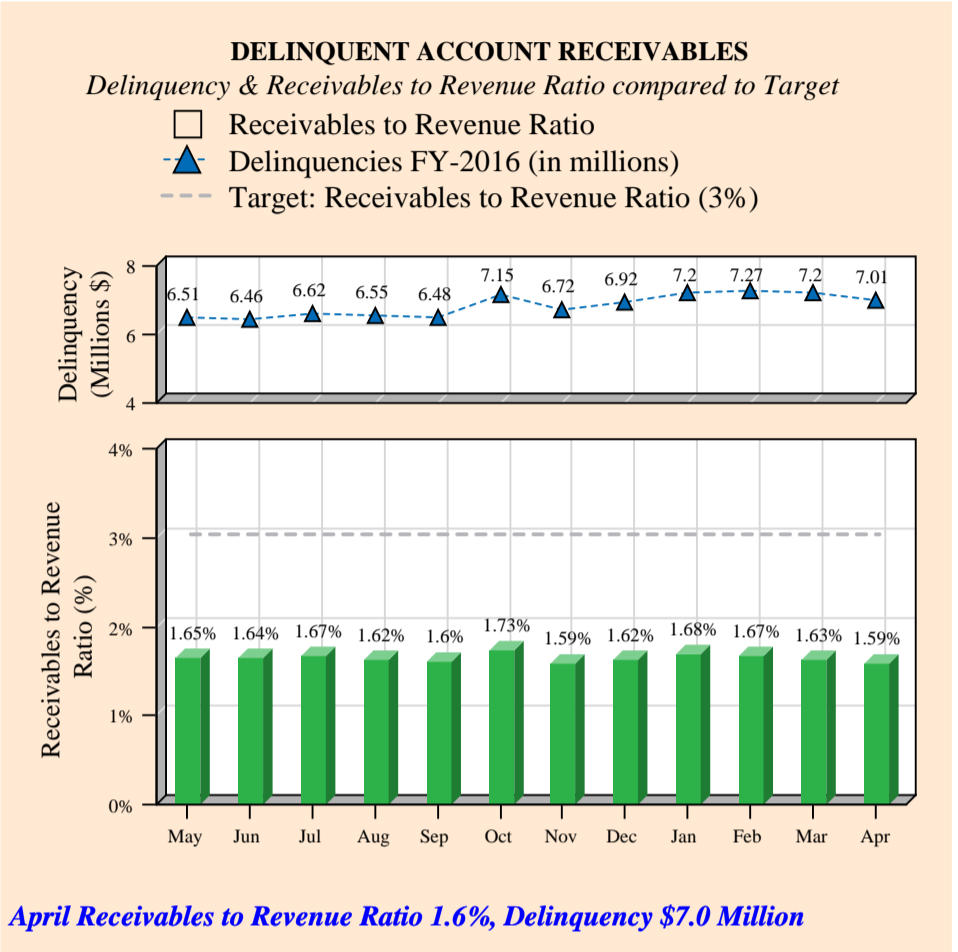
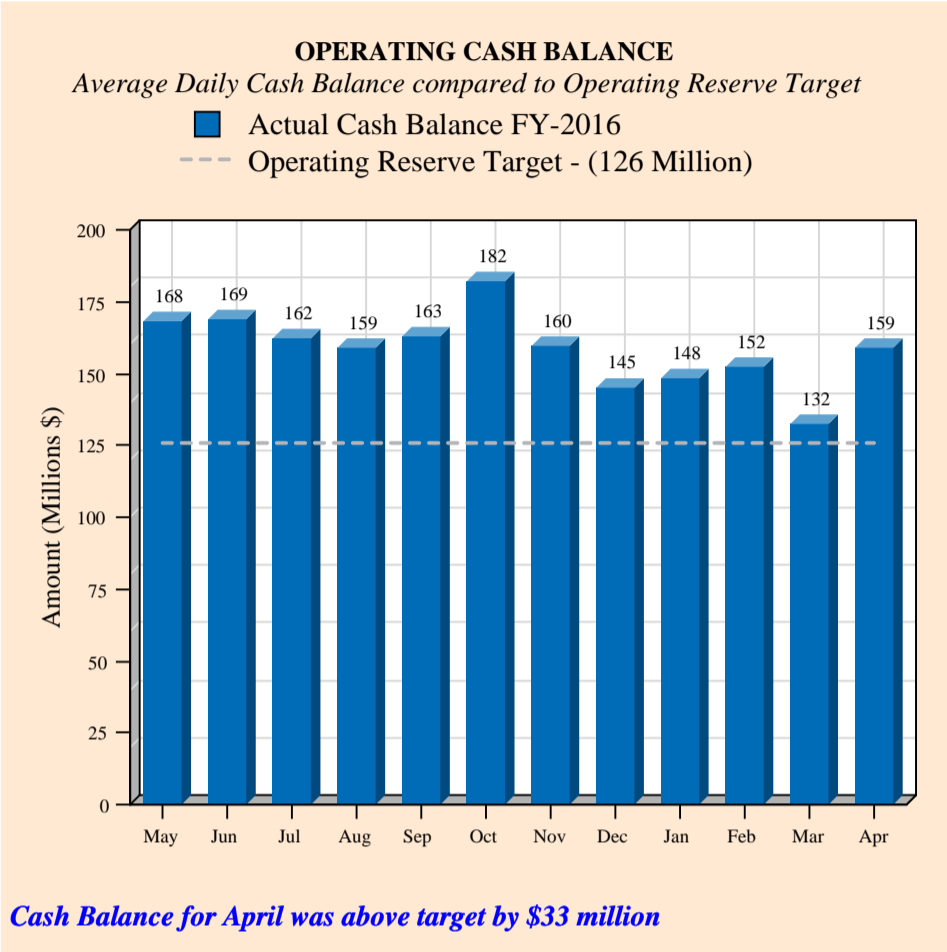


CAPITAL SPENDING

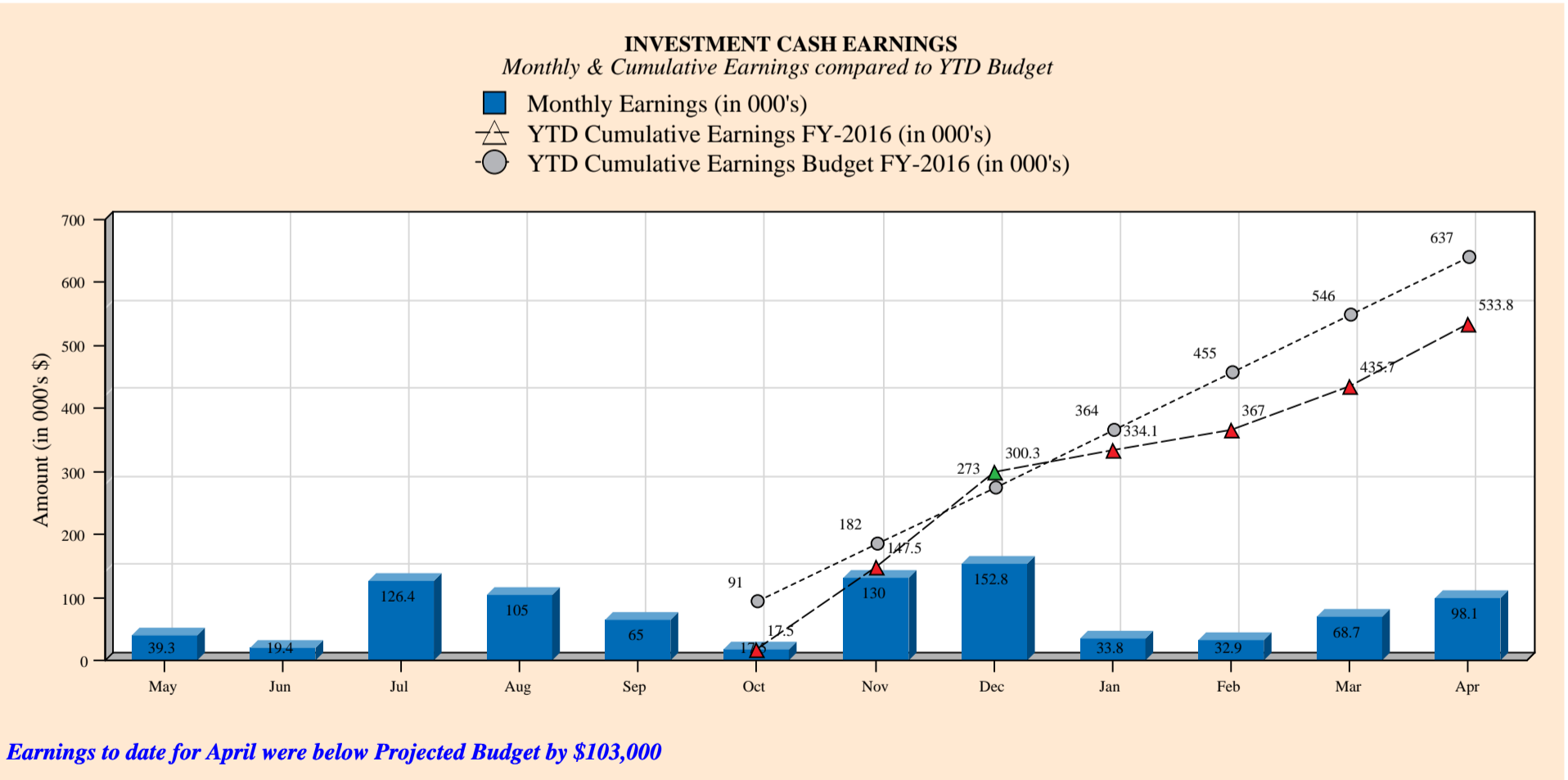


FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES



INVESTMENT EARNINGS



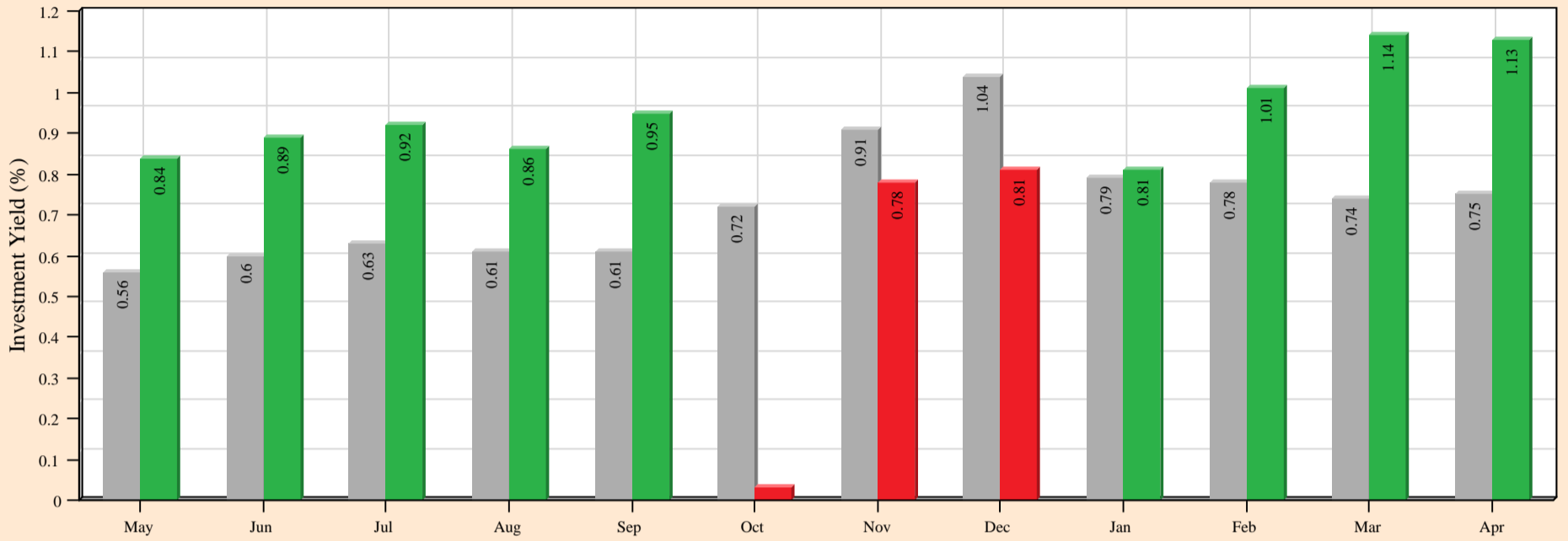
FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark

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

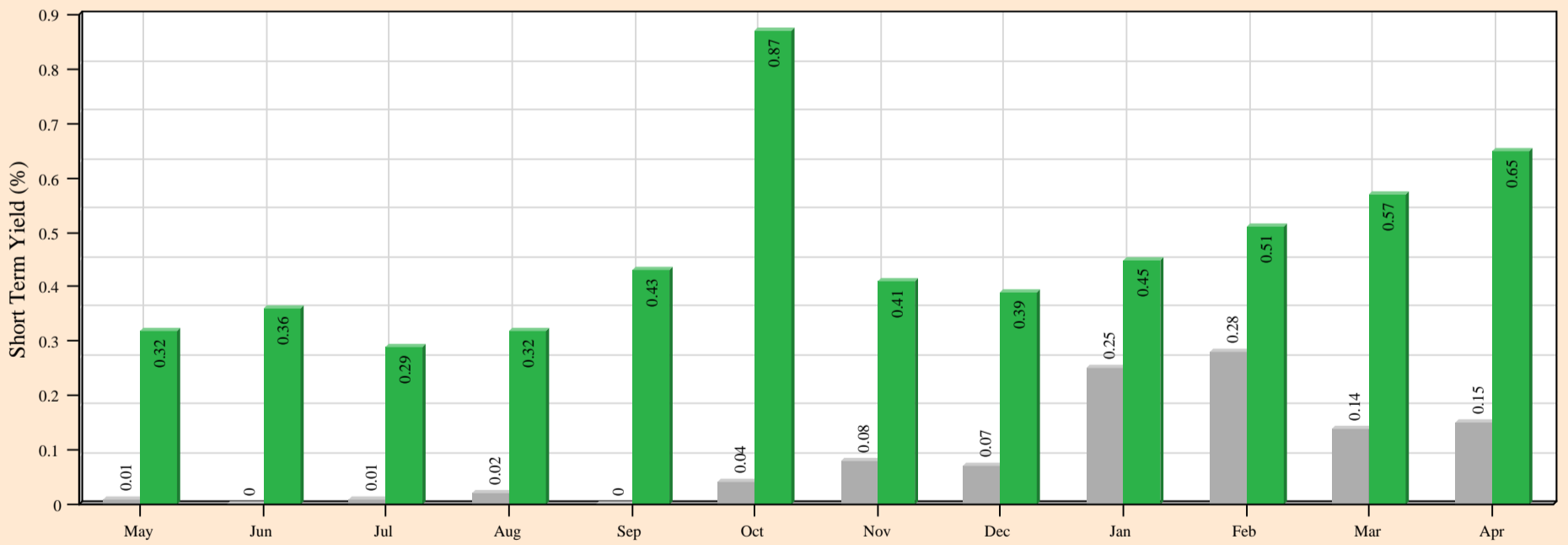


Yield for April was higher than the treasury index by 0.38%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark

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



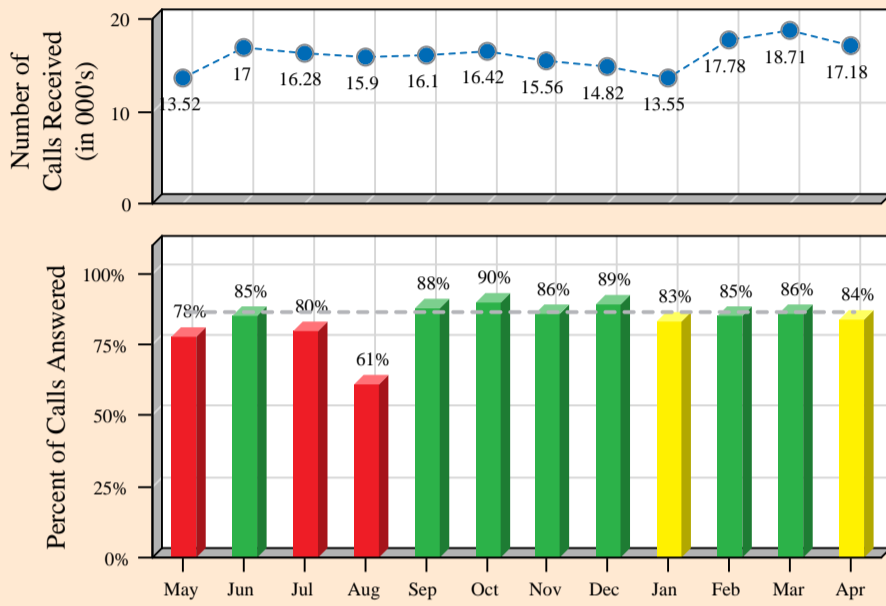
Short Term Yield for April was higher than the Merill Lynch yield by 0.50%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

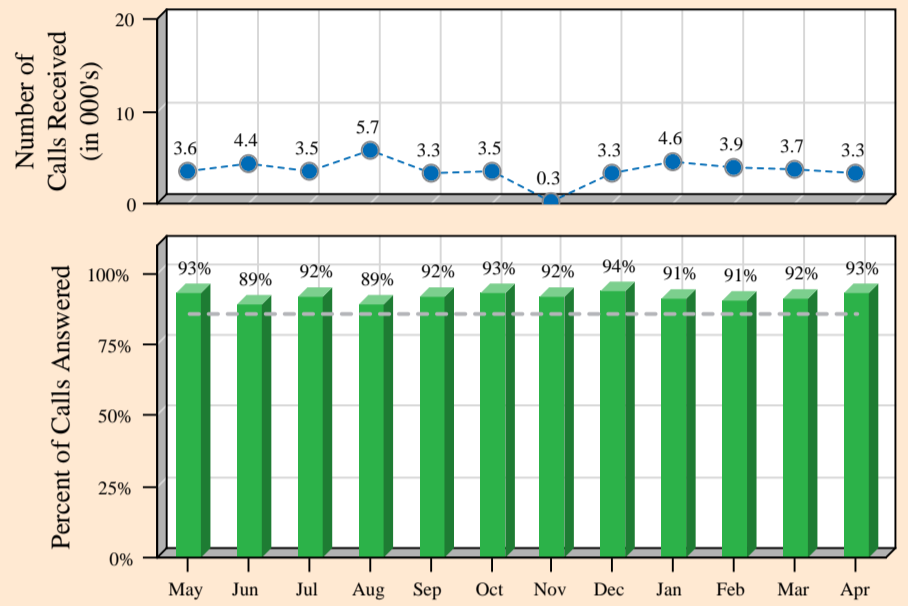
- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target -Call Center (85%)



Performance for April was below target by 1%

COMMAND CENTER PERFORMANCE
Calls Answered within 40 Seconds compared to Target

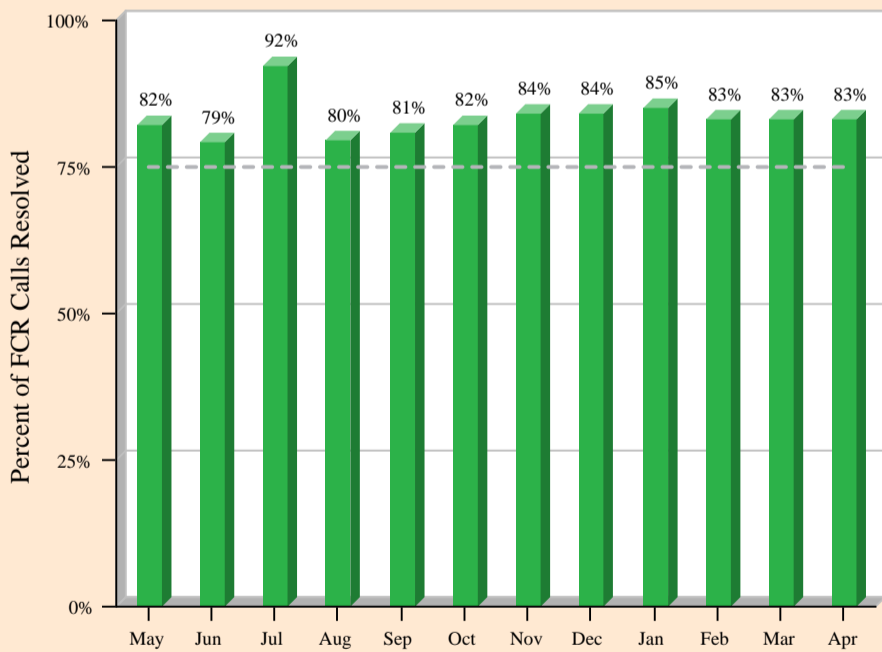
- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target -Command Center (85%)



Performance for April was above target by 8%

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

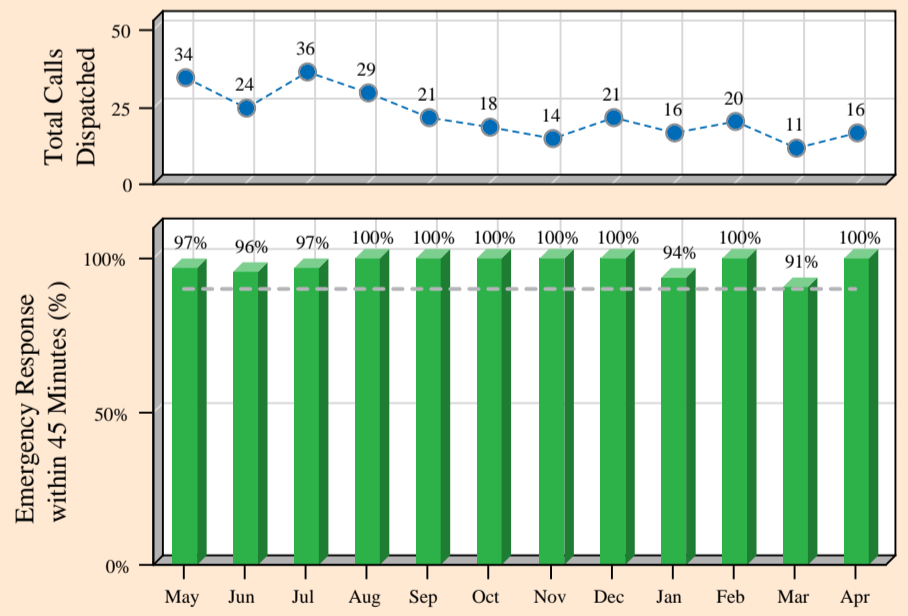
- FCR (%)
- FCR Target (75%)



Performance for April was above target by 8%

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

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



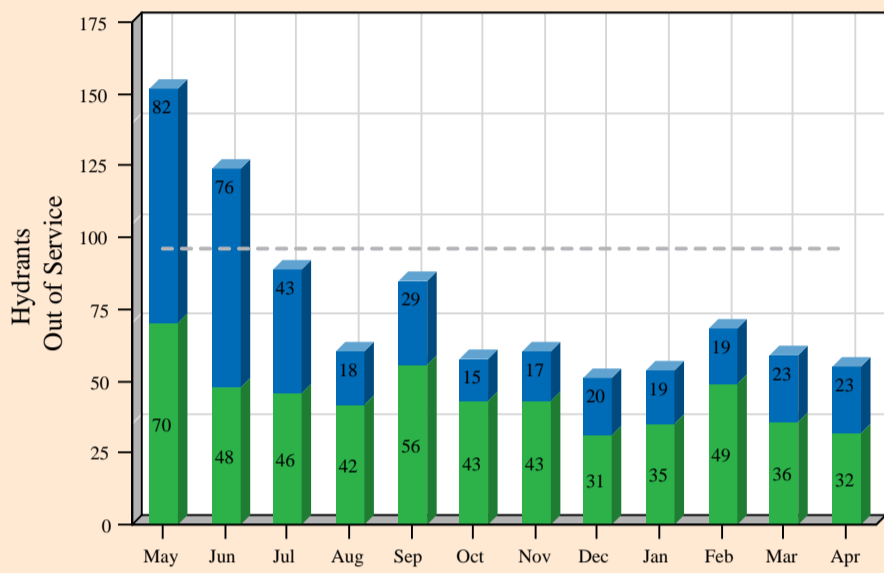
Performance for April was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

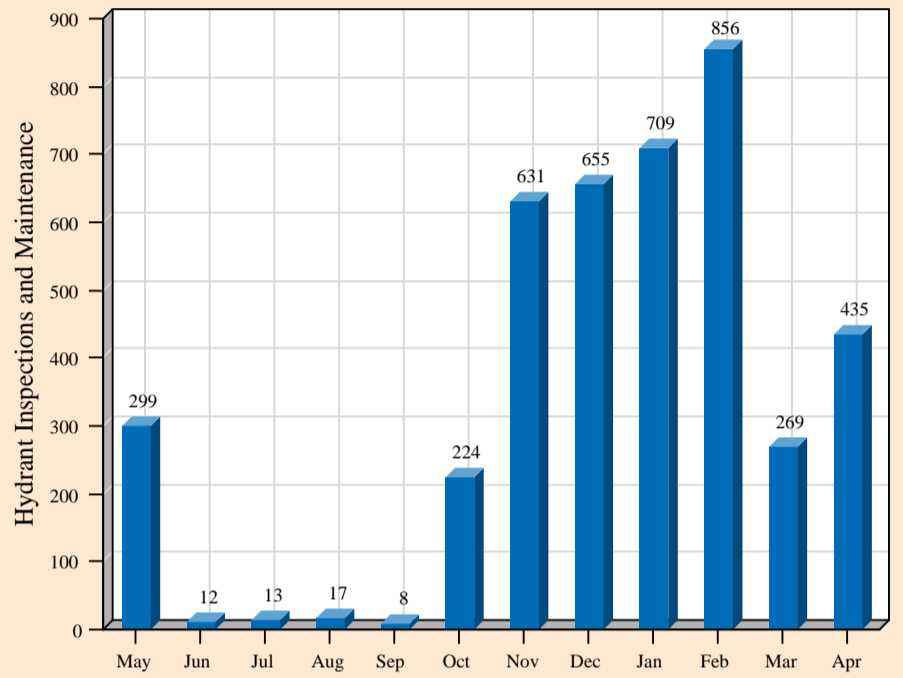
FIRE HYDRANTS OUT OF SERVICE (OOS)
Total Hydrants Out of Service against Target

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



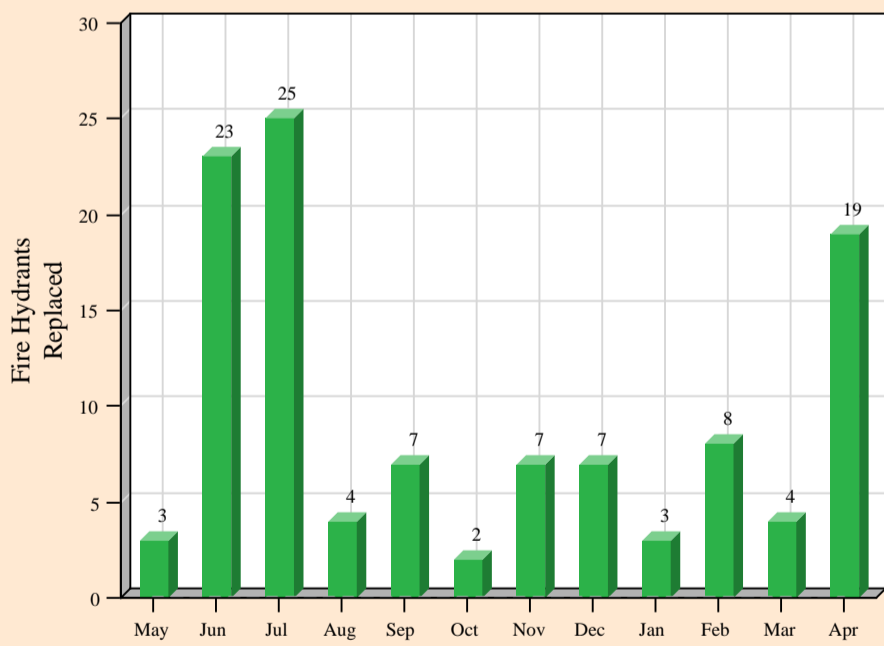
Fire Hydrant Inspections and Maintenance
Total Hydrant Inspection and Maintenance Work Orders Completed per Month

- Hydrant Inspections and Maintenance



FIRE HYDRANT REPLACEMENTS
Total Hydrants Replaced per Month

- Hydrants Replaced
- Annual Replacement Target (250)

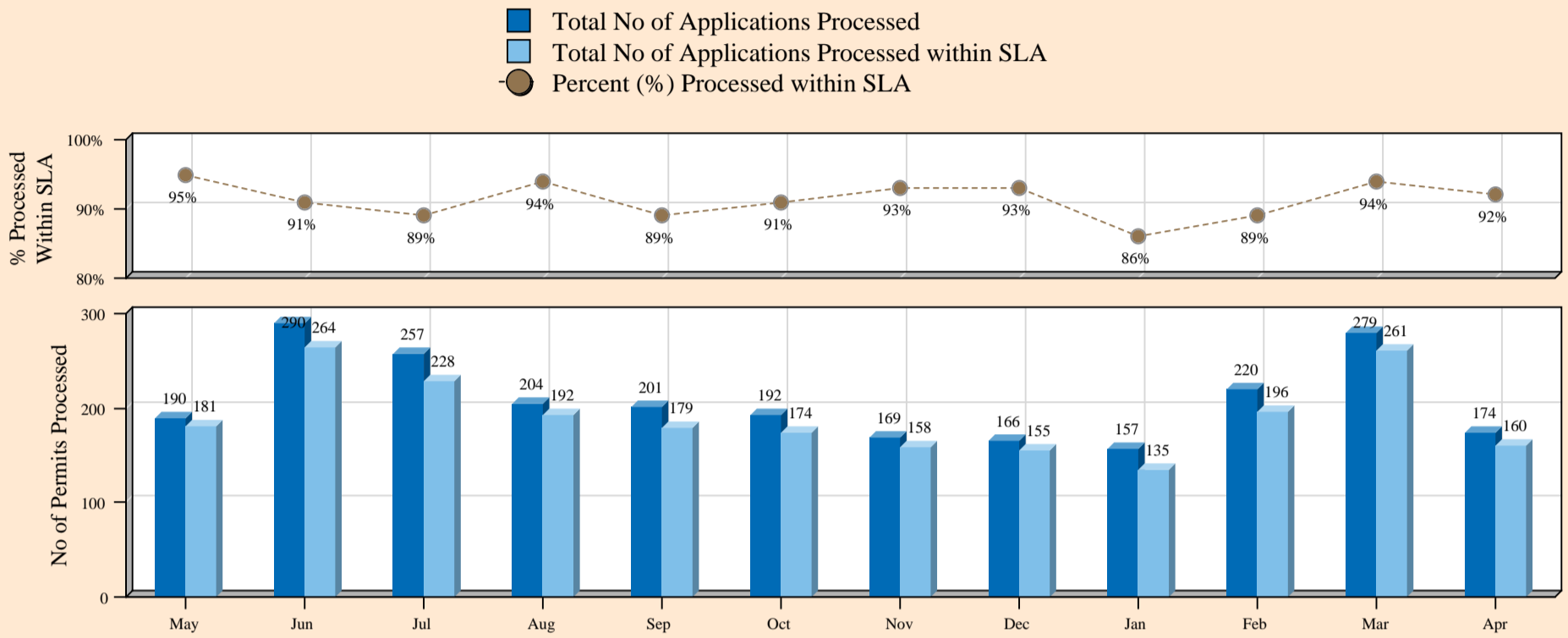


Total replacements as of April were 50 against annual projections of 250

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

TOTAL APPLICATIONS PROCESSED WITHIN SERVICE LEVEL AGREEMENT (SLA)

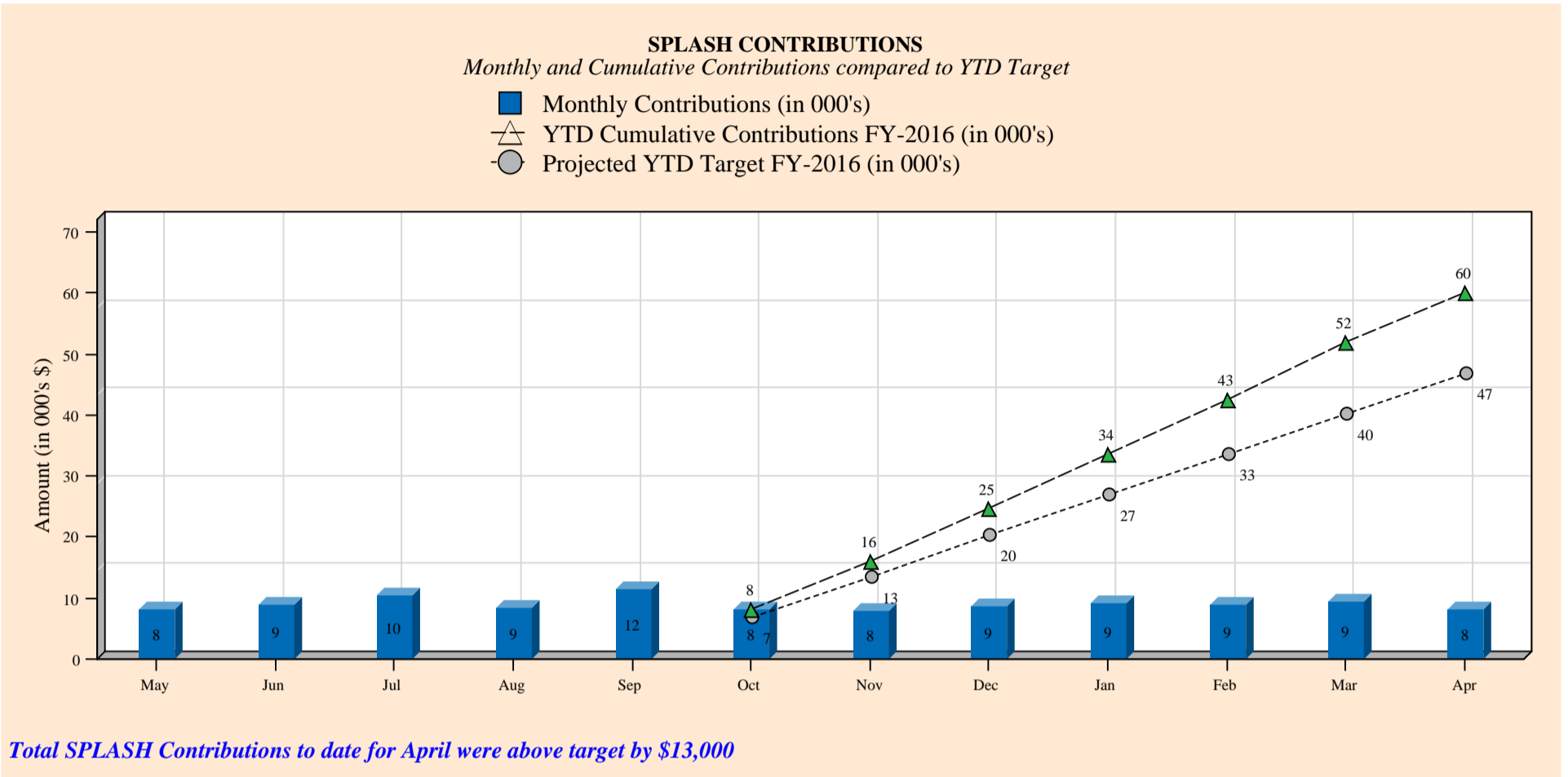


SLA Examples: Raze Permit - 14days, Sheeting and Shoring - 14 days, Preliminary Plan Review - 45 days

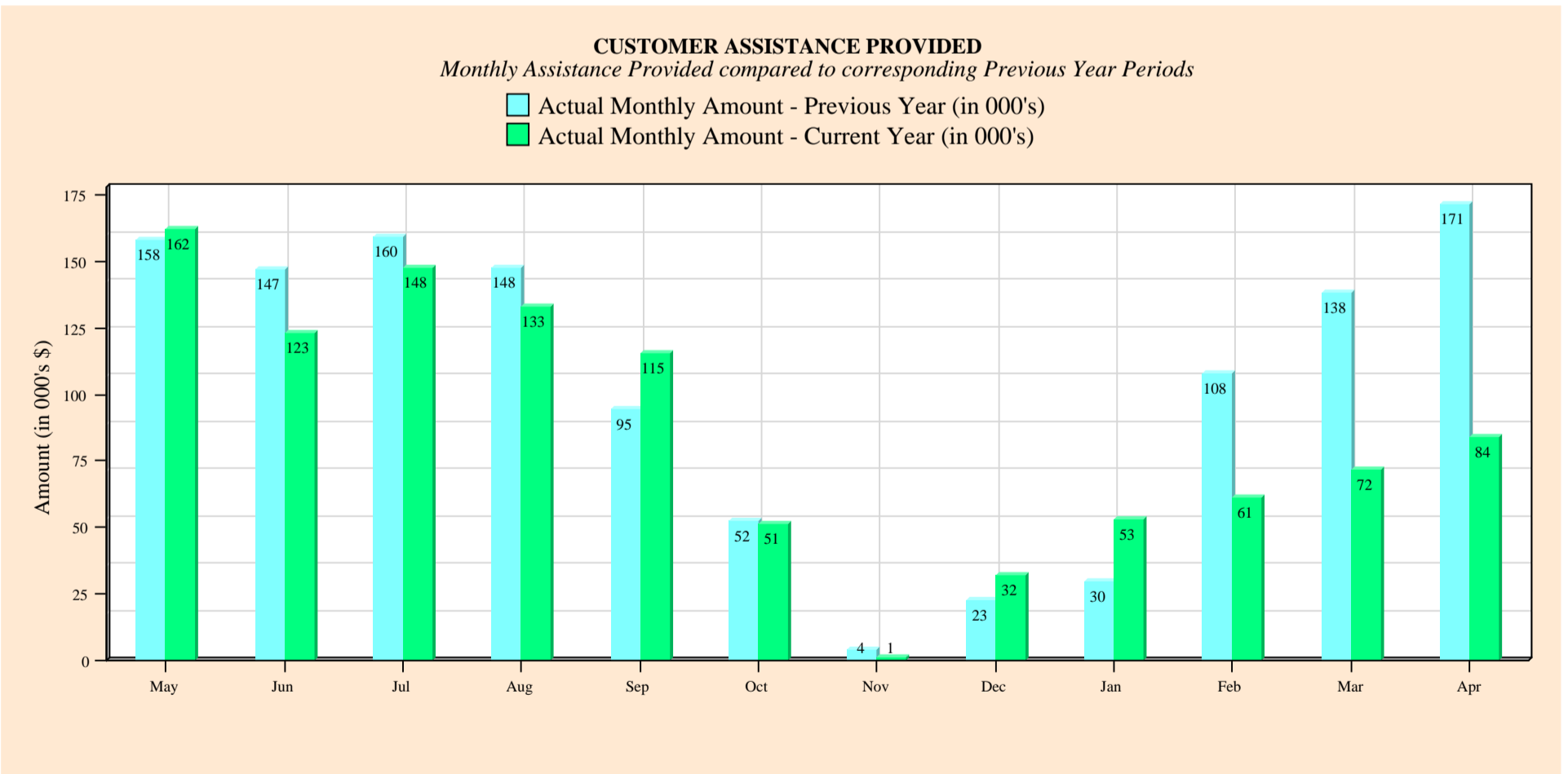
Permits not processed within SLA in April were 8% Note that different SLA's range from 7 days to 45 days

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

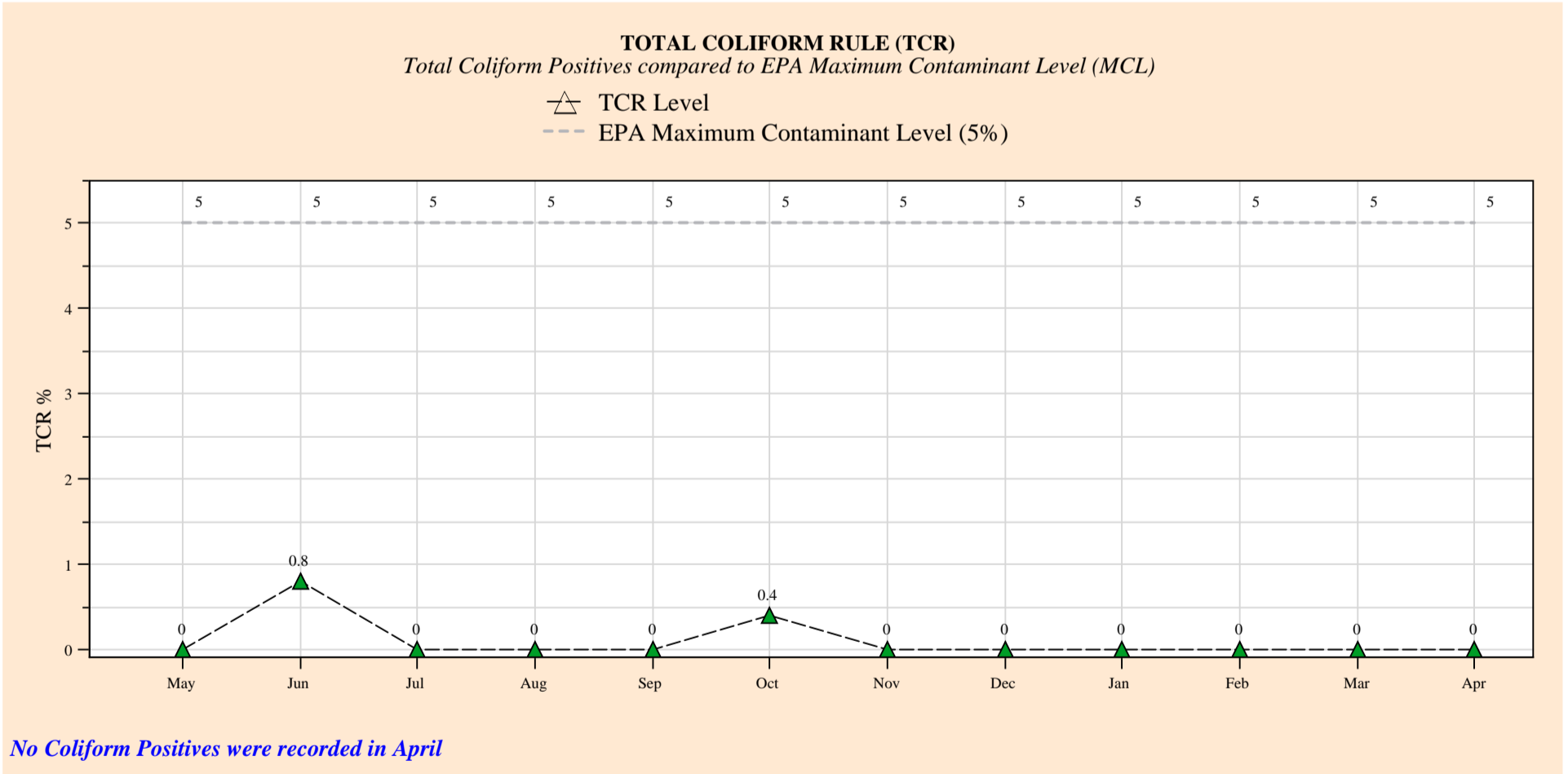
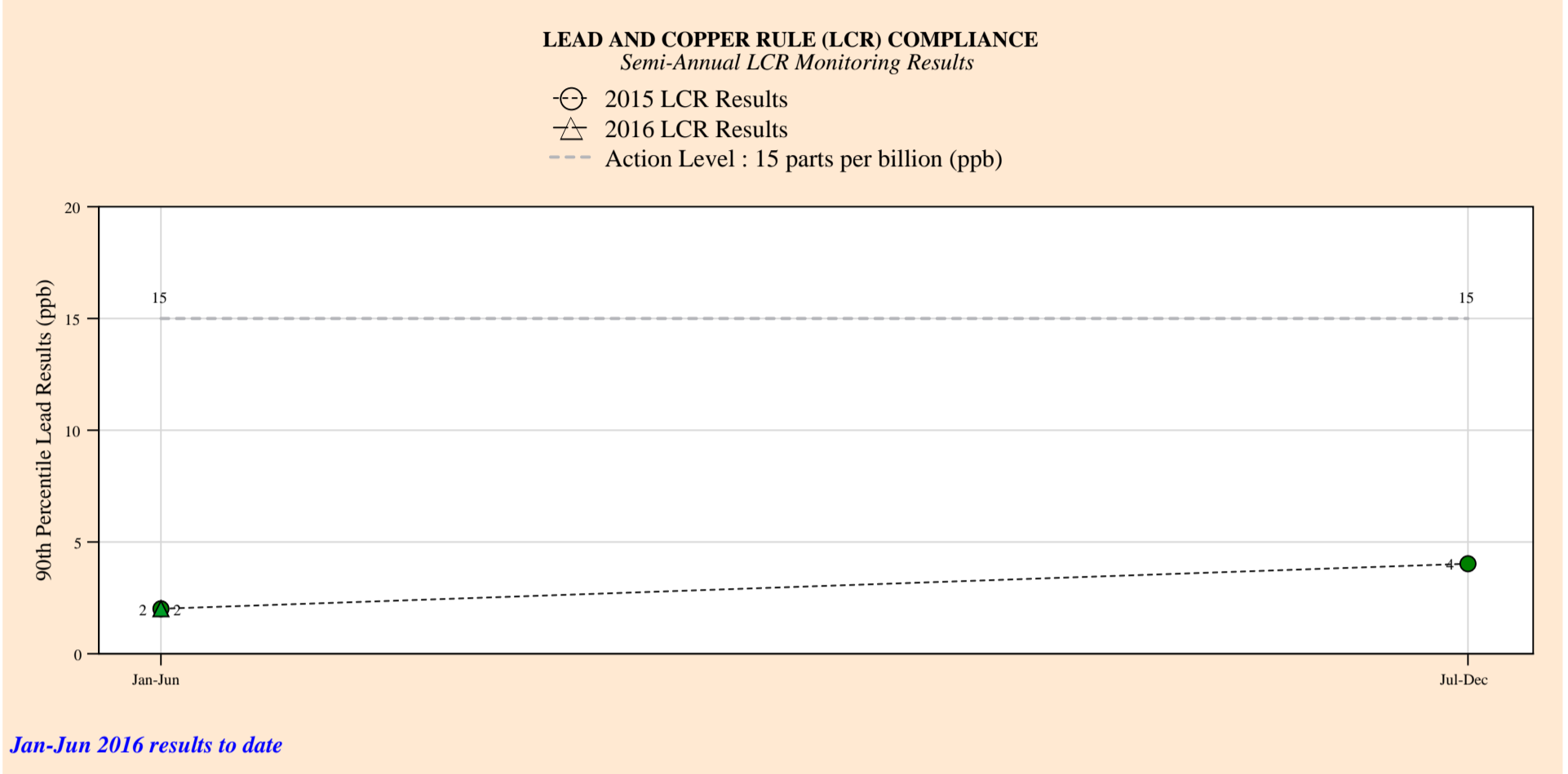


CUSTOMER ASSISTANCE PROGRAM (CAP)



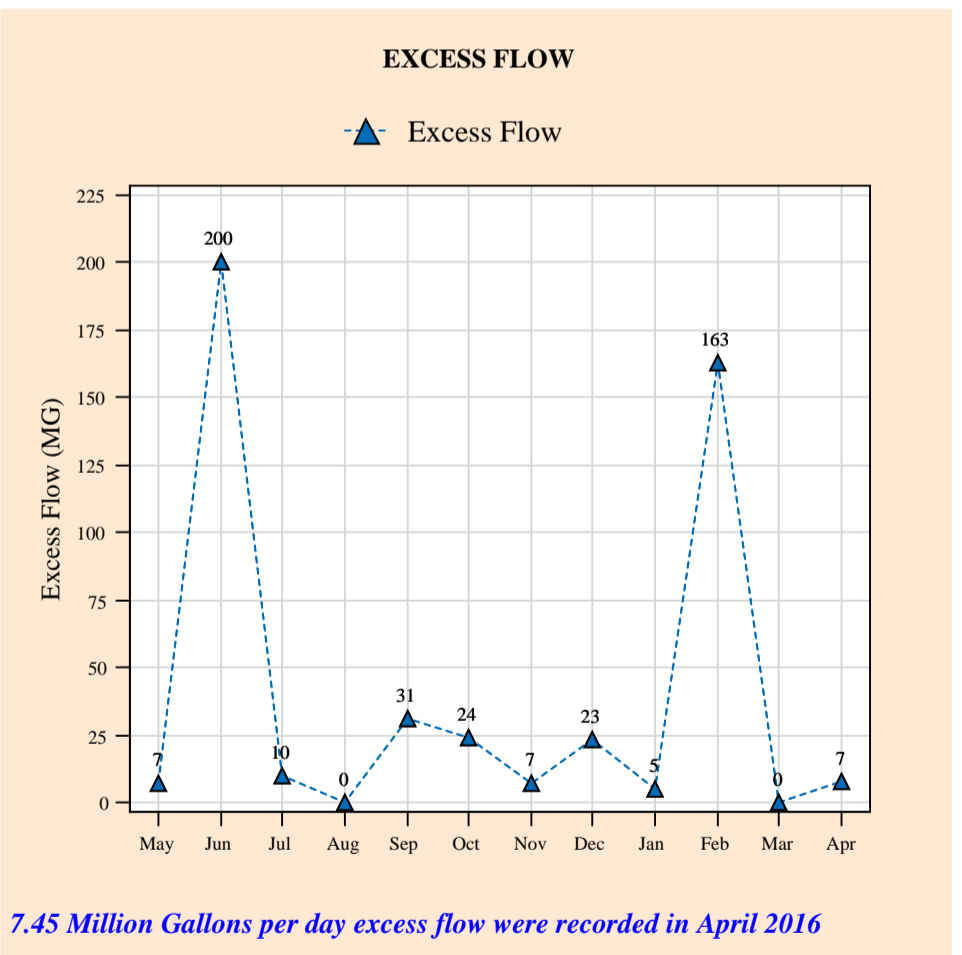
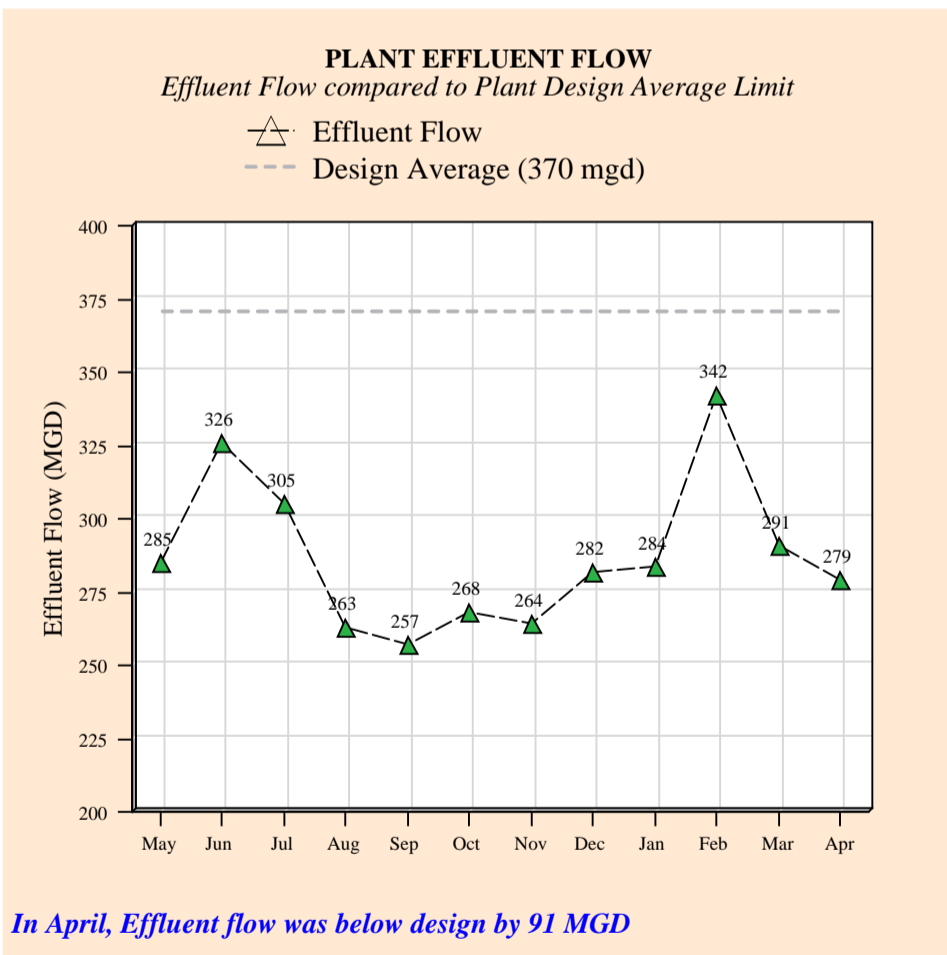
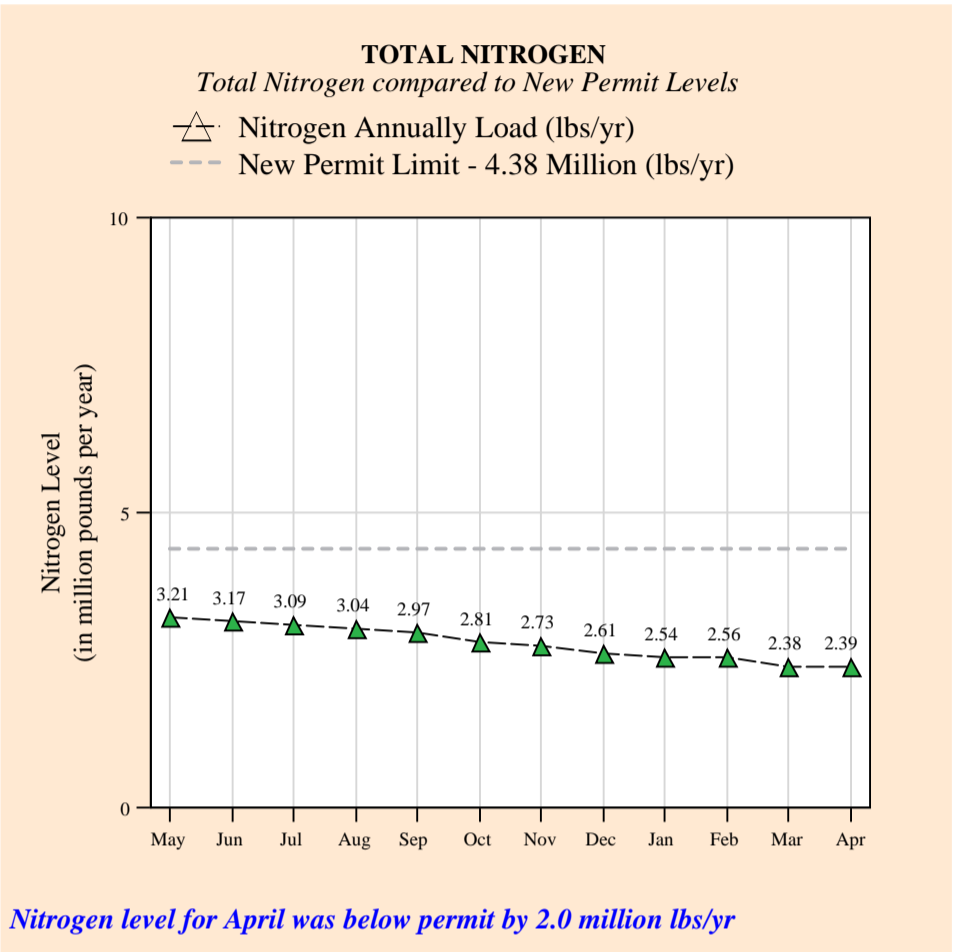
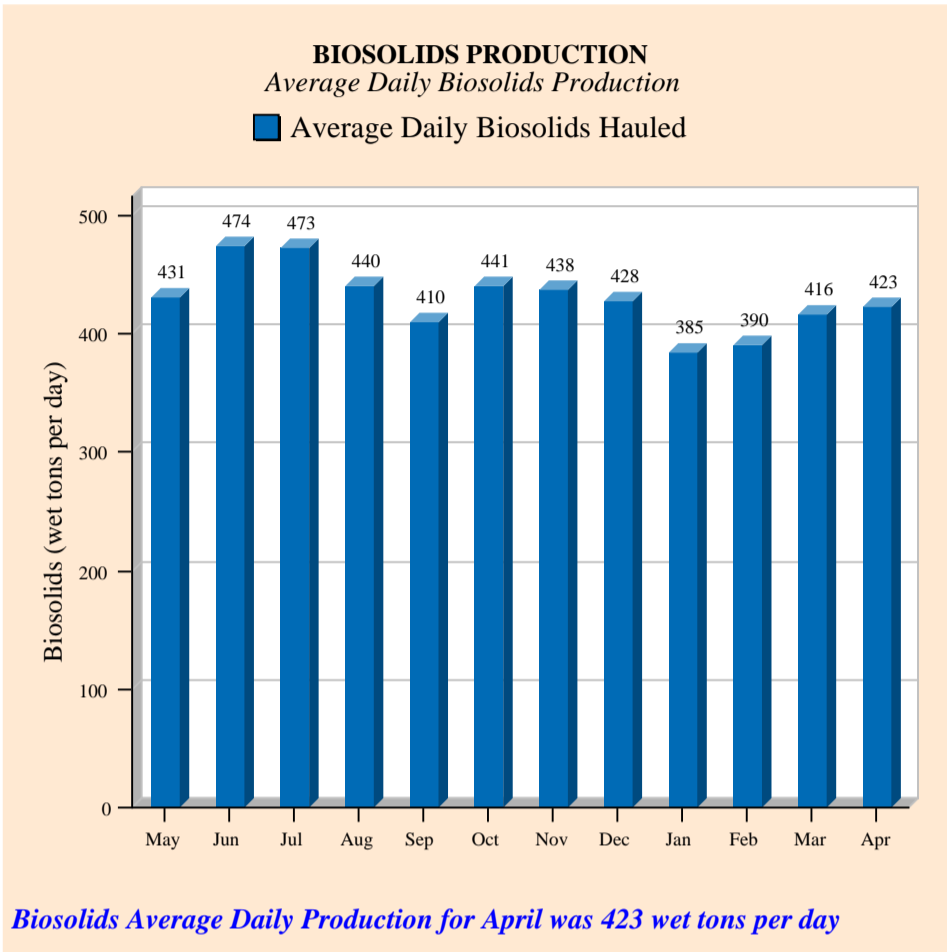
OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY



OPERATIONAL HIGHLIGHTS

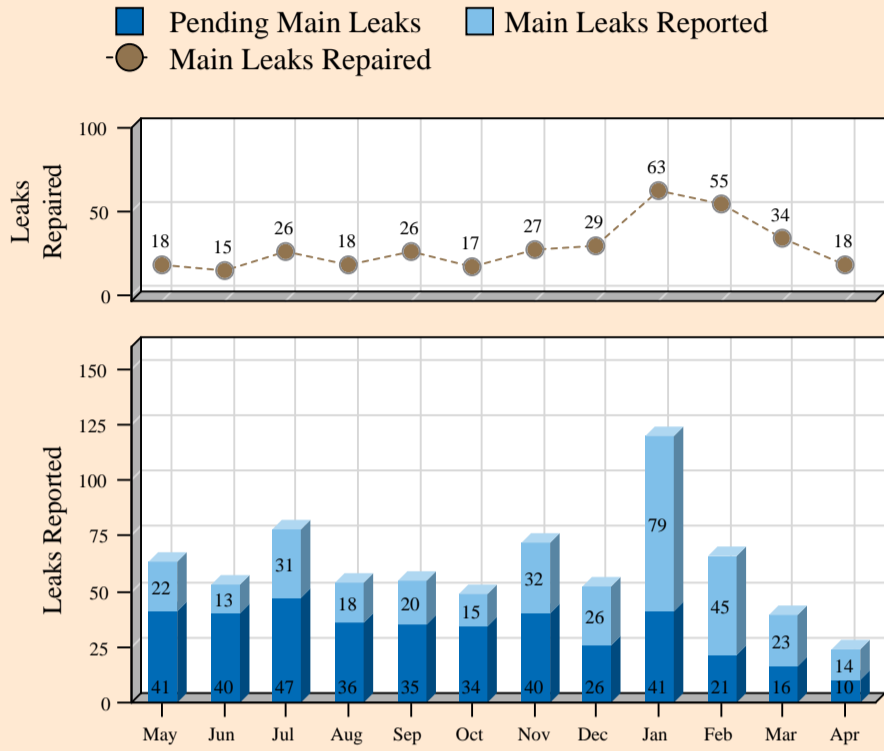
WASTEWATER TREATMENT



OPERATIONAL HIGHLIGHTS

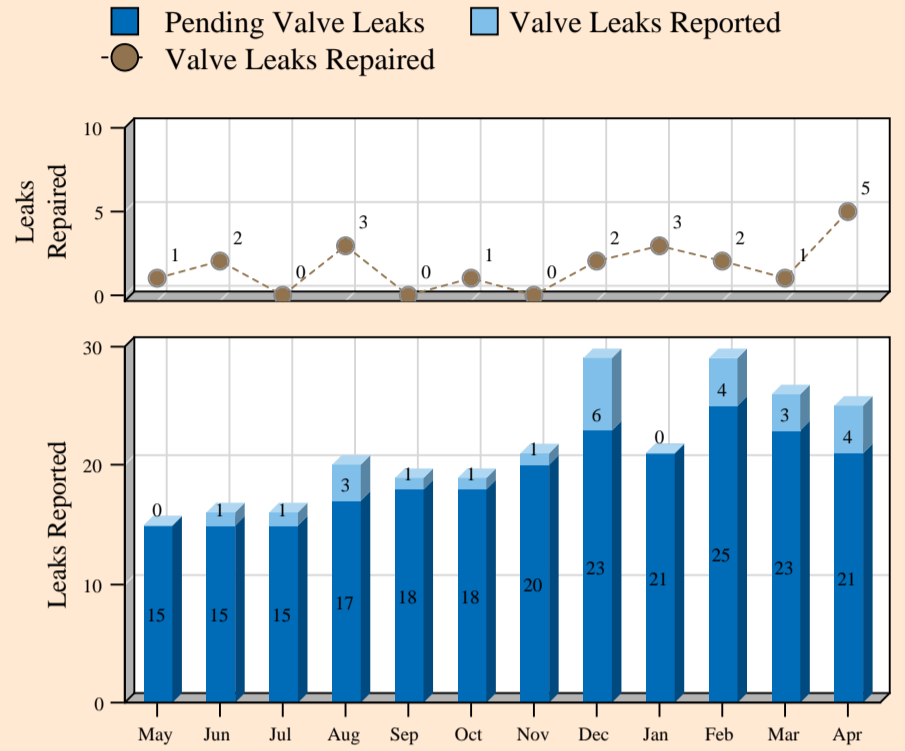
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 14 main leaks reported in April

WATER VALVE LEAKS

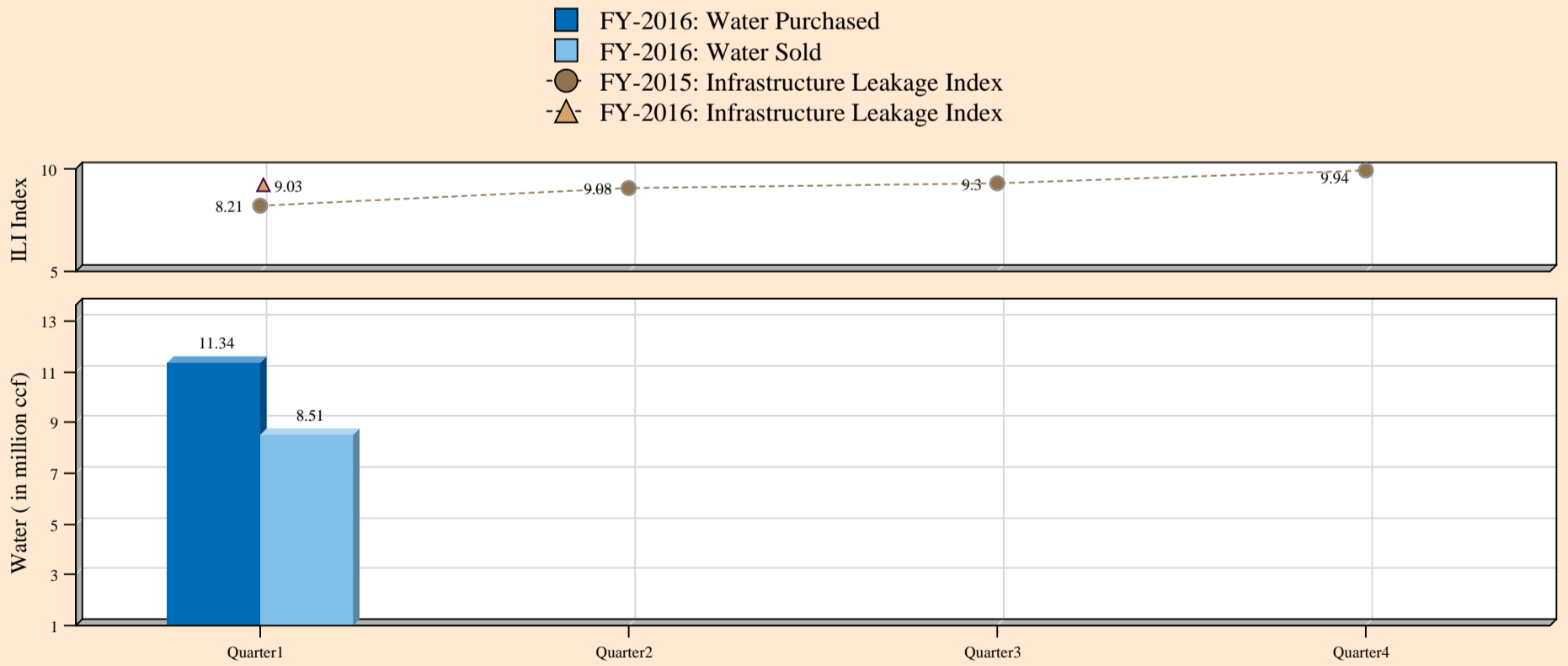


5 leaks were resolved in April

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



In the 1st quarter 8.5 out of 11.3 million cubic feet of water was sold

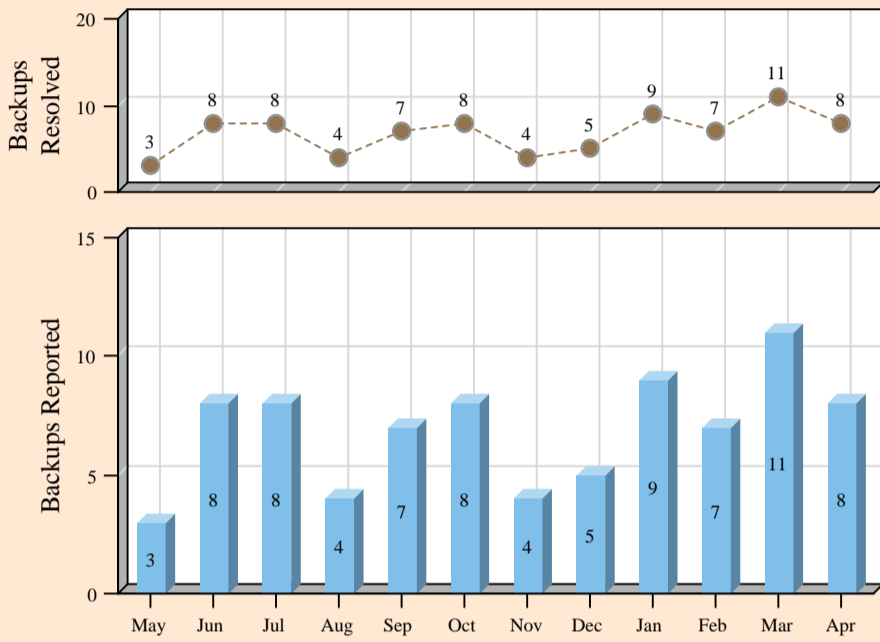
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

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

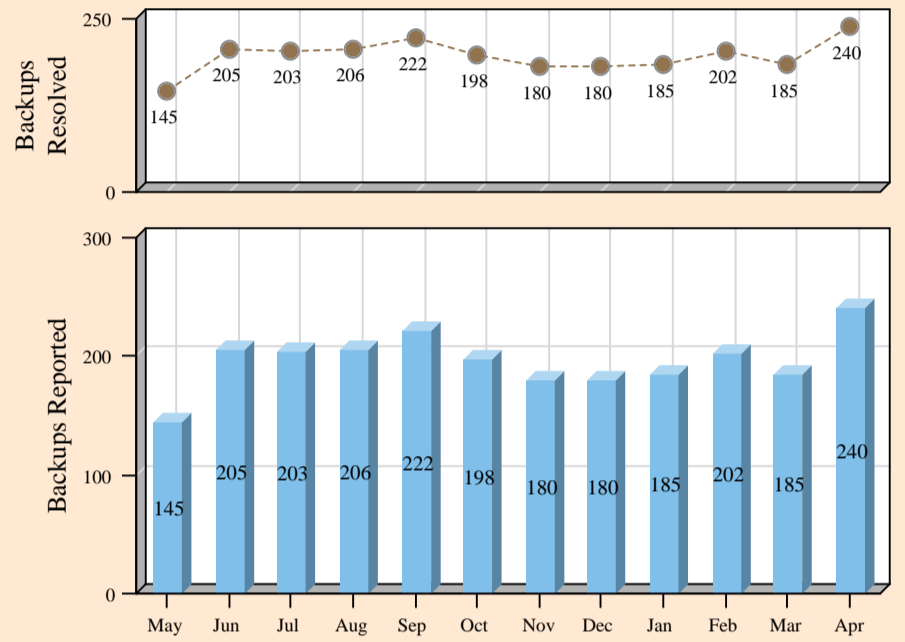


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

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



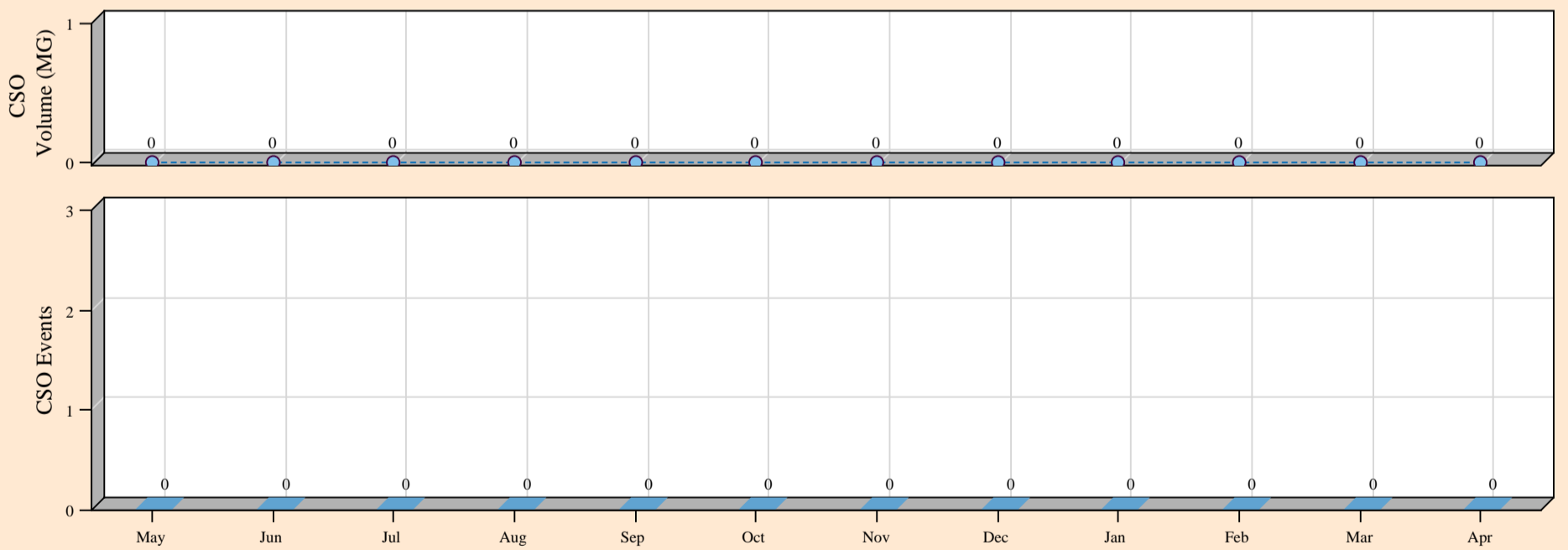
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Number of CSO Events
- Overflow Volume (MG)



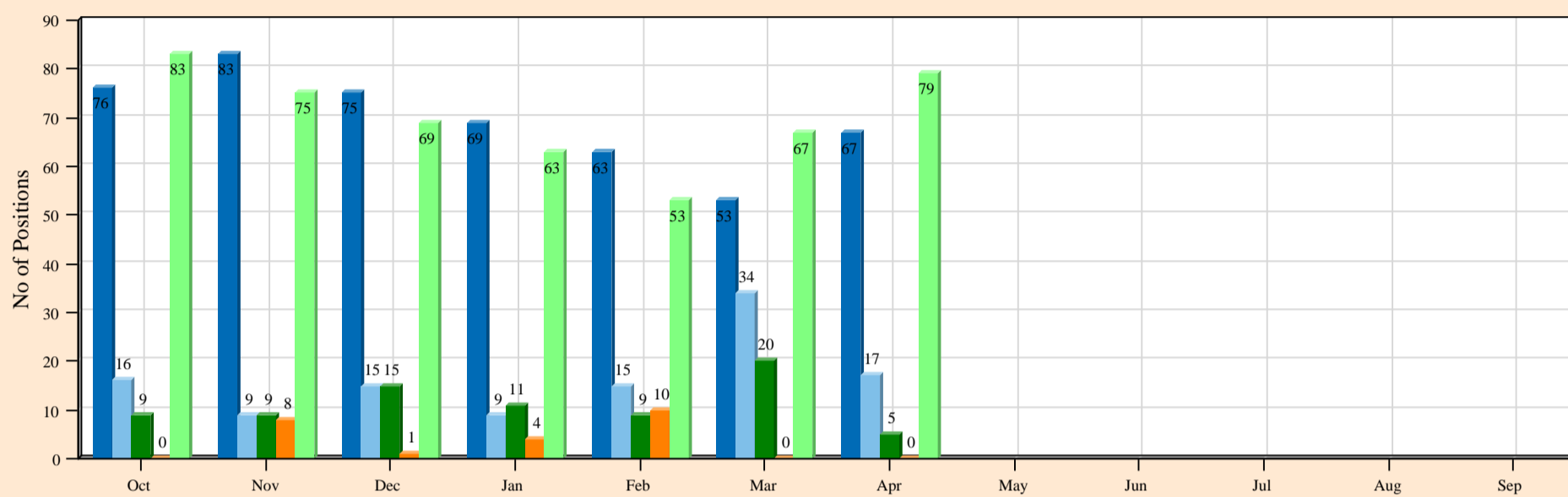
No dry weather Combined Sewer Overflow event was recorded in April 2016

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

- FY-2016:Rolled Over Open Positions
- FY-2016:New Positions Added
- FY-2016:Positions Filled
- FY-2016:Positions Canceled
- FY-2016:Net Remaining Open Positions



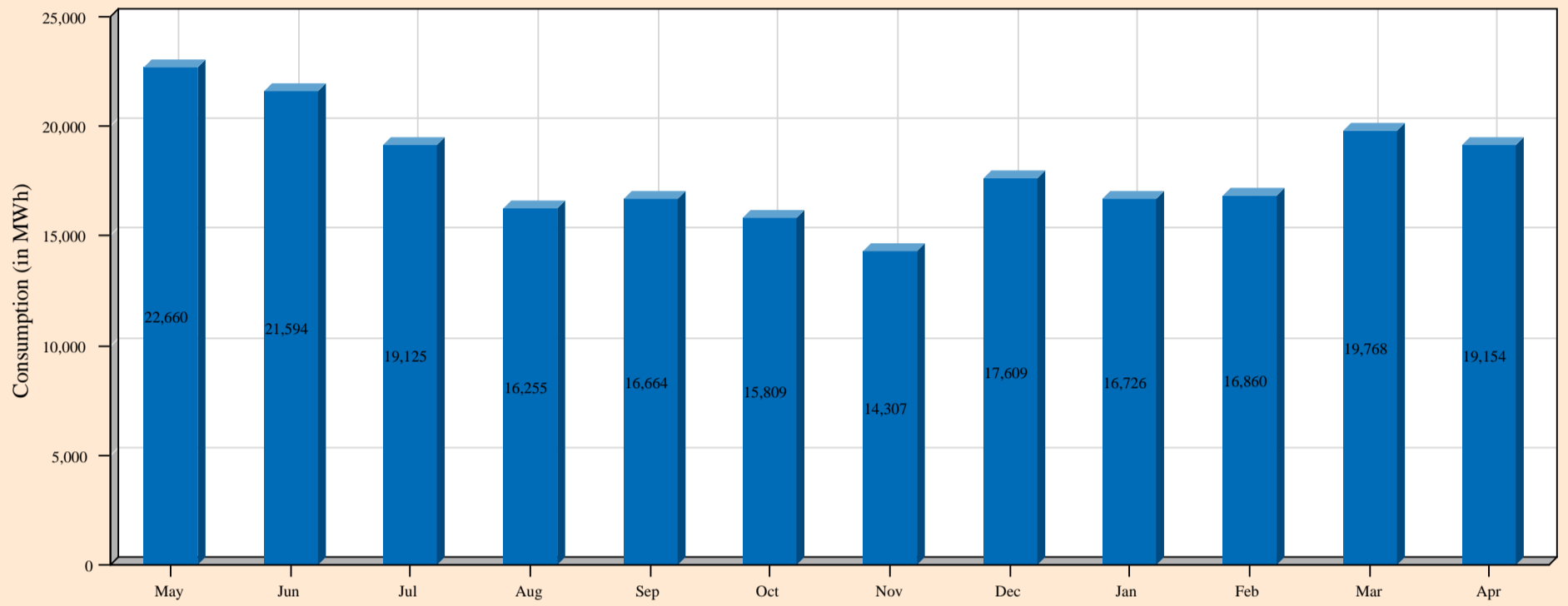
In April, we began the month with 67 positions, received 17 new positions, filled 5, No cancellations and ended the month with 79 positions

OPERATIONAL HIGHLIGHTS

ENERGY

ELECTRICITY USAGE SUMMARY

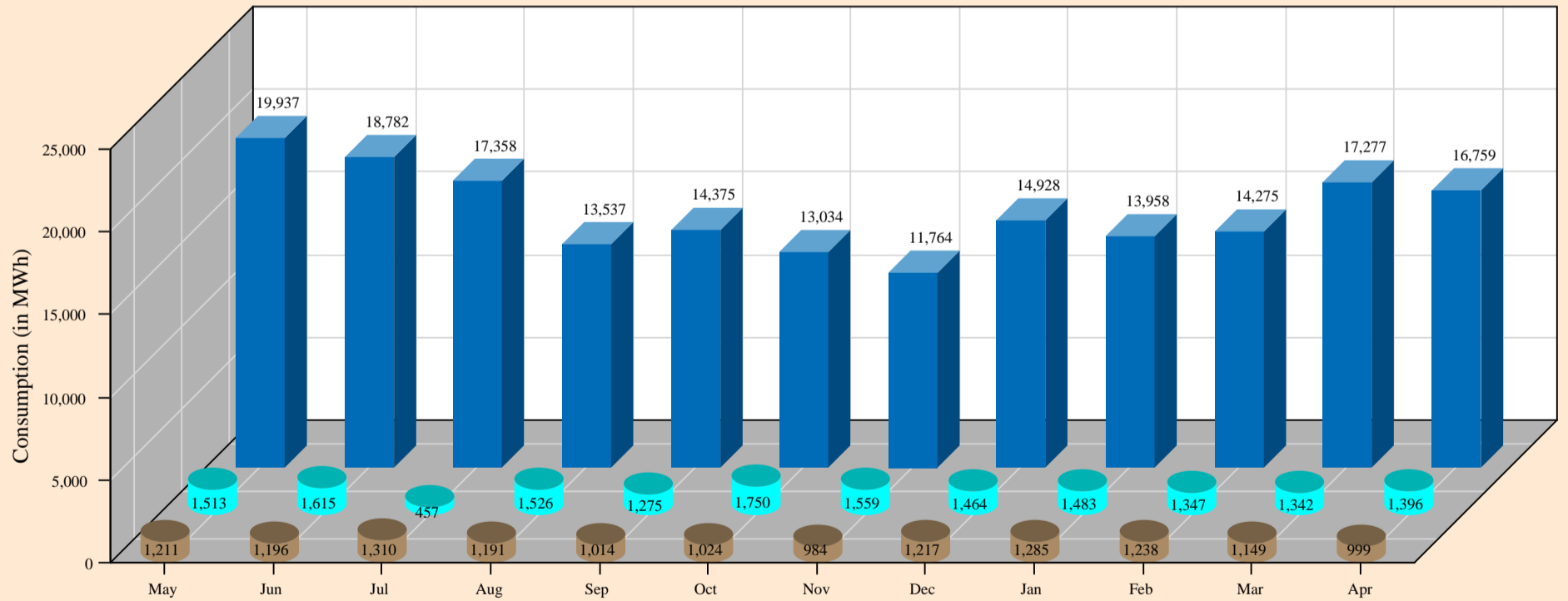
■ Total Consumption (MWh)



Electricity Consumption in April was 19,154 MWh

ELECTRICITY USAGE BY SERVICE AREA

■ Sewer Pumping ■ Water Pumping ■ Waste Waster Treatment



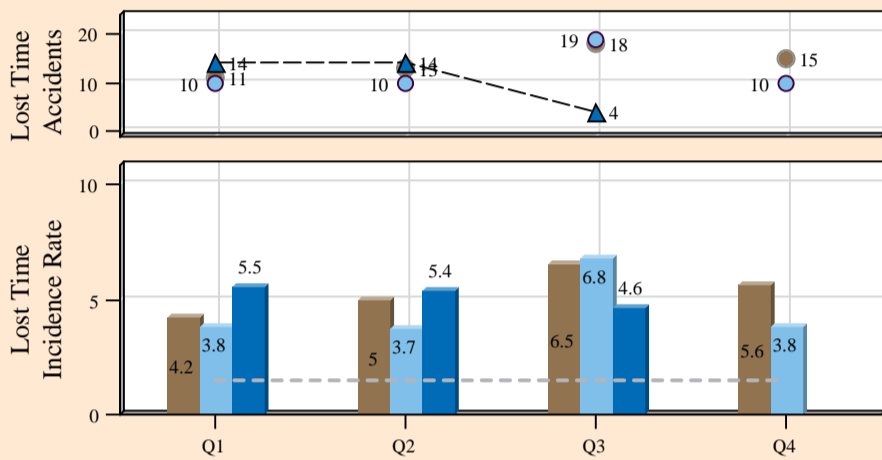
Wastewater treatment had the highest electricity consumption in April at 16,759 MWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

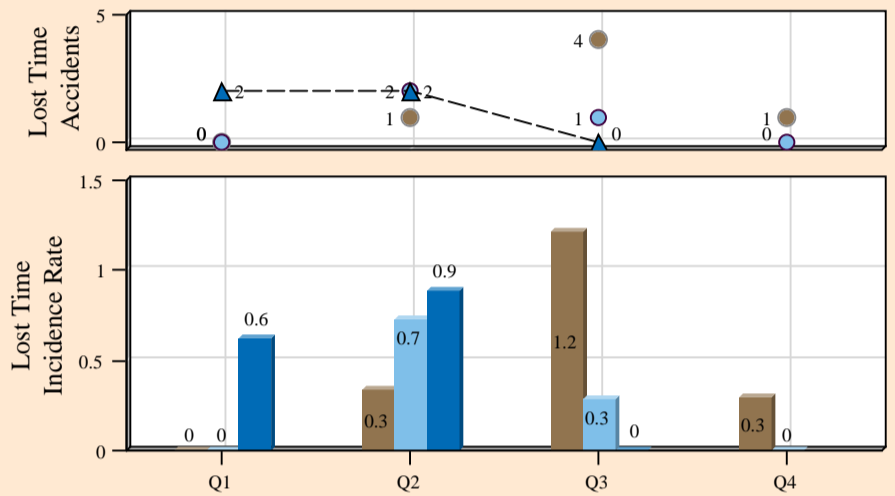
- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2016: LT Incidence Rate
- FY-2014: No of LT Accidents
- FY-2015: No of LT Accidents
- FY-2016: No of LT Accidents
- Target/National: LT Incidence Rate



In the 1st Month of 3rd quarter, 4 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

- FY-2014: LT Incidence Rate
- FY-2015: LT Incidence Rate
- FY-2016: LT Incidence Rate
- FY-2014: No of LT Accidents
- FY-2015: No of LT Accidents
- FY-2016: No of LT Accidents

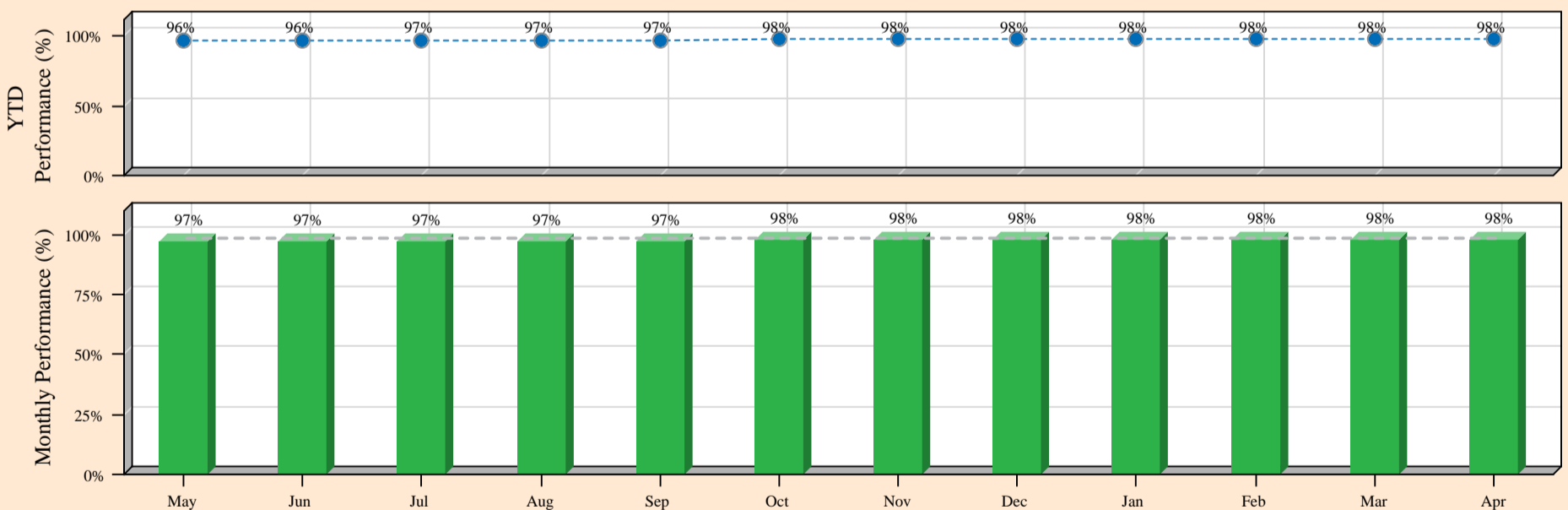


In the 1st Month of 3rd quarter, No lost time accident was reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE Percentage of Invoices Paid within 30 days

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



Monthly performance for April was above target by 1%

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, □)

B

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	Red- when the actual is higher than 5% of budget or target
Yellow- when the actual is within 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	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



Summary of Contracts on Consent Agenda
221st Meeting of the DC Water Board of Directors
Thursday, June 2, 2016

Joint-Use Contracts

Resolution No. 16-41 - Execute a contract modification to Contract No. 15-PR-DETS-03, RJN Group. The purpose of the contract modification is to extend the period of performance of the contract and to purchase twenty five (25) additional meters so that more data from flow monitors and rain gauges can be collected and analyzed. The contract modification amount is \$1,900,000. (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)

Resolution No. 16-42 – Execute Option Year Four of Contract No. WAS-12-007-AA-SH, Nutri-Blend, Inc. The purpose of the option is to purchase biosolids management services, from pick-up from DC Water, to distribution to end-users and filing required reports. The option amount is \$3,523,222.92. (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)

Resolution No. 16-43 – Execute Option Year Four of Contract No. WAS-12-017-AA-RA, Complete Building Services. The purpose of the option is to continue to perform preventative maintenance, repair, corrective maintenance and installation of all heating, ventilation, air conditioning and plumbing equipment at all DC Water facilities. The option amount is \$304, 500. (Recommended by Environmental Quality and Sewerage Services Committee 5/19/16)

Resolution No. 16-44 - Execute a contract amendment to Contract No. 140060, Skanska USA Building, Inc. The purpose of the amendment is for Phase II – construction and commissioning of the new Headquarters Office Building. The contract amendment amount is \$60,041,931. (Recommended by Finance and Budget Committee 5/26/16)

Resolution No. 16-45 - Execute Contract No. WAS-12-019-AB-SS, Alliant Insurance Services, Inc. The purpose of the contract is to continue providing insurance coverage for DC Water. The contract amount is not-to-exceed \$2,875,000. (Recommended by Finance and Budget Committee 5/26/16)

Non-Joint Use Contract

Resolution No. 16-46 - Execute Contract No. 150080, Anchor Construction Corp. The purpose of the contract is to replace water mains that have experience failures, or have a history of low water pressure or water quality complaints. The contract amount is \$3,989,109. (Recommended by Water Quality and Water Services Committee 5/19/16)

Presented and Adopted: June 2, 2016

SUBJECT: Adoption of Collective Bargaining Agreement on Working Conditions Between DC Water and AFGE Local 872

**#16-40
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“the Authority and “DC Water”) at its meeting on June 2, 2016, upon consideration of a joint-use matter, decided by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to approval of the Collective Bargaining Agreement on Working Conditions between DC Water and the American Federation of Government Employees (AFGE) Local 872.

WHEREAS, the District of Columbia Employee Relations Board (PERB) has certified American Federation of Government Employees (AFGE) Local 872 (“the Union”), to represent some employees of the District of Columbia Water and Sewer Authority; and

WHEREAS, representatives of the Authority and the Union have bargained in good faith pursuant to law to achieve a successor Working Conditions Agreement; and

WHEREAS, the members the American Federation of Government Employees (AFGE) Local 872 met on March 16, 2018 and voted to ratify and execute the mutually bargained for agreement; and

WHEREAS, the Human Resources and Labor Relations Committee met on May 11, 2016 and recommended the Board approve execution of this Working Condition Agreement; and

WHEREAS, the proposed working condition agreement constitutes a joint effort by the Union and the Authority to assure fairness to employees and efficient, economical management by the Authority.

NOW THEREFORE BE IT RESOLVED:

1. The Board approves the Collective Bargaining Agreement on Working Conditions between American Federation of Government Employees (AFGE) Local 872.
2. This Working Condition Agreement shall be effective, in accordance with its terms, for the period commencing on the date of full execution and ending on September 30, 2017.

3. The Chairman of the Board, the Chairman of the Human Resources and Labor Relations Committee and the General Manager are authorized to execute this Working Condition Agreement.
4. The General Manager is authorized to take all actions necessary to fully implement this Working Condition Agreement.

This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: June 2, 2016

**SUBJECT: Approval to Execute a Contract Modification to Contract
No. 15-PR-DETS-03, RJN Group**

**#16-41
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 June 2, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute a contract modification to Contract No. 15-PR-DETS-03, RJN Group.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a contract modification to Contract No. 15-PR-DETS-03, RJN Group. The purpose of the contract modification is to extend the period of performance of the contract and to purchase twenty five (25) additional meters so that more data from flow monitors and rain gauges can be collected and analyzed. The contract modification amount is \$1,900,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

**Short Term Flow and Rainfall Monitoring Services
(Joint Use)**

Approval to execute contract modification for additional meters and data collection in the amount of \$1,900,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: RJN Group 1589 Sulphur Spring Road Baltimore, MD 21227	Subs: ADS Environmental Services	PARTICIPATION: 48.5%
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$3,143,511.00
Original Contract Dates:	04-13-2015—7-12-2016
No. of Option Years in Contract:	0
Modification Value:	\$233,774.00
Modification Dates:	10-06-2015—07-12-2016
This Modification Value:	\$1,900,000.00
This Modification Dates:	07-13-2016—07-30-2017

Purpose of the Contract:

To furnish, install, calibrate, operate, maintain, collect and report data from flow monitors and rain gauges in various portions of DC Water’s Wastewater Collection System. The data collected from this contract will be used to calibrate a system-wide hydraulic model, perform infiltration and inflow analyses, determine baseline level of service/level of control and assess the impact of new development and other changes to the collection system. These evaluations will assist the Capital Improvement Program (CIP) planning, wet-weather management planning, system design and implementation of improvements.

Original Contract Scope:

To furnish, install, calibrate, operate, maintain, collect and report data from flow monitors and rain gauges in various portions of DC Water’s Wastewater Collection System.

Reason for the Change:

Due to insufficient wet weather events during the original contract period, the data collected were not sufficient to determine the baseline level of service for the Capital Improvement Program. DC Water requests to extend the period of performance of the contract and to purchase twenty five (25) additional meters so that more data can be collected and analyzed.

Spending Previous Year:

Cumulative Contract Value:	04-13-2015 to 07-12-2016: \$3,377,285.00
Cumulative Contract Spending:	04-13-2015 to 04-29-2016: \$2,621,487.72

Contractor’s Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Firm Fixed	Award Based On:	Best Value
Commodity:	Goods and Services	Contract Number:	15-PR-DETS-03
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION


Funding:	Capital	Department:	Engineering & Technical Services
Service Area:	DC Water Wide	Department Head:	Liliana Maldonado
Project:	GZ and LZ		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	84.65%	\$1,608,291.59
Washington Suburban Sanitary Commission	8.90%	\$169,070.77
Fairfax County	4.70%	\$89,379.00
Loudoun County	1.40%	\$26,686.69
Other (PI)	0.35%	\$6,571.95
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,900,000.00

 5/12/16
 Gail Alexander-Reeves
 Director of Budget

 5/6/19
 Dan Bae
 Director of Procurement

 5/4/16
 Leonard R. Benson
 Chief Engineer

 5/13/16
 George S. Hawkins
 General Manager

Presented and Adopted: June 2, 2016

**SUBJECT: Approval to Execute Option Year Four of Contract No.
WAS-12-007-AA-SH, Nutri-Blend, Inc.**

**#16-42
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 June 2, 2016 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to execute Option Year Four of Contract No. WAS-12-007-AA-SH, Nutri-Blend, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. WAS-12-007-AA-SH, Nutri-Blend, Inc. The purpose of the option is to purchase biosolids management services, from pick-up from DC Water, to distribution to end-users and filing required reports. The option amount is \$3,523,222.92.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Biosolids Management
(Joint Use)**

Approval to exercise option year four (4) for Biosolids Management contract in the amount of \$3,523,222.92.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Nutri-Blend, Inc. P.O Box 38060 Richmond, VA 23231	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$11,457,422.50
Original Contract Dates:	05-01-2012 – 04-30-2013
No. of Option Years in Contract:	4
Option Year 1 Value:	\$11,457,422.00
Option Year 1 Dates:	05-01-2013 – 4-30-2014
Option Year 2 Value:	\$7,662,750.00
Option Year 2 Dates:	05-01-2014 – 04-30-2015
Option Year 3 Value:	\$5,800,000.00
Option Year 3 Dates:	05-01-2015 – 04-30-2016
Modification Value:	\$282,720.00
Modification Dates:	05-01-2016 – 05-31-2016
Option Year 4 Value:	\$3,523,222.92
Option Year 4 Dates:	06-01-2016 – 04-30-2017

Purpose of the Contract:

To purchase biosolids management services, from pick-up from DC Water, to distribution to end-users, and filing required reports.

Contract Scope:

Remove biosolids from the Dewatered Biosolids Loading Facility; carry to designated agricultural applications such as farms, compost facilities, and reclamation sites in the mid-Atlantic region; manage nutrient loading; permit land; and file required reports.

Savings:

Pricing for this NutriBlend contract has a hauling component with volume tiers, and a fuel component tied to a U.S. Government (USG) diesel index. For this option year 4, Procurement negotiated a lower hauling rate (before fuel surcharge) from the original contracted rate of \$37.59 per wet ton to \$33.62 per wet ton, creating additional saving of \$352,856.70.

Spending Previous Year:

Cumulative Contract Value:	05-01-2012 to 04-30-2016: \$36,660,314.50
Cumulative Contract Spending:	05-01-2012 to 04-29-2016: \$30,158,496.83

Contractor's Past Performance:

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

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest-Ranking Score
Commodity:	Services	Contract Number:	WAS-12-007-AA-SH
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Salil Kharkar


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$1,468,126.99
Washington Suburban Sanitary Commission	43.21%	\$1,522,384.62
Fairfax County	10.45%	\$368,176.80
Loudoun Water	4.02%	\$141,633.56
Other (PI)	0.65%	\$22,900.95
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,523,222.92

 5/11/16
 Gail Alexander-Reeves Date
 Director of Budget

 5/6/2016
 Dan Bae Date
 Director of Procurement

 5/9/2016
 Aklile Tesfaye Date
 Assistant General Manager,
 Blue Plains

 5/31/16
 George S. Hawkins Date
 General Manager

Presented and Adopted: June 2, 2016

**SUBJECT: Approval to Execute Option Year Four of Contract No.
WAS-12-017-AA-RA, Complete Building Services**

**#16-43
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 2, 2016 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to execute Option Year Four of Contract No. WAS-12-017-AA-RA, Complete Building Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Four of Contract No. WAS-12-017-AA-RA, Complete Building Services. The purpose of the option is to continue to perform preventative maintenance, repair, corrective maintenance and installation of all heating, ventilation, air conditioning and plumbing equipment at all DC Water facilities. The option amount is \$304, 500.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION

**HVAC and Plumbing Services
(Joint Use)**

Approval to exercise option year four (4) for HVAC and Plumbing Service contract in the amount of \$304,500.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Complete Building Services 2101 Wisconsin Avenue, NW Washington, DC 20007 LSBE	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$178,225.00
Original Contract Dates:	05-01-2012—04-30-2013
No. of Option Years in Contract:	4
Option Year 1 Value:	\$185,354.00
Option Year 1 Dates:	05-01-2013—04-30-2014
Option Year 2 Value:	\$249,797.40
Option Year 2 Dates:	05-01-2014 – 04-30-2015
Option Year 3 Value:	\$200,478.89
Option Year 3 Dates:	05-01-2015 – 04-30-2016
Modification Value:	\$0.00
Modification Dates:	05-01-2016—05-15-2016
Option Year 4 Value:	\$304,500.00
Option Year 4 Dates:	05-16-2016—04-30-2017

Purpose of the Contract:

DC Water has a continuous need for a licensed contractor to perform preventative maintenance, repair, corrective maintenance, and installation of all heating, ventilation, air conditioning and plumbing equipment at all DC Water facilities.

Contract Scope:

The contract provides for preventative maintenance, repair and replacement of all HVAC to include the boilers, hot water heaters, unit heaters, duct heaters, chillers, rooftop units, central station air handlers, supply/exhaust fans, variable frequency drives, split system air conditioners, heat pumps, plumbing pipes and equipment used for space heating and cooling purposes.

Spending Previous Year:

Cumulative Contract Value:	05-01-2012 to 05-16-2016: \$813,855.29
Cumulative Contract Spending:	05-01-2012 to 04-27-2016: \$738,160.76

Contractor's Past Performance:

According to the COTR, the Contractor's quality of workmanship; timeliness of deliverables, conformance to DC Water's policies, procedures and contract terms, and invoicing all meet expectations and requirements.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Services	Contract Number:	WAS-12-017-AA-RA
Contractor Market:	Open Market with Preference Points for LBE and LSBE		

BUDGET INFORMATION

Funding:	Operating	Department:	Facilities
Project Area:	DC Water Wide	Department Head:	Johnnie Walker

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.67%	\$62,505.00
Washington Suburban Sanitary Commission	43.21%	\$64,815.00
Fairfax County	10.45%	\$15,675.00
Loudoun Water	4.02%	\$6,030.00
Other (PI)	0.65%	\$975.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$150,000.00

BUDGET INFORMATION

Funding:	Capital	Department:	Facilities
Project Area:	DC Water Wide	Department Head:	Johnnie Walker

User - Capital	Share %	Dollar Amount
District of Columbia	41.22%	\$63,684.90
Washington Suburban Sanitary Commission	45.84%	\$70,822.80
Fairfax County	8.38%	\$12,947.10
Loudoun Water	3.73%	\$5,762.85
Other (PI)	0.83%	\$1,282.35
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$154,500.00

 5/12/16
 Gail Alexander-Reeves Date
 Director of Budget

 5/3/16
 Dan Bae Date
 Director of Procurement

 5/12/2016
 Rosalind R. Inge Date
 Assistant General Manager,
 Support Services

 5/13/16
 George S. Hawkins Date
 General Manager

Presented and Adopted: June 2, 2016

SUBJECT: Approval to Execute a Contract Amendment to Contract No. 140060, Skanska USA Building, Inc.

**#16-44
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 June 2, 2016 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to execute a contract amendment to Contract No. 140060, Skanska USA Building, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a contract amendment to Contract No. 140060, Skanska USA Building, Inc. The purpose of the amendment is for Phase II – construction and commissioning of the new Headquarters Office Building. The contract amendment amount is \$60,041,931.

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

**PROGRESSIVE DESIGN-BUILD CONTRACT:
NEW HEADQUARTERS OFFICE BUILDING
(Joint Use)**

Approval of a contract amendment in the amount of \$60,041,931.00 for Phase II Construction.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS: *	PARTICIPATION:
Skanska USA Building, Inc. 700 King Farm Blvd. Suite 200 Rockville, MD 20850	<u>MBE/WBE Planned Goals:*</u>	
	Phase I: Design \$ 5,000,000	
	MBE (\$ 1,400,000)	28%
	WBE (\$ 200,000)	4%
	*See Attachment A for report of Skanska's performance in meeting the Design Phase commitments	
	Phase II: Construction \$ 60,041,931	
	MBE (\$ 19,213,418)	32%
	WBE (\$ 3,602,516)	6%
	See Attachments B and C for list of line item participation goals for Phase II	

*This is a Progressive – Design-Build Contract. The "Not to Exceed" contract amount has been negotiated at 80% of design effort completed. Final sub-contracts for work to be undertaken are still being negotiated by contractor. However, they have identified categories where MBE and WBE firms will be selected to perform the work. As contractor is still in final negotiations with sub-contractors the specific names of firms selected have not been finalized. Skanska has committed to meet or exceed the above stated goals for MBE and WBE.

DESCRIPTION AND PURPOSE

Original Contract Value	\$ 5,000,000.00
Contract Amendment Value	\$ 60,041,931.00
Total Contract Value, Not-To-Exceed	\$ 65,041,931.00
Total Contract Time	1,095 Days (3 years)
Contract Start Date	03-13-2015
Contract End Date	03-12-2018

Purpose of the Contract:

Provide design and construction of new Headquarters Office Building for DC Water.

Contract Scope:

Work will be completed in two phases:

- Phase I: Design development, regulatory approval and preconstruction service for the new Headquarters Office Building featuring approximately 150,000 gross square feet.
- Phase II - Construction and commissioning of the new Headquarters Office Building.

Federal Grant Status:

- Construction Contract may be eligible for Federal grant funding assistance pending availability of grant funds.

FACT SHEET 140060 NEW HQ BLDG NTE GMP 052616

PROCUREMENT INFORMATION

Contract Type:	Not to Exceed – Guaranteed Maximum Price (GMP)	Award Based On:	Qualifications and Design Selection
Commodity:	Design and Construction	Contract Number:	140060
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Department of Engineering and Technical Services
Service Area:	Non Process Facilities	Department Head:	Liliana Maldonado
Project:	DS		

ESTIMATED USER SHARE INFORMATION

Joint Use

User	Share %	Dollar Amount
District of Columbia	73.14%	\$ 43,914,668.00
Federal Funds	0.00%*	\$ 0.00
Washington Suburban Sanitary Commission	20.95%	\$ 12,578,785.00
Fairfax County	3.83%	\$ 2,299,606.00
Loudoun County & Potomac Interceptor	2.08%	\$ 1,248,872.00
Total Estimated Dollar Amount	100.00%	\$ 60,041,931.00

* May be eligible for Federal Grant Funding. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.


 Gail Alexander-Reeves
 Director of Budget
 Date


 Leonard R. Benson
 Chief Engineer
 Date 5/26/16


 Dan Bae
 Director of Procurement
 Date 5/27/16


 George S. Hawkins
 General Manager
 Date 5/27/16

Attachment A

Status of Skanska USA's performance with regard to M/WBE sub-contracting on Phase I (design phase) of the Headquarters Office Building.

1. Contract Amount – Phase I (design): \$5,000,000.
2. Performed to Date: 80% = \$3,955,978.

3. Sub Category	Commitment	Actual	FSO Goal
MBE	28% / \$1,400,000	17% / \$848,579	28%
WBE	4% / \$200,000	5.6% / \$279	4%

4. Skanska has exceeded their commitment re: WBE
5. Skanska's Project Manager has confirmed that Skanska plans to achieve the full commitment of 28% MBE and anticipates approximately 50% of remaining design work will be assigned to MBE firms.

New Headquarters Building

Contract No. 140060

Attachment B: MBE/WBE Participation

Under the Progressive Design Build contract, the Guaranteed Maximum Price (GMP) is to be negotiated once the design documents have reached 80% completion. At that time, the contractor provides a GMP package which includes the approved 80% project drawings and specifications, along with the guaranteed maximum price for which they agree to complete the project. Final bids for the work to be undertaken are still being negotiated by the contractor at this time and for many of the categories, will not be finalized until the drawings/specifications are 100% completed.

However, the contractor has stated that they will meet or exceed the MBE/WBE goals established for this project. In order to achieve these goals, the contractor has been working during the past few months to identify MBE and WBE firms throughout the region to work with them in undertaking the construction work required. The attached form (Attachment C) lists the projected MBE/WBE subcontracting plan by line item category which they plan to achieve for this project.

Attachment C

SKANSKA • SMITHGROUP		May 1, 2018					
DC Water HQ - Projected MBE/WBE Subcontracting Plan		Committed - Compared to bid package cost of work		Total Anticipated - Compared to total Construction Cost			
Bid Package Number	Description	GMP Best Value	Potential - MBE/WBE Firm	GMP Best Value	MBE % (20% Goal)	WBE % (8% Goal)	WBE \$
05A	Security Guards	\$ 35,815		\$ 35,815	0.00%	0.00%	\$ -
02A	Demolition	\$ 142,565	Francis Construction LLC (MBE) Civil Services (WBE)	\$ 142,565	0.26%	0.00%	\$ -
03A	Concrete	\$ 2,336,310	Manassas Concrete (MBE); W Concrete Int (MBE) Aztec Supply & Collaborating Inc (WBE)	\$ 2,336,310	1.69%	0.00%	\$ -
04A	Masonry	\$ 198,136	Francis Construction Company (WBE)	\$ 198,136	0.36%	0.00%	\$ -
03A	Steel	\$ 6,207,552	JWB Building Products (WBE) - Primer; Consultants (WBE) W 3 Inter (WBE); Watsco Welding (WBE);	\$ 6,207,552	4.48%	0.00%	\$ -
05B	Metal Fabrications	\$ 1,468,000	JWB Building Products (WBE) - Primer; Consultants (WBE) W 3 Inter (WBE); Watsco Welding (WBE);	\$ 1,468,000	1.06%	0.00%	\$ -
06A	Rough Carpentry	\$ 779,724		\$ 779,724	0.70%	0.17%	\$ 93,587
06B	Midwork	\$ 423,180	Regional Contracting Services LLC (WBE)	\$ 423,180	0.92%	0.13%	\$ 64,438
07A	Compproofing & Waterproofing	\$ 169,264		\$ 169,264	0.15%	0.04%	\$ 20,312
07B	Roofing	\$ 1,173,404		\$ 1,173,404	1.04%	0.23%	\$ 140,308
07C	Metal Panel Rainscreen	\$ 2,221,211	Garbar J Companies (WBE)	\$ 2,221,211	0.32%	1.15%	\$ 835,000
07D	Flashing	\$ 242,900		\$ 242,900	0.22%	0.03%	\$ 29,136
07E	Joint Protection	\$ 23,600		\$ 23,600	0.02%	0.00%	\$ 2,408
07F	Expansion Control	\$ 24,900		\$ 24,900	0.02%	0.01%	\$ 2,908
08A	Doors and Frames	\$ 96,454	Cast Doors & Hardware (WBE)	\$ 96,454	0.09%	0.17%	\$ 96,454
08B	Overhead Casing Doors	\$ 28,766		\$ 28,766	0.03%	0.01%	\$ 4,632
08C	Curtainwall	\$ 6,369,078	Radco J Companies (WBE)	\$ 6,369,078	3.79%	1.19%	\$ 856,901
08D	Louvers & Vents	\$ 13,005		\$ 13,005	0.01%	0.00%	\$ 1,179
09A	Gypsum Board	\$ 2,723,343		\$ 2,723,343	0.74%	0.00%	\$ -
09B	Tile	\$ 145,164	Altrate Floor of DC LLC (MBE)	\$ 145,164	0.26%	0.04%	\$ -
09C	Polished Concrete	\$ 132,710		\$ 132,710	0.12%	0.02%	\$ 13,822
09D	Resilient Sheet Flooring & Carpet	\$ 428,357	Altrate Floor of DC LLC (MBE)	\$ 428,357	0.26%	0.02%	\$ -
09F	Painting	\$ 355,384	Joseph Painting Company, Inc. (WBE)	\$ 355,384	0.60%	0.64%	\$ 355,384
10A	Signage	\$ 8,584		\$ 8,584	0.01%	0.00%	\$ 1,020
10C	Traffic Components & Accessories	\$ 62,430	Accessible Construction Supply (WBE) Cast Stone & Hardware (WBE)	\$ 62,430	0.11%	0.00%	\$ -
10D	Lockers	\$ -		\$ -	0.00%	0.00%	\$ -
10E	Fire Protection Specialties	\$ 5,888		\$ 5,888	0.00%	0.00%	\$ 611
11A	Appliances	\$ 28,868		\$ 28,868	0.03%	0.01%	\$ 3,464
11B	Loading Dock Equipment	\$ 3,993		\$ 3,993	0.00%	0.00%	\$ 479
11C	Window Washing Anchors	\$ 29,400		\$ 29,400	0.03%	0.01%	\$ 3,339
12A	Window Treatments	\$ 138,655		\$ 138,655	0.13%	0.03%	\$ 16,639
12B	Rugs & Mats	\$ 54,684		\$ 54,684	0.05%	0.01%	\$ 6,662
14A	Elevators	\$ 803,600		\$ 803,600	0.69%	0.11%	\$ 96,360
21A	Fire Protection	\$ 479,490		\$ 479,490	0.42%	0.00%	\$ -
23A	Mechanical	\$ 8,281,971		\$ 8,281,971	5.90%	0.90%	\$ 469,918
26A	Electrical	\$ 4,812,360	Nationwide Electrical Services (MBE) Moral Electrical Supply (WBE) IT Systems (WBE) Cakagi Systems (WBE) Mana-MA Supply (WBE) Traction Construction (WBE)	\$ 4,812,360	3.48%	0.52%	\$ 281,742
27A	Telecommunications	\$ 258,000		\$ 258,000	0.47%	0.60%	\$ -
31A	Earthwork	\$ 1,121,441	MWW and Young (WBE) RT - Hall Trucking Co (WBE)	\$ 1,121,441	0.81%	0.00%	\$ -
31B	Auger Cast Piles	\$ 894,830	Manassas Concrete (MBE)	\$ 894,830	0.40%	0.00%	\$ -
32A	Asphalt Paving	\$ 270,970		\$ 270,970	0.24%	0.06%	\$ 32,518
32B	Site Concrete	\$ 712,889	Cherry Chase Contractors (WBE)	\$ 712,889	1.29%	0.00%	\$ -
32C	Unit Pavers	\$ 48,979	Cherry Chase Contractors (WBE)	\$ 48,979	0.05%	0.00%	\$ -
32D	Fences & Gates	\$ 41,900		\$ 41,900	0.00%	0.01%	\$ 4,980
32E	Landscaping	\$ 201,438		\$ 201,438	0.27%	0.07%	\$ 26,173
32F	Site Furnishings	\$ 17,413		\$ 17,413	0.02%	0.00%	\$ 2,092
33A	Utilities	\$ 583,978		\$ 583,978	1.00%	0.20%	\$ 188,478
	Access Flooring	\$ 1,700,600		\$ 1,700,600	0.88%	0.21%	\$ 152,800
	HDC Cost - Skanska General Conditions, Incentives, FEES, Bonds, etc.	\$ 9,022,912		\$ 9,022,912	0.00%	0.00%	\$ -
				\$ -	0.00%	0.00%	\$ -
	TOTAL GMP COST - DOES NOT INCLUDE PHASE 1 AND FF&E COSTS	\$ 55,342,311		\$ 55,657,311	32.02%	6.66%	\$ 3,254,308

% of Const Cost

% of Const Cost

Presented and Adopted: June 2, 2016

**SUBJECT: Approval to Execute Contract No. WAS-12-019-AB-SS
Alliant Insurance Services, Inc.**

**#16-45
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 June 2, 2016 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to execute Contract No. WAS-12-019-AB-SS, Alliant Insurance Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-12-019-AB-SS, Alliant Insurance Services, Inc. The purpose of the contract is to continue providing insurance coverage for DC Water. The contract amount is not-to-exceed \$2,875,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT MODIFICATION
Property and Casualty Insurance Brokerage Services
(Joint Use - Indirect)**

Approval to execute contract modification to purchase property and excess liability insurance through DC Water's broker of record in the amount not-to-exceed \$2,875,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Alliant Insurance Services, Inc. 100 Pine Street, 11 th Floor San Francisco, CA 94111	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Purpose of the Contract:

DC Water has a continuous need for various insurance coverages. This contract will allow the broker of record to purchase the following insurance on behalf of DC Water:

Property: \$950,000.00; Excess Liability: \$1,925,000.00

Period of Coverage:

07-01-2016 – 06-30-2017

No LBE/LSBE participation

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest Rated Firm
Commodity:	Services	Contract Numbers:	WAS-12-019-AB-SS
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Risk Management
Service Area:	DC Water Wide	Department Head:	Robert Hunt

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	82.36%	\$2,367,850.00
Washington Suburban Sanitary Commission	12.98%	\$373,175.00
Fairfax County	3.21%	\$92,287.50
Loudoun Water	1.25%	\$35,937.50
Other (PI)	0.20%	\$5,750.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,875,000.00


 Gail Alexander-Reeves 5/17/16
 Director of Budget Date


 Dan Bae 5/16/16
 Director of Procurement Date

for 
 Mark Kim 5/17/16
 Chief Finance Officer Date


 George S. Hawkins 5/31/16
 General Manager Date

Presented and Adopted: June 2, 2016
SUBJECT: Approval to Execute Contract No. 150080
Anchor Construction Corp.

#16-46
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 June 2, 2016 upon consideration of a non-joint use matter, decided by a vote of __() in favor and __() opposed to execute Contract No. WAS-150080, Anchor Construction Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 150080, Anchor Construction Corp. The purpose of the contract is to replace water mains that have experience failures, or have a history of low water pressure or water quality complaints. The contract amount is \$3,989,109.

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 Bloomingdale
(Non-Joint Use)**

Approval to execute a construction contract for \$ 3,989,109.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Anchor Construction Corp. 2254 25 th Place, N.E. Washington, DC 20018	Acorn Supply & Distributing, Inc White Marsh, MD (WBE)	6%
	Omni Excavators, Inc Washington, DC (MBE)	22%
	Fort Myers Construction, Washington, DC (MBE)	10%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$ 3,989,109.00
Contract Time:	200 Day (0 Year, 6 Months)
Anticipated Contract Start Date:	06-10-2016
Anticipated Contract Completion Date:	12-27-2016
Bid Opening Date:	05-04-2016
Bids Received:	4
Other Bids Received	
Capitol Paving of DC, Inc.*	\$ 3,830,460.00
Sagres Construction Corp. *	\$ 3,922,255.00
Fort Myer Construction Company	\$ 4,190,427.00

* Lowest and second lowest bidders were deemed non responsive as they did not submit the required documentation demonstrating their compliance with the EPA MBE/WBE affirmative action steps.

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 0.9 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 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:	150080
Contractor Market:	Open Market		

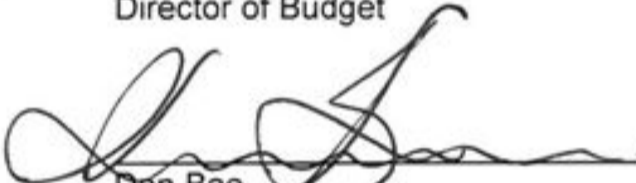
BUDGET INFORMATION

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

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 3,989,109.00
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%	\$ 3,989,109.00


 Gail Alexander-Reeves
 Director of Budget
 Date: 5/19/16


 Dan Bae
 Director of Procurement
 Date: 5/19/16


 Leonard R. Benson
 Chief Engineer
 Date: 5-19-16


 George S. Hawkins
 General Manager
 Date: 5/31/16

Presented and Adopted: June 2, 2016

Subject: Approval to Revise the Resolutions for Implementing the Lead Service Line Replacement Policy

**#16-47
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“the Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting on June 2, 2016, upon consideration of a non-joint use matter, decided by a vote of __ (__) in favor and __ (__) opposed, to take the following action with respect to revising the implementation of the policy on the replacement of lead service lines in the District of Columbia (“the District”).

WHEREAS, the Board, pursuant to the revised Lead Service Line Replacement Policy (“LSLR Policy”) in Resolution #09-37, resolved that the General Manager would review the financial impact of the actions resulting from that resolution; and

WHEREAS, in Resolution #09-102, the Board determined that the cost of lead service line replacements not associated with water main replacements shall not exceed \$500,000 in any budget year without approval of the Board of Directors; and

WHEREAS, on May 19, 2016, the Water Quality and Water Services Committee was presented with an evaluation of the cost impacts of raising the \$500,000 per budget year limitation set in Resolution #09-102 from \$500,000 to \$2,000,000; and

WHEREAS, the Board has determined that it is in the best interests of Authority ratepayers to raise the limitation on lead service line replacements not associated with water main replacements from \$500,000 to \$2,000,000 in any budget year.

NOW THEREFORE BE IT RESOLVED THAT:

Resolution #09-102 is amended to amend paragraph numbered 3 to read as follows.

1. The total expenditures for discretionary lead service line replacements not associated with water main replacements shall not exceed \$2,000,000 in a budget year without the approval of the Board of Directors.

This resolution is effective immediately.

Secretary to the Board of Directors