

Presented and Adopted: January 3, 2013
SUBJECT: Approval to Execute a Modification of Contract No.
GS11T08BJD6001, Verizon Federal


#13-00
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of nine (9) in favor and one (1) recuse to execute a modification of Contract No. GS11T08BJD6001, Verizon Federal.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification of Contract No. GS11T08BJD6001, Verizon Federal. The purpose of the modification is to provide telecommunication services for the District of Columbia Water and Sewer Authority's Department of Information Technology. The contract modification amount is \$1,232,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

**SUBJECT: Approval to Execute Supplemental Agreement No. 3 of
Contract No. DCFA #412-WSA, CH2M Hill Engineers**

**#13-01
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute Supplemental Agreement No. 3 of Contract No. DCFA #412-WSA, CH2M Hill Engineers.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 3 of Contract No. DCFA #412-WSA, CH2M Hill Engineers. The purpose of the supplemental agreement is to develop a commissioning plan and assist in the implementation of Project Commissioning. The supplemental agreement amount is \$2,900,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

**SUBJECT: Approval to Execute Supplemental Agreement No. 5 of
Contract No. DCFA #404-WSA, Black & Veatch Corp.**

**#13-02
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute Supplemental Agreement No. 5 of Contract No. DCFA #404-WSA, Black & Veatch Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 5 of Contract No. DCFA #404-WSA, Black & Veatch Corp. The purpose of the supplemental agreement is to perform services during construction of the Potomac Interceptor Odor Abatement Virginia sites. The supplemental agreement amount is \$464,744.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

**SUBJECT: Approval to Execute Change Order No. 15 of Contract
No.100020, Ulliman Schutte Construction, LLC.**

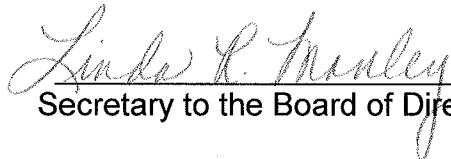
**#13-03
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute Change Order No. 15 of Contract No. 100020, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 15 of Contract No. 100020, Ulliman Schutte Construction, LLC. The purpose of the change order is to change the type of anti-sphon valves on the methanol tanks. The change amount is \$290,054.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

**SUBJECT: Approval to Execute a Contract Modification of Contract
No. 81518, InSource Solutions**

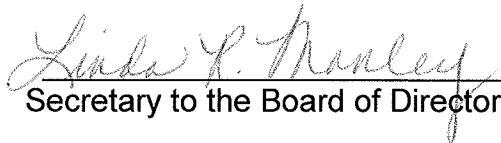
**#13-04
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute a contract modification of Contract No. 81518, InSource Solutions.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a contract modification of Contract No. 81518, InSource Solutions. The purpose of the contract modification is to perform remote operations and monitoring of all SCADA sites throughout the District of Columbia for the Department of Information Technology. The contract modification amount is \$250,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

**SUBJECT: Approval to Execute a Contract Modification of Contract
No. WAS-07-034-AA-JW, Reading Crane & Engineering
Company**

**#13-05
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute a contract modification of Contract No. WAS-07-034-AA-JW, Reading Crane & Engineering Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a contract modification of Contract No. WAS-07-034-AA-JW, Reading Crane & Engineering Company. The purpose of the contract modification is to repair and maintain cranes for the Authority. The contract modification amount is \$355,000.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013
**SUBJECT: Intent to Reimburse Capital Expenditures with Proceeds
of a Borrowing**

#13-06
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority (the "Authority"), at the Board meeting held on January 3, 2013, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action.

WHEREAS, the District of Columbia Water and Sewer Authority (the "Borrower") intends to acquire, construct and equip the items and projects set forth in Exhibit A hereto (collectively, the "Projects"); and

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

NOW THEREFORE BE IT RESOLVED THAT:

1. The Borrower utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the "Bonds") or other debt in an amount not currently expected to exceed \$358,000,000 to pay costs of the Projects. These costs include amounts heretofore unreimbursed pursuant to Resolution 12-07 of the Board adopted on January 5, 2012, plus amounts projected to be reimbursed during Fiscal Year 2013 and through January 2014.
2. The Borrower use the proceeds of the Bonds to reimburse itself for Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a

grant to a party that is not related to or an agent of the Borrower so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Borrower.

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

This resolution shall take effect immediately.


Secretary to the Board of Directors

EXHIBIT A — LIST OF PROJECTS

Blue Plains Advanced Wastewater Treatment Plant Rehabilitation
Blue Plains Enhanced Nitrogen Removal Facilities
Blue Plains New Digestion Facilities
Sanitary Sewer System Improvement Projects
Combined Sewer System Improvement Projects
Stormwater Sewer System Improvement Projects
Water Pumping, Distribution and Storage Projects
Metering and Capital Equipment
Washington Aqueduct Projects
Combined Sewer Overflow/Long Term Control Plan (aka Clean Rivers Project)

Presented and Adopted: January 3, 2013
SUBJECT: Approval of Fiscal Year 2012 - 2021 Ten Year Financial Plan

#13-07
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at its meeting held on January 3, 2013 upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2012 – 2021 Financial Plan.

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

WHEREAS, the Board in Resolutions 09-86 and 11-10 has adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of the Authority; and

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

WHEREAS, consistent with the Board policies, the General Manager has prepared a ten-year financial plan in conjunction with the proposed FY 2014 operating and capital budgets; and

WHEREAS, at the December meetings of the DC Retail Water and Sewer Rates Committee and Finance and Budget Committee an updated proposed ten year financial plan was reviewed and discussed; and

WHEREAS, the revised ten-year financial plan is based on assumptions detailed in the proposed Fiscal Year 2014 Operating and Capital Budgets; and

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

WHEREAS, on December 18, 2012 and December 21, 2012, the DC Retail Water and Sewer Rates Committee and Finance and Budget Committee, respectively, met and recommended that the Board adopt a ten-year financial plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby accepts and approves the proposed Fiscal Year 2012 - 2021 Financial Plan that is supported by the attached Schedule A, B, C and D and the proposed Fiscal Year 2014 Operating and Capital Budgets.

This resolution is effective immediately.


Secretary to the Board of Directors

Schedule A

*District of Columbia Water & Sewer Authority
FY 2012 – 2021 Financial Plan
(In 000's)*

OPERATING	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<i>Retail*</i>	321,702	340,310	365,968	397,732	430,974	458,277	478,207	492,574	510,169	524,915
<i>Wholesale*</i>	74,705	75,195	80,900	75,124	75,485	77,756	80,156	82,555	85,063	97,191
<i>Other</i>	23,998	25,474	23,703	25,650	26,419	29,259	32,128	33,258	33,423	27,008
<i>RSF</i>	6,500	6,500	7,000	-	-	-	-	-	-	-
Operating Receipts (1)	\$ 426,906	\$ 447,479	\$ 477,570	\$ 498,506	\$ 532,878	\$ 565,292	\$ 590,490	\$ 608,387	\$ 628,655	\$ 649,114
Operating Expenses	(271,659)	(302,302)	(311,295)	(304,976)	(310,711)	(320,565)	(330,632)	(343,388)	(353,596)	(365,853)
Debt Service	\$ (99,251)	\$ (116,179)	\$ (147,792)	\$ (168,985)	\$ (185,775)	\$ (206,160)	\$ (219,425)	\$ (227,102)	\$ (239,755)	\$ (253,255)
Net Revenues After Debt Service	\$ 55,996	\$ 28,998	\$ 18,484	\$ 24,545	\$ 36,392	\$ 38,567	\$ 40,433	\$ 37,898	\$ 35,305	\$ 30,006
Operating Reserve-Beg Balance	150,035	139,565	125,500	125,500	125,500	125,500	125,500	125,500	125,500	125,500
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(6,660)	(10,905)	(7,500)	-	-	-	-	-	-	-
Customer Rebate	-	(4,200)								
Transfers To RSF	(17,750)	(4,100)								
Transfers To DC PILOT Fund	(4,468)									
Pay-Go Financing	<u>(37,588)</u>	<u>(23,857)</u>	<u>(10,984)</u>	<u>(24,545)</u>	<u>(36,392)</u>	<u>(38,567)</u>	<u>(40,433)</u>	<u>(37,898)</u>	<u>(35,305)</u>	<u>(30,006)</u>
Operating Reserve - Ending Balance	\$ 139,565	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500	\$ 125,500
Rate Stabilization Fund Balance RSF (2)	\$ (27,950)	\$ (25,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ (18,550)
Senior Debt Service Coverage	354%	325%	253%	250%	241%	221%	209%	197%	189%	179%
Combined Debt Service Coverage	149%	131%	124%	130%	134%	133%	132%	130%	128%	125%
Actual/Projected Water/Sewer Rate Incr:	4.5%	5.5%	5.5%	5.5%	6.0%	6.0%	5.0%	3.0%	3.0%	3.5%
*Operating Receipts \$ Increase/Decrease										
Retail	21,103	18,608	25,658	31,765	33,242	27,303	19,930	14,367	17,595	14,745
Wholesale	5,444	490	5,705	(5,776)	361	2,271	2,400	2,399	2,508	12,129
*Operating Receipts % Increase/Decrease										
Retail	7.0%	5.8%	7.5%	8.7% ⁽³⁾	8.4% ⁽³⁾	6.3%	4.3%	3.0%	3.6%	2.9%
Wholesale	7.9%	0.7%	7.6%	-7.1%	0.5%	3.0%	3.1%	3.0%	3.0%	14.3%

(1) Includes interest earnings on senior lien revenue bonds' debt service reserve fund
(2) FY 2012 Rate Stabilization Fund utilization brought the total fund balance to \$27.95 million
(3) Savings anticipated from implementation of new biosolids management beginning in FY 2015

Schedule B

*District of Columbia Water & Sewer Authority
FY 2012 – 2021 Capital Improvement Plan
(In 000's)*

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
BEGINNING BALANCE	\$ 132,634,951	\$ 243,694,951	\$ 224,126,854	\$ 222,002,311	\$ 526,279	\$ 2,153,598	\$ 2,112,202	\$ 1,828,113	\$ 1,624,885	\$ 2,056,841	\$ 832,760,984
SOURCES OF FUNDS:											
Proceeds from Rev. Bonds	250,000,000	\$ 300,000,000	\$ 300,000,000	\$ 105,255,859	\$ 287,146,349	\$ 211,220,217	\$ 146,249,047	\$ 129,990,771	\$ 164,547,265	\$ 166,971,154	\$ 2,061,380,662
Proceeds from Treasury Notes/Digesters Financing Option	50,000,000	-	-	-	-	-	-	-	-	-	\$ 50,000,000
Capital Equipment Financing (for 4 yrs @ 3.25%)	7,500,000	10,799,200	13,377,600	10,834,400	7,623,200	5,598,400	-	-	-	-	\$ 55,732,800
Transfer from Operations	37,588,000	23,857,475	10,983,820	24,545,430	36,392,173	38,566,785	40,432,751	37,898,115	35,304,851	30,006,005	\$ 315,575,404
EPA Grants /DC Reimbursement	25,455,000	32,424,000	36,541,000	26,579,000	16,009,000	13,882,000	15,385,000	13,882,000	13,882,000	13,882,000	\$ 207,921,000
CSO Grants	27,990,000	30,000,000	18,168,787	-	-	-	-	-	-	-	\$ 76,158,787
Wholesale Customer Capital Contributions	174,259,000	225,614,000	175,673,000	127,191,000	88,162,000	68,511,000	41,176,000	16,332,000	9,454,000	9,959,000	\$ 936,331,000
Interest Income	768,000	303,229	256,250	526,279	2,153,598	2,112,202	1,828,113	1,624,885	2,056,841	2,087,139	\$ 13,716,536
Total Sources	\$ 573,560,000	\$ 622,997,903	\$ 555,000,457	\$ 294,931,968	\$ 437,486,320	\$ 339,890,604	\$ 245,070,911	\$ 199,727,771	\$ 225,244,957	\$ 222,905,298	\$ 3,716,816,189
USES OF FUNDS:											
Water Projects	\$ 41,660,000	\$ 52,329,000	\$ 63,770,000	\$ 59,980,000	\$ 56,090,000	\$ 57,369,000	\$ 55,482,000	\$ 48,733,000	\$ 57,837,000	\$ 51,385,000	\$ 544,635,000
Blue Plains Projects	254,762,000	358,543,000	267,836,000	180,493,000	113,542,000	100,679,000	59,777,000	18,896,000	7,289,000	8,120,000	\$ 1,369,937,000
Sanitary Sewer Projects	23,074,000	29,084,000	42,136,000	43,170,000	48,458,000	45,989,000	43,023,000	38,259,000	35,620,000	34,249,000	\$ 383,062,000
Combined Sewer	10,942,000	10,589,000	19,434,000	27,922,000	41,897,000	16,742,000	13,064,000	10,919,000	13,070,000	22,758,000	\$ 187,337,000
Combined Sewer LTCP	102,111,000	152,920,000	132,911,000	179,193,000	152,493,000	95,302,000	50,829,000	61,086,000	89,542,000	85,230,000	\$ 1,101,617,000
Stormwater Projects	3,354,000	3,252,000	3,680,000	952,000	859,000	736,000	795,000	866,000	793,000	736,000	\$ 16,023,000
Washington Aqueduct Division Projects	11,286,000	10,598,000	10,744,000	11,016,000	11,280,000	11,588,000	10,891,000	10,323,000	9,842,000	9,576,000	\$ 107,144,000
Capital Equipment	13,499,000	16,722,000	13,543,000	9,529,000	6,998,000	7,133,000	7,211,000	6,531,000	6,481,000	6,461,000	\$ 94,108,000
Meter Replacement / AMR	1,812,000	8,529,000	3,071,000	4,153,000	4,242,000	4,394,000	4,283,000	4,318,000	4,339,000	4,360,000	\$ 43,501,000
Reimbursement for Prior Capital Expend.	-	-	-	-	-	-	-	-	-	-	\$ -
Total Uses	\$ 462,500,000	\$ 642,566,000	\$ 557,125,000	\$ 516,408,000	\$ 435,859,000	\$ 339,932,000	\$ 245,355,000	\$ 199,931,000	\$ 224,813,000	\$ 222,875,000	\$ 3,847,364,000
SOURCES MINUS USES	111,060,000	(19,568,097)	(2,124,543)	(221,476,032)	1,627,320	(41,396)	(284,089)	(203,229)	431,957	30,298	(130,547,811)
ENDING BALANCE	\$ 243,694,951	\$ 224,126,854	\$ 222,002,311	\$ 526,279	\$ 2,153,598	\$ 2,112,202	\$ 1,828,113	\$ 1,624,885	\$ 2,056,841	\$ 2,087,139	\$ 702,213,172

District of Columbia Water & Sewer Authority
FY 2012 - 2021 Projected Average Residential Monthly Bill

	Units	Proposed									
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
DC Water Retail Rates (1)	Ccf	\$ 48.17	\$ 50.84	\$ 53.65	\$ 56.60	\$ 60.01	\$ 63.62	\$ 66.83	\$ 68.84	\$ 70.91	\$ 73.39
DC Water Clean Rivers IAC	ERU	6.64	9.57	12.77	16.79	20.68	23.12	24.52	26.08	28.32	30.67
DC Water Customer Metering Fee		3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86	3.86
Subtotal DC Water Rates & Charges		\$ 58.67	\$ 64.27	\$ 70.28	\$ 77.25	\$ 84.55	\$ 90.60	\$ 95.21	\$ 98.78	\$ 103.09	\$ 107.92
Increase / Decrease		\$ 5.27	\$ 5.60	\$ 6.01	\$ 6.97	\$ 7.30	\$ 6.05	\$ 4.61	\$ 3.57	\$ 4.31	\$ 4.83
District of Columbia PILOT (1)	Ccf	3.28	3.35	3.55	3.75	3.95	4.21	4.42	4.55	4.68	4.82
District of Columbia Right of Way Fee (1)	Ccf	1.00	1.07	1.14	1.20	1.27	1.34	1.40	1.47	1.54	1.61
District of Columbia PILOT/ROW Fee	Ccf	4.28	4.42	4.69	4.95	5.22	5.55	5.82	6.02	6.22	6.43
District of Columbia Stormwater Fee (2)	ERU	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67	2.67
Subtotal District of Columbia Charges		\$ 6.95	\$ 7.09	\$ 7.36	\$ 7.62	\$ 7.89	\$ 8.22	\$ 8.49	\$ 8.69	\$ 8.89	\$ 9.10
Total Amount Appearing on DC Water Bill		\$ 65.62	\$ 71.36	\$ 77.64	\$ 84.87	\$ 92.44	\$ 98.82	\$ 103.70	\$ 107.47	\$ 111.98	\$ 117.02
Increase / Decrease Over Prior Year		\$ 5.33	\$ 5.74	\$ 6.28	\$ 7.23	\$ 7.57	\$ 6.38	\$ 4.88	\$ 3.77	\$ 4.51	\$ 5.04
Percent Increase in Total Bill		8.8%	8.7%	8.8%	9.3%	8.9%	6.9%	4.9%	3.6%	4.2%	4.5%

(1) Assumes average monthly consumption of 6.69 Ccf, or (5,004 gallons)

(2) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010

District of Columbia Water & Sewer Authority
FY 2014 Projected Retail Rates and Fee Changes

	<u>Units</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Proposed FY 2014</u>
DC Water Retail Rates Water	Ccf	\$ 3.24	\$ 3.42	\$ 3.61
DC Water Retail Rates Sewer	Ccf	<u>\$ 3.96</u>	<u>\$ 4.18</u>	<u>\$ 4.41</u>
DC Water Clean Rivers IAC	ERU	\$ 6.64	\$ 9.57	\$ 12.77
DC Water Customer Metering Fee		\$ 3.86	\$ 3.86	\$ 3.86
District of Columbia PILOT Fee	Ccf	\$ 0.49	\$ 0.50	\$ 0.53
District of Columbia Right of Way Fee	Ccf	<u>\$ 0.15</u>	<u>\$ 0.16</u>	<u>\$ 0.17</u>

Presented and Adopted: January 3, 2012
Subject: Approval of Fiscal Year 2014 Capital Authority Request
#13-08

**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 January 3, 2013, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2014 Capital Authority request which is to be submitted to the United States Congress.

WHEREAS, on October 4, 2012, the General Manager presented to the Board, the FY 2014 Proposed Capital Authority request that totaled \$407,036,000; and

WHEREAS, during the months of October through December 2012, the various Committees of the Board, including, the Environmental Quality and Sewerage Services, Water Quality and Water Services, Finance and Budget and DC Retail Water and Sewer Rates Committees, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts; and

WHEREAS, on December 20, 2012, the Environmental Quality and Sewerage Services and the Water Quality and Water Services Committees met and recommended that the Board adopt the Proposed FY 2014 Capital Authority Request of \$557,036,000 to accelerate work in the Northeast Boundary (Bloomingdale Area); and

WHEREAS, on December 21, 2012, the Finance and Budget Committee met and recommended that the Board adopt the Proposed Capital Authority request of \$557,036,000; and

WHEREAS, the request is to be submitted to the United States Congress.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2014 Capital Authority request totaling \$557,036,000 which is to be submitted to the United States Congress as shown in Attachment A to this resolution.

This resolution is effective immediately.


Secretary to the Board of Directors

**Fiscal Year 2014
*Capital Authority Request
(\$ 000's)**

Service Areas:

Blue Plains wastewater Treatment		\$49,419
Sanitary Sewer System		35,233
Combined Sewer Overflow	1, 2	379,603
Stormwater		0
Water System		73,839
Washington Aqueduct (DC Water share)		11,192
Capital Equipment		<u>7,750</u>
	TOTAL	\$557,036

(*) The Authority's request includes a 24 month look-ahead, i.e., it takes into account projected commitments for FY 2015 and FY 2016.

1. Includes Special Risk allowance of \$74 million for the DC Clean Rivers Project (a.k.a. Long Term Control Plan), although not part of this Project's Lifetime Budget.
2. Includes allowance of \$150 million in anticipation of advancement of the NE Boundary Tunnels and other activities in an effort to mitigate flooding issues in the Bloomingdale neighborhood of Washington DC.

Presented and Adopted: January 3, 2013
Subject: Approval of Fiscal Year 2012 - 2021 Capital Improvement Program (CIP)

#13-09
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 January 3, 2013, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2012 – 2021 Capital Improvement Program.

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

WHEREAS, on October 4, 2012, the General Manager presented to the Board a lifetime budget totaling \$8,448,640,000 and a related FY 2012 - 2021 Capital Improvement Program disbursement budget, which totaled \$3,847,366,000; and

WHEREAS, during the months of October through December 2012, the various committees of the Board, including, the Environmental Quality and Sewerage Services, Water Quality and Water Services, Finance and Budget and DC Retail Water and Sewer Rates Committees, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts; and

WHEREAS, on December 20, 2012, the Environmental Quality and Sewerage Services and the Water Quality and Water Services Committees met and recommended that the Board adopt a proposed lifetime budget totaling \$8,448,640,000 and a related FY 2012 – 2021 Capital Improvement Program disbursement budget of \$3,849,179,000; and

WHEREAS, on December 21, 2012 the Finance and Budget Committee recommended that the Board adopt a proposed lifetime budget totaling \$8,448,640,000 and a related FY 2012 – 2021 Capital Improvement Program disbursement budget of \$3,849,179,000.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2012 – 2021 Capital Improvement Program with a lifetime budget totaling \$8,448,640,000 (Attachment A) and disbursements budget of \$3,849,179,000 (Attachment B), and as further detailed in the General Manager's Proposed Fiscal Year 2014 Operating and Capital Budgets dated October 25, 2012 and accompanying materials.

This resolution is effective immediately.


Secretary to the Boards of Directors

FY 2012 - FY 2021 Capital Improvement Plan

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

	FY 2013 Approved	FY 2013 Revised / FY 2014 Proposed	Variance
<u>Wastewater Treatment</u>			
Liquid Processing Projects	622,106	632,948	10,842
Plantwide Projects	345,887	360,994	15,107
Solids Processing Projects	719,537	772,912	53,375
Enhanced Nitrogen Removal Facilities (formerly BTN - Total Nitrogen Program)	988,778	966,888	(21,890)
Sub-total	2,676,308	2,733,742	57,434
<u>Sanitary Sewer</u>			
Sanitary Collection Sewers	133,906	162,656	28,750
Sanitary On-Going Projects	159,677	173,757	14,080
Sanitary Pumping Facilities	25,898	30,458	4,560
Sanitary Sewer Projects Program Management	103,135	91,086	(12,049)
Sanitary Interceptor/Trunk Force Sewers	432,583	466,541	33,958
Sub-total	855,199	924,498	69,299
<u>Combined Sewer Overflow</u>			
CSO Program Management	55,239	55,239	-
Combined Sewer Projects: Nine Minimum Controls	213,888	213,388	(500)
Combined Sewer Projects: Others	244,844	339,926	95,082
D.C. Clean Rivers Project (aka Long-Term Control Plan)			
Anacostia Tunnel	1,672,282	1,714,720	42,438
Potomac Tunnel	418,700	423,700	5,000
Rock Creek Tunnel	70,342	65,342	(5,000)
Sub-total	2,675,295	2,812,315	137,020
<u>Stormwater</u>			
Stormwater Extensions/Local Drainage	17,999	22,816	4,817
Stormwater On-Going Program	9,658	11,323	1,665
Stormwater Pumping Facilities	0	0	-
DDOT Stormwater Program	4,720	3,237	(1,483)
Stormwater Projects Program Management	10,630	10,630	-
Stormwater Trunk/Force Sewers	15,504	15,162	(342)
Sub-total	58,511	63,168	4,657
<u>Water</u>			
Water Distribution Systems	695,720	857,178	163,158
Water Lead Program	191,040	191,040	0
Water On-Going Projects	117,541	127,879	10,338
Water Pumping Facilities	161,372	155,908	(5,464)
DDOT Water Projects	91,538	38,184	(53,354)
Water Storage Facilities	74,311	75,762	1,451
Water Projects Program Management	47,559	78,756	31,197
Meter Replacement /AMR Installation	73,534	91,264	17,730
Sub-total	1,452,615	1,615,971	165,056
Washington Aqueduct	203,138	203,138	0
Capital Equipment	98,307	95,808	(4,199)
Total DC Water CIP Lifetime (see notes)	8,019,373	8,448,640	429,267

Notes:

1 Lifetime budgets shown here represent total budgets for projects that are active during the current 10-year CIP. Lifetime budgets include historical spending prior to the beginning of the current 10-year plan, spending during the 10-year plan, and projected spending beyond the current 10-year plan. Projects completed in FY 2012 will be dropped from the CIP next year.

2 These budgets do not include inhouse labor costs, estimated to be in the \$9 to \$10 million range, annually, and are applicable to, primarily, the time charged to capital projects by employees in the Departments of Engineering and Technical Services, Sewer Services, and Water Services.

FY 2012 – FY 2021 PROJECTED CAPITAL IMPROVEMENT PLAN (CIP) – DISBURSEMENTS BASIS (\$ in 000'S)

	FY 2012 Actual	FY 2013 Revised	FY 2014 Proposed	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total FY '12 -'21
Wastewater Treatment											
Liquid Processing Projects	\$22,311	\$23,884	\$16,403	\$18,067	\$14,085	\$13,505	\$11,903	\$9,421	\$1,596	\$412	\$131,587
Plantwide Projects	17,060	27,128	15,590	10,545	6,298	6,708	13,671	7,505	3,152	1,807	109,463
Solids Processing Projects	95,923	159,690	128,116	44,194	12,305	10,389	3,531	80	-	-	454,228
Enhanced Nitrogen Removal Facilities (formerly BTN - Total Nitrogen Program)	118,011	147,842	107,728	107,687	80,855	70,077	30,673	1,890	2,540	5,901	673,202
Sub-total	253,305	358,543	267,836	180,493	113,542	100,679	59,777	18,896	7,289	8,120	1,368,481
Sanitary Sewer											
Sanitary Collection Sewers	1,386	858	6,694	11,466	8,289	4,094	5,666	6,735	6,912	7,088	59,187
Sanitary On-Going Projects	7,169	10,544	9,292	6,612	6,562	6,948	7,169	7,604	8,163	8,123	78,186
Sanitary Pumping Facilities	189	679	347	241	-	-	-	-	-	-	1,455
Sanitary Sewer Projects Program Management	5,108	4,229	4,906	4,570	4,160	5,351	5,191	4,218	3,891	3,540	45,164
Sanitary Interceptor/Trunk Force Sewers	9,931	12,774	20,897	20,282	29,447	29,596	24,997	19,702	16,654	15,498	199,778
Sub-total	23,783	29,084	42,136	43,170	48,458	45,989	43,023	38,259	35,620	34,249	383,770
Combined Sewer Overflow / Long Term Control Plan											
CSO Program Management	1,812	1,634	1,968	1,444	1,077	1,394	1,903	2,319	1,844	1,418	16,812
Combined Sewer Projects:Nine Minimum Controls	4,932	2,844	1,491	41	-	-	-	-	-	-	9,308
Combined Sewer Projects:Others	4,034	6,111	15,975	26,437	40,820	15,348	11,161	8,600	11,226	21,340	161,053
D.C. Clean Rivers Project (aka Long-Term Control Plan)											
Anacostia Tunnel	101,880	150,900	126,261	164,914	138,414	87,570	42,109	48,666	76,184	58,914	995,812
Potomac Tunnel	-	1,793	6,561	14,279	13,857	7,000	7,963	11,072	11,432	24,364	98,321
Rock Creek Tunnel	-	227	89	-	222	732	757	1,348	1,926	1,952	7,253
Sub-total	112,658	163,509	152,345	207,115	194,390	112,044	63,893	72,005	102,612	107,988	1,288,559
Stormwater											
Stormwater Local Drainage	-	28	115	67	209	160	152	158	151	126	1,166
Stormwater On-Going Program	1,192	812	436	390	452	407	421	458	456	467	5,492
Stormwater Pumping Facilities	-	-	-	-	-	-	-	-	-	-	-
DDOT Stormwater Program	-	2	8	18	32	29	30	16	-	-	136
Stormwater Research and Program Management	337	289	237	140	119	140	192	234	186	143	2,017
Stormwater Trunk/Force Sewers	1,786	2,120	2,883	337	47	-	-	-	-	-	7,173
Sub-total	3,315	3,252	3,680	952	859	736	795	866	793	736	15,984
Water											
Water Distribution Systems	22,020	25,445	39,605	36,632	31,269	34,343	34,256	34,287	44,823	40,936	343,616
Water On-Going Projects	7,361	10,321	8,074	6,807	5,676	6,633	5,768	6,326	6,057	6,066	69,089
Water Pumping Facilities	2,425	3,226	4,359	2,610	5,191	3,023	6,219	-	8	36	27,099
DDOT Water Projects	3,577	5,791	1,971	789	-	-	-	-	-	-	12,128
Water Storage Facilities	1,146	1,353	3,667	7,028	8,192	7,677	3,766	2,799	1,750	1,226	38,604
Water Projects Program Management	4,188	4,332	4,721	5,064	3,970	3,929	3,580	3,318	3,232	3,122	39,456
Water Lead Program	1,927	1,860	1,373	1,051	1,792	1,764	1,893	2,002	1,967	-	15,630
Meter Replacement /AMR Installation	1,909	8,529	3,071	4,153	4,242	4,394	4,283	4,318	4,339	4,360	43,597
Sub-total	44,553	60,858	66,841	64,133	60,332	61,763	59,765	53,051	62,176	55,745	589,218
Washington Aqueduct	11,286	10,598	10,744	11,016	11,280	11,588	10,891	10,323	9,842	9,576	107,144
Capital Equipment	13,713	18,422	13,543	9,529	6,998	7,133	7,211	6,531	6,481	6,461	96,022
Total FY 2014 DC Water CIP	\$462,613	\$644,265	\$557,125	\$516,408	\$435,861	\$339,931	\$245,355	\$199,930	\$224,813	\$222,876	\$3,849,179

Presented and Adopted: January 3, 2013
Subject: Approval of Fiscal Year 2014 Proposed Operating Budget

#13-10
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 January 3, 2013, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2014 Proposed Operating Budget.

WHEREAS, on October 4 2012, the General Manager presented the FY 2014 Proposed Operating Budget to the Board that totaled \$479,543,000; and

WHEREAS, during the months of October through December 2012, the various committees of the Board, including, the Environmental Quality and Sewerage Services, Water Quality and Water Services, Finance and Budget and DC Retail Water and Sewer Rates Committees, reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, customer and operational impacts; and

WHEREAS, on December 21, 2012, the Finance and Budget Committee recommended that the Board adopt a FY 2014 budget that totals \$479,543,000.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2014 Proposed Operating Budget totaling \$479,543,000 as further detailed in materials presented by the General Manager.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013
SUBJECT: Approval to Execute Contract No. 120100, Capital Paving
of DC, Inc.

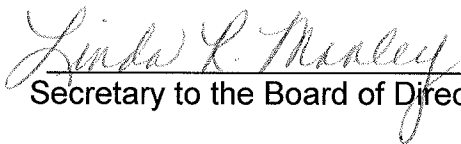
#13-11
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on January 3, 2013 upon consideration of a non-joint use matter decided by a vote of five (5) in favor and none (0) oppose to execute Contract No. 120100, Capital Paving of DC, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 120100, Capital Paving of DC, Inc. The purpose of the contract is to replace inoperable large valves to improve the reliability of the water distribution system. The contract amount is \$2,020,300.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013

SUBJECT: Proposed Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment in Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (IAC) and New Customer Classification of Multi-Family for DC Water and Sewer Rates beginning in Fiscal Year 2014

**#13-12
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on January 3, 2013 upon consideration of a non-joint use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to the proposed Metered Retail Rates for Water and Sewer Service, Clean Rivers Impervious Area Charge (IAC), the Payment In Lieu of Taxes Fee (PILOT), the Right-of-Way Occupancy Fee Pass Through Charge (ROW) and new Customer Classification of Multi-Family for DC Water and Sewer Rates.

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

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

WHEREAS, the DC Retail Water and Sewer Rates Committee met on December 18, 2012 to consider the proposed rate and fee changes and cost drivers; and

WHEREAS, DC Water has two classes of customers, (residential and non-residential) as per Title 21 in the District of Columbia Municipal Regulations (DCMR); and

WHEREAS, the DC Retail Water and Sewer Rates Committee has recommended a new customer classification; Multi-Family customer class for DC water and sewer rates; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$0.42 per Ccf (\$0.56 per 1,000 gallons); and

WHEREAS, the increase in water and sewer rates would result in a combined water and sewer rate that approximates \$8.02 per One Hundred Cubic Feet (Ccf) or \$10.72 per 1,000 gallons of metered water and sewer use; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment a monthly increase in the Clean Rivers Impervious Area Charge of \$3.20 per Equivalent Residential Unit (ERU) to recover the \$2.6 billion costs of the Combined Sewer Overflow Long-Term Control Plan (CSO LTCP); and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the ROW / PILOT fee of \$0.04 per Ccf (\$0.05 per 1,000 gallons) to recover the full cost of the District of Columbia government charges, (pending final negotiations and approval of a memorandum of understanding from the District of Columbia government); and

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

WHEREAS, adoption of these rates and fee changes would increase the monthly bill of the average residential customer using 6.69 Ccf (or 5,004 gallons) which is approximately \$6.28 per month or \$75.36 per year; and

WHEREAS, DC Water's retail revenue projections for Fiscal Year 2014 reflect an approximate \$25.6 million increase due to the proposed \$8.2 million increase in retail water and sewer rates, an approximate \$3.0 million increase due to the proposed ROW/PILOT fee increase, and an approximate \$14.4 million increase due to the proposed Clean Rivers IAC increase.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board proposes a new customer classification of Multi-Family for public comment as follows;

Customer Classification for Water and Sewer Rates

The customer classifications for water and sewer rates shall consist of a residential class, multi-family class and a non-residential class:

- a. Residential – a single-family dwelling used for domestic purposes; a condominium or apartment unit where each unit is served by a separate service line and is individually metered and the unit is used for domestic

purposes; or a multifamily structure of less than four apartment units where all the units are served by a single service line that is master metered.

- b. Multi-Family – a multifamily structure (such as a condominium or apartment dwelling) used for domestic purposes, with four or more units.
 - c. Non-residential – all customers not within either the residential or multi-family class.
2. The Board finds that DC Water's projected expenditures require that it propose, for public comment, the approximate rate and fee increases described below:

Retail Water Service Rates

- a. An increase in the rate for metered water services from \$3.42 per One Hundred Cubic Feet ("Ccf"), (\$4.57 per 1,000 gallons) to:
 - Residential customers: \$3.61 per Ccf (\$4.83 per 1,000 gallons)
 - Multi-Family customers: \$3.61 per Ccf (\$4.83 per 1,000 gallons)
 - Non-Residential customers: \$3.61 per Ccf (\$4.83 per 1,000 gallons)

Retail Sewer Service Rates (Metered and Unmetered)

- b. An increase in the rate for metered sewer services from \$4.18 per One Hundred Cubic Feet ("Ccf"), (\$5.59 per 1,000 gallons) to:
 - Residential customers: \$4.41 per Ccf (\$5.89 per 1,000 gallons)
 - Multi-Family customers: \$4.41 per Ccf (\$5.89 per 1,000 gallons)
 - Non-Residential customers: \$4.41 per Ccf (\$5.89 per 1,000 gallons)
- c. An increase in the annual Clean Rivers Impervious Area Charge (IAC) from \$114.84 to \$153.24 per Equivalent Residential Unit (ERU). The charge per ERU will be billed monthly at:
 - Residential customers: \$12.77 for each ERU
 - Multi-Family customers: \$12.77 for each ERU
 - Non-Residential customers: \$12.77 for each ERU

Right-of-Way Occupancy Fee Pass Through Charge

- d. An increase in the District of Columbia Right of Way fee from \$0.16 per Ccf or (\$0.21 per 1,000 gallons) to:
- Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons)
 - Multi-Family customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons)
 - Non-Residential customers: \$0.17 per Ccf (\$0.22 per 1,000 gallons)

Payment in Lieu of Taxes Fee

- e. An increase in the Payment in Lieu of Taxes paid to the Office of the Chief Financial Officer (OCFO) of the District of Columbia from \$0.50 per Ccf or (\$0.67 per 1,000 gallons) to:
- Residential customers: \$0.53 per Ccf (\$0.71 per 1,000 gallons)
 - Multi-Family customers: \$0.53 per Ccf (\$0.71 per 1,000 gallons)
 - Non-Residential customers: \$0.53 per Ccf (\$0.71 per 1,000 gallons)

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall provide notice of the proposed rate adjustments in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution is effective immediately.


Secretary to the Board of Directors

Presented and Adopted: January 3, 2013
SUBJECT: December 24, 2012- Designated Holiday

#13-13
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at its meeting on January 3, 2013, decided by a vote of ten (10) in favor and none (0) opposed to take the following action with respect to designating December 24, 2012 retroactively as a holiday for the Authority's Fiscal Year 2013 holiday calendar.

WHEREAS, the Authority has the discretion under its enabling legislation to establish holidays; and

WHEREAS, pursuant to its discretion, the Board has decided to retroactively add December 24, 2012 as a holiday to the Authority's Fiscal Year 2013 holiday calendar.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board retroactively designates Monday December 24, 2012 as a holiday for the Authority's Fiscal Year 2013 holiday calendar and authorizes the General Manager to take all actions necessary to carry out the intentions expressed in this resolution.

This resolution is effective immediately.



Secretary to the Board of Directors