

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Change Order No. 06 of Contract No. 100010, PC Construction Company**

**#12-62  
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 July 5, 2012 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. 06 of Contract No. 100010, PC Construction Company.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No.06 of Contract No. 100010, PC Construction Company. The purpose of the change order is to make changes at the cut throat flumes , the soldier pile and lagging retaining wall tie-back obstructions. The change order amount is \$16,028.25.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Change Order No. 04 of Contract No. 100120, PC/CDM Joint Venture**

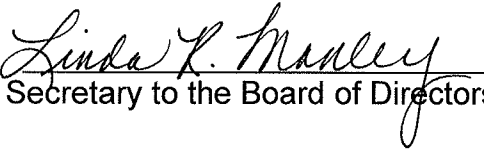
**#12-63  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on July 5, 2012 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. 04 of Contract No. 100120, PC/CDM Joint Venture.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No.04 of Contract No. 100120, PC/CDM Joint Venture. The purpose of the change order is to adjust the contract price to compensate the MPT contractor for additional length of 48" drilled piers due to differing site conditions encountered. The change order amount is not-to-exceed \$990,000.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Change Order No. 10, Contract No. 100020, Ulliman Schutte Construction, LLC**

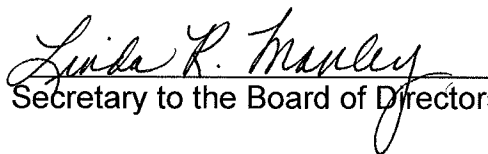
**#12-64  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on July 5, 2012 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. 10 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.10 of Contract No. 100020, Ulliman Schutte Construction, LLC. The purpose of the change order is to relocate the air conditioning to allow construction of alternate Carbon Building and to incorporate conduit and wiring modifications for the Flume Level Sensor Transmitters. The change order amount is \$42,400.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**  
**SUBJECT: Approval to Execute Contract No. WAS-12-027-AA-SS,**  
**AON Risk Solutions**

**#12-65**  
**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 July 5, 2012 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute Contract No. WAS-12-027-AA-SS, AON Risk Solutions.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-12-027-AA-SS, AON Risk Solutions. The purpose of the contract is to provide insurance brokerage and administrative services for ROCIP III. The contract amount is \$4,732,600.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Contract No. WAS-09-014-AA-GA,  
AON Risk Services, Inc.**

**#12-66  
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 July 5, 2012 upon consideration of a joint use matter decided by a vote of ten (10) in favor and none (0) oppose to execute Contract No. WAS-09-014-AA-GA, AON Risk Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. WAS-09-014-AA-GA, AON Risk Services, Inc. The purpose of the contract is to provide extensive and continuous oversight and data verification ensuring the effective administration of DC Water's ROCIP. The contract amount is \$824,283.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**  
**Subject: Approval of Fiscal Year 2013 Revised Operating Budget**

**#12-67**  
**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 July 5, 2012, 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 2013 Proposed Operating Budget:

**WHEREAS**, on January 5, 2012, the Board approved and adopted the District of Columbia Water and Sewer Authority's Fiscal Year 2013 Operating Budget totaling \$456,775,000 as further detailed in materials presented by the General Manager; and

**WHEREAS**, on June 28, 2012, management initially recommended to the Finance and Budget Committee a FY 2013 Revised Operating Budget that totals \$442,654,000, which is \$14,121,000 downwards from the approved budget; and

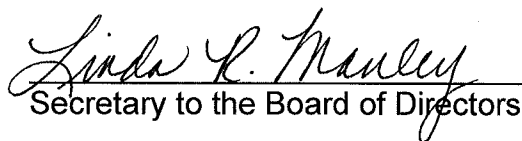
**WHEREAS**, based on action taken by the Retail Water and Sewer committee at their meeting in June 2012 to cap further increases in the Payment in Lieu of Taxes revenues management amended its FY 2013 Revised Operating Budget to \$440,321,000, which is \$16,454,000 downwards from the approved budget; and

**WHEREAS**, on June 28, 2012, after a detailed review and discussion of the budget drivers, budget assumptions, customer and operational impact, the Finance and Budget Committee recommended that the Board adopt a revised FY 2013 Operating Budget that totals \$440,321,000, which is \$16,454,000 downwards from the approved budget as shown in Attachment 2-A Detail.

**NOW THEREFORE BE IT RESOLVED THAT:**

The Board hereby approves and adopts the District of Columbia Water and Sewer Authority's Fiscal Year 2013 Revised Operating Budget totaling \$440,321,000 as further detailed in materials presented by the General Manager.

This resolution is effective immediately.

  
Secretary to the Board of Directors

## Proposed FY 2013 Revised Operating Budget

(\$ in 000's)

	FY 2013 Approved Budget	FY 2013 Revised Budget	FY 2013 Increase (Decrease)	FY 2013 Percentage Change
Personnel Services	\$ 117,796	\$ 116,609	\$ (1,188)	-1.0%
Contractual Services	82,350	82,350	0	0.0%
Water Purchases	32,523	31,513	(1,010)	-3.1%
Chemicals and Supplies	31,360	31,360	0	0.0%
Utilities	38,047	34,185	(3,862)	-10.1%
Small Equipment	993	993	0	0.0%
<b>Subtotal O &amp; M Expenditures</b>	<b>\$ 303,069</b>	<b>\$ 297,009</b>	<b>\$ (6,059)</b>	<b>-2.0%</b>
Debt Service	129,392	121,330	(8,062)	-6.2%
Payment in Lieu of Taxes	19,215	16,882	(2,333)	-12.1%
Right of Way	5,100	5,100	0	0.0%
<b>Subtotal Debt Service &amp; PILOT/ROW</b>	<b>\$ 153,707</b>	<b>\$ 143,312</b>	<b>\$ (10,395)</b>	<b>-6.8%</b>
<b>Total O &amp; M Expenditures</b>	<b>\$ 456,775</b>	<b>\$ 440,321</b>	<b>\$ (16,454)</b>	<b>-3.6%</b>
Less PS Charged to Capital Projects	(16,690)	(16,690)	0	0.0%
<b>Total Operating Expenditures</b>	<b>440,085</b>	<b>423,631</b>	<b>(16,454)</b>	<b>-3.7%</b>

**Presented and Adopted: July 5, 2012**

**Subject: FY 2012 Transfer to the Rate Stabilization Fund**

**#12-68  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on July 5, 2012 decided by a vote of ten (10) in favor and none (0) opposed, to approve the following action with respect to transfer of additional five million and five hundred thousand dollars (\$5,500,000) from operating funds to the Rate Stabilization Fund, no later than September 1, 2012.

**WHEREAS**, on November 1, 2007, the Board of Directors in Resolution, 07-87, approved a Rate Stabilization Fund Policy and authorized the General Manager to implement the policy; and

**WHEREAS**, on July 1, 2010, the Board of Directors in Resolution, 10-76, approved revisions to the "Rate Stabilization Fund Policy" which establishes deadlines for the General Manager to analyze the Authority's financial performance and make recommendations to the Finance and Budget Committee, for transfers to the Rate Stabilization Fund, no later than July; and

**WHEREAS**, on January 6, 2011, the Board of Directors in Resolution, 11-10, approved a revised Rate Setting Policy, which states "to the extent annual revenues exceed costs, the Board's policy will continue to utilize all available options to mitigate future customer impacts and annual rate increases, including transferring some or all excess funds to the Rate Stabilization Fund"; and

**WHEREAS**, on January 5, 2012, the Board approved a ten-year financial plan that provided for the transfer of twelve million, two hundred and twenty-five thousand dollars (\$12,225,000) to the Rate Stabilization Fund from estimated excess FY 2012 year-end cash balance; and

**WHEREAS**, on June 28, 2012, the Finance and Budget Committee received management's recommendation of additional amounts to consider for transfer to the Rate Stabilization fund from FY 2012 projected operating surplus (cash in excess of operating reserve requirement); and

**WHEREAS**, upon consideration on June 28, 2012, the Finance and Budget Committee recommended the transfer of additional five million and five hundred



thousand dollars (\$5,500,000) from the Authority's Operating Fund to the Rate Stabilization Fund, no later than September 1, 2012.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board approves the transfer of additional five million and five hundred thousand dollars (\$5,500,000) from the Authority's Operating Fund to the Rate Stabilization Fund, no later than September 1, 2012. This brings the sum transfers to the Rate Stabilization Fund for FY 2012 to seventeen million, seven hundred and fifty thousand dollars (\$17,750,000).
2. This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**  
**Subject: FY 2012 Transfer for Customer Rebate**

**#12-69**  
**RESOLUTION**  
**OF THE**  
**BOARD OF DIRECTORS**  
**OF THE**  
**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on July 5, 2012 decided by a vote of ten (10) in favor and none (0) opposed, to approve the use of following action with respect to transfer of four million, two hundred thousand dollars (\$4,200,000) from estimated FY 2012 excess operating funds for customer rebates.

**WHEREAS**, on June 28, 2012, the Finance and Budget Committee received management's recommendation of amounts to consider for customer rebate from estimated FY 2012 operating surplus (cash in excess of operating reserve requirement); and

**WHEREAS**, the Mission of the Authority is to serve all of its customers with outstanding service by providing reliable and cost-effective water and wastewater services in accordance with best practices; and

**WHEREAS**, the Board is actively engaged in ensuring that the Authority delivers its services reliably, efficiently and within budget; and

**WHEREAS**, the Committees of the Board are actively engaged in monitoring budget performance and identifying areas of potential savings based on better than expected operating performance; ensuring that the Authority delivers its services reliably, efficiently and within budget; and

**WHEREAS**, on July 7, 2011, the Board approved and adopted the District of Columbia Water and Sewer Authority's Revised Fiscal Year 2012 Operating Budget totaling \$415,360,000; and

**WHEREAS**, in June 2012, the Retail Water and Sewer Rates Committee and the Finance and Budget Committee (the committees) both reviewed management's revised FY 2012 year-end operating budget projections, including a detailed review and discussion of the budget drivers, budget assumptions, customer and operational impacts; and

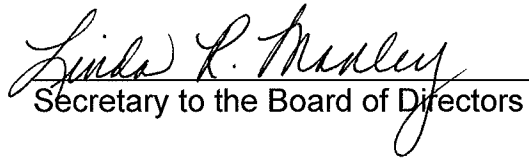
**WHEREAS**, at the June committee meetings, management projected twenty million, five hundred thousand dollars (\$20,500,000) in excess cash over operating reserves target for FY 2012; and

**WHEREAS**, in accordance with the Intermunicipal Agreement upon completion of the annual audit a portion of this excess cash would be refunded to the wholesale customers; and

**WHEREAS**, the Committees recommended that a retail customer rebate of four million two hundred dollars (\$4,200,000) be provided as a direct credit on the customers' bills, at a date to be further determined by management in FY 2013.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board approves the use of four million, two hundred thousand dollars (\$4,200,000) from the Authority's FY 2012 Operating Surplus to fund customer rebates in FY 2013.
2. This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**Subject: FY 2012 Transfer to Pay-As-You-GO Capital Financing  
#12-70**

**RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on July 5, 2012 decided by a vote of ten (10) in favor and none (0) opposed, to approve the following action with respect to transfer of five million dollars (\$5,000,000) from excess operating funds to Pay-As-You-Go (PAYGO) capital projects financing, no later than September 1, 2012.

**WHEREAS**, on February 3, 2011, the Board of Directors in Resolution #11-22 approved the PAYGO Capital Financing Policy, which provides "more specific guidance on the critical decision making and use of excess cash for the capital program (PAYGO)"; and

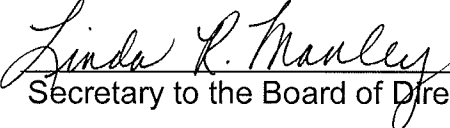
**WHEREAS**, on January 5, 2012, the Board approved a ten-year financial plan that provided for the estimated utilization of thirty-two million, five hundred and forty-six thousand dollars (\$32,546,000) in PAYGO capital projects financing; and

**WHEREAS**, on June 28, 2012, the Finance and Budget Committee received management's recommendation of amounts to consider for transfer to the PAYGO capital projects financing from FY 2012 estimated operating surplus (cash in excess of operating reserve requirement); and

**WHEREAS**, upon consideration on June 28, 2012, the Finance and Budget Committee recommended the transfer of an additional five million dollars (\$5,000,000) from the Authority's Operating Fund for PAYGO capital project financing, no later than September 1, 2012.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board approves the transfer of an additional five million dollars (\$5,000,000) from the Authority's Operating Fund for Pay-As-You-Go capital projects financing, no later than September 1, 2012. This brings the estimated total PAYGO utilization for FY 2012 to thirty-seven million, five hundred and forty-six thousand dollars (\$37,546,000).
2. This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Change Order No. 09 of Contract No. 090120, Flippo Construction Company, Inc.**

**#12-71  
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 July 5, 2012 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. 090120, Flippo Construction Company, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No 09 of Contract No. 090120, Flippo Construction Company, Inc. The purpose of the change order is to cover the leaking roof of Reservoir 1 with thick polythene sheeting to mitigate groundwater leakage in reservoir 1, the only operational reservoir in the service area. The change order amount is \$2,317.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**SUBJECT: Approval to Execute Contract No. 110200, Corinthian Contractors, Inc.**

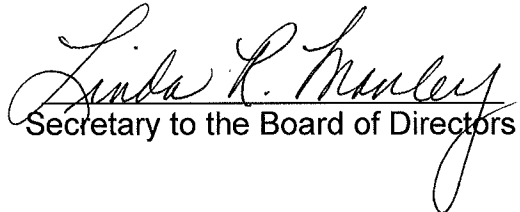
**#12-72  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on July 5, 2012 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. 110200, Corinthian Contractors, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 110200, Corinthian Contractors, Inc. The purpose of the contract is to rehabilitate large diameter steel mains by lining and mitigating the effects of corrosion by installing cathodic protection systems as part of the steel main rehabilitation program. The contract amount is \$3,561,416.

This resolution is effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**Subject: Approval of Proposed of the District of Columbia Fire Protection Service Fee**

**#12-73  
RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the DC Water") at the Board meeting held on July 5, 2012 decided, in a non-joint use matter, by a vote of five (5) in favor and none (0) opposed, to take the following action with respect to the proposed Fire Protection Service Fee.

**WHEREAS**, DC Water provides Fire Protection Services including but not limited to the delivery of water for firefighting, the cost of maintaining and upgrading public fire hydrants in the District of Columbia pursuant to a FY 2003 and FY 2007 Memorandum of Understanding (MOU) between the Authority, Fire Emergency Medical Services and the District of Columbia City Administrator; and

**WHEREAS**, DC Water establishes Fire Protection Services service fee in accordance with DC Municipal Regulations; and

**WHEREAS**, the Authority performs a review of the Fire Protection Services Fee no less than every three years utilizing a Cost of Service Study to determine that the fee is sufficient to recoup the actual costs for providing this service and make adjustments as necessary; and

**WHEREAS**, on April 13, 2012, DC Water published notice of proposed rulemaking (59 DCR 2930) which, if adopted, would increase the annual rate from six hundred and forty dollars (\$640) per public fire hydrant to seven hundred and seventy dollars (\$770), effective October 1, 2012; and

**WHEREAS**, on April 27, 2012, DC Water published a public hearing notice in the D.C. Register (59 DCR 3695), for the proposed revised Fire Protection Service Fee, referred to above; and

**WHEREAS**, on May 9, 2012, a public hearing was held to receive comments on various rate and fee proposals; and

**WHEREAS**, the DC Retail Water and Sewer Rates Committee met on June 26, 2012 to consider the proposed Fire Protection Service Fee increase; and

**WHEREAS**, the DC Retail Water and Sewer Rates Committee recommends an adjustment in the annual Fire Protection Service Fee from six hundred and forty dollars (\$640) per public fire hydrant to seven hundred and forty-eight dollars (\$748).

**NOW THEREFORE BE IT RESOLVED THAT:**

The Board adopts for final rulemaking the following fee, effective October 1, 2012:

1. An increase in the DC Fire Protection Fee from Six Hundred and Forty Dollars (\$640) per public hydrant, per year to Seven Hundred and Forty Eight Dollars (\$748.00) per public fire hydrant, per year, effective October 1, 2012.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to provide notice of the final rate adjustment in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution shall be effective immediately.

  
Secretary to the Board of Directors



**Presented and Adopted: July 5, 2012**

**Subject: Approval of Proposed Retail Groundwater, Cooling Water,  
and Non-Potable Water Source Sewer Charge for Fiscal  
Year 2013**

**#12-74  
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 July 5, 2012 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 retail rate for ground water from unimproved real properties under construction, cooling water and non-portable water source sewer charge (a matter not affecting the general management of joint-use sewerage facilities):

**WHEREAS**, groundwater from unimproved real properties under construction, cooling water, and non-potable water source that is discharged into the DC Water's sewer system is conveyed to and treated at the Blue Plains Wastewater Treatment Plant (WWTP), causing DC Water to incur collection and treatment costs; and

**WHEREAS**, DC Water establishes rates, fees and charges in accordance with its Rate Setting Policy (Board Resolution #11-10), including the recovery of current cost to provide service; and

**WHEREAS**, on April 13, 2012, DC Water published notice of proposed rulemaking (59 DCR 2930) which, if adopted, would reestablish charges for groundwater sewage for unimproved real property under construction, cooling water, and non potable water sources, effective October 1, 2012; and

**WHEREAS**, on April 27, 2012, DC Water published a public hearing notice in the D.C. Register on (59 DCR 3695), for the proposed rulemaking referred to above; and

**WHEREAS**, a notice of public hearing on the rate and fee proposals was published on DC Water's website and also in The Washington Post on April 26, 2012; and

**WHEREAS**, on May 9, 2012, a public hearing was held to receive comments on the rate and fee proposals; and

**WHEREAS**, the record of the May 9, 2012 public hearing was left open to receive written comments for a period of 30 days through June 10, 2012; and

**WHEREAS**, comments were received during the May 9, 2012 public hearing; and

**WHEREAS**, DC Retail Water and Sewer Rates Committee met on June 26, 2012 to consider the proposed groundwater, cooling water, and non-potable water source sewer charge; and

**WHEREAS**, based on the public comments received, the Board may approve the groundwater, cooling water, and non-potable water source sewer charge and adjust the proposed water and sewer retail rate and fee increases in a manner consistent with the Authority's rate-setting and financial policies.

**NOW THEREFORE BE IT RESOLVED THAT:**

The Board adopts for final rulemaking the following rates and fees:

Effective October 1, 2012, the rates for sanitary sewer service shall be:

- (a) The retail groundwater sewer charge for unimproved real property under construction shall be two dollars and thirty-three cents (\$2.33) per CCF (one hundred cubic feet (1 CCF) equals seven hundred forty-eight and five hundredths gallons (748.05 gals.) for ground water discharged into the District's wastewater sewer system;
  - (b) The retail cooling water sewer charge for residential and non-residential customers shall be the retail sanitary sewer service rate set forth in section 4101.1 (a) for cooling water discharged into the District's wastewater sewer system; and
  - (c) The retail non-potable water source sewer charge for residential and non-residential customers shall be the retail sanitary sewer service rate set forth in section 4101.1 (a) for non-potable water discharged into the District's wastewater sewer system.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to provide notice of the final rate adjustment in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution shall be effective immediately.

  
Secretary to the Board of Directors

**Presented and Adopted: July 5, 2012**

**Subject: Proposed Pretreatment Fees for Fiscal Year 2013**

**#12-75  
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 July 5, 2012 upon consideration of a non-joint use matter, decided by a vote of five (5) in favor and none (0) opposed, to the following action with respect to the proposed Fees & Charges adjustments.

**WHEREAS**, DC Water is required by the Environmental Protection Agency to issue permits, conduct compliance monitoring and inspections, and require self-monitoring of Industrial User discharges in accordance with the DC Wastewater System Regulation Amendment Act of 2010; and

**WHEREAS**, the Board expressed its intention to amend the DCMR at its regularly scheduled Board meeting held on February 2, 2012; and

**WHEREAS**, DC Water establishes rates, fees and charges in accordance with its Rate Setting Policy (Board Resolution #12-25), including the recovery of current costs to provide service; and

**WHEREAS**, on February 2, 2012, the Board approved the publication of the proposed rulemaking for new Pretreatment Permitting Fees; and

**WHEREAS**, on February 10, 2012, DC Water published notice of proposed rulemaking (59 DCR 1130) which, if adopted, would establish charges for pretreatment permitting, effective upon publication of the final rulemaking; and

**WHEREAS**, on April 27, 2012, DC Water published a public hearing notice in the D.C. Register on (59 DCR 3695), for the proposed rulemaking referred to above; and

**WHEREAS**, a notice of public hearing on the fee proposal was published on DC Water's website and also in The Washington Post on April 26, 2012; and

**WHEREAS**, on May 9, 2012, a public hearing was held to receive comments on the rate and fee proposals; and

**WHEREAS**, the record of the May 9, public hearing was left open to receive written comments for a period of 30 days through June 10, 2012; and

**WHEREAS**, comments were received during the May 9, 2012 public hearing; and

**WHEREAS**, DC Water also conducted eight (8) town hall and three (3) community meetings from March 1, 2012 through April 30, 2012 to receive comments on the rate and fee proposals; and

**WHEREAS**, the DC Water and Sewer Retail Rates Committee met on June 26, 2012 to consider the proposed rate and fee changes proposed by the General Manager to make a recommendation regarding the proposed new pretreatment fees to be effective October 1, 2012; and

**WHEREAS**, the DC Water and Sewer Retail Rates Committee recommended that the Board adopt new pretreatment fees to be effective October 1, 2012 to cover the cost of new regulation requirements.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board adopts for final rulemaking the following rates and fees:

**Pretreatment Fees**

New Pretreatment fees shall be added as follows:

**Pretreatment**

<b>Industrial User Permitting Fee</b>	
Permit Initial Fee	\$2,000.00
Permit Renewal Fee	\$600.00
<b>Industrial User Annual Compliance Fees</b>	
<b>Significant or Non-Significant Categorical Industrial User</b>	
1 Outfall	\$2,500.00
2 or more Outfalls	\$3,500.00
<b>Significant Non-Categorical Industrial User</b>	
1 Outfall	\$2,500.00
2 or more Outfalls	\$3,500.00
<b>Non-Significant Non-Categorical User</b>	
1 Outfall	\$550.00
2 or more Outfalls	\$700.00

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to provide notice of the final rate adjustment 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: July 5, 2012**

**Subject: Approval of Proposed Water and Sewer Service Rates,  
Right-of-Way (ROW) Fee, Clean Rivers Impervious Area  
Charge (IAC) for Fiscal Year 2013**

**#12-76  
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 July 5, 2012 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 Retail Rates and Billing for Water and Sewer Service, Clean Rivers Impervious Area Charge (IAC), the Right-of-Way Occupancy Fee Pass Through Charge (ROW).

**WHEREAS**, the Board has adopted a revised rate setting policy that calls for rates that, together with other revenue sources, yield 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**, on February 10, 2012, DC Water published notice of proposed rulemaking (59 DCR 1132) which, if adopted, would revise the billing schedule for impervious only properties with three or more ERU's to monthly rather than every six months; and

**WHEREAS**, on February 17, 2012, DC Water published notice of proposed rulemaking (59 DCR 1399) which, if adopted, would increase the rate for retail metered water service from \$3.24 per One Hundred Cubic Feet of water used to \$3.45 per One Hundred Cubic Feet of water used, effective October 1, 2012; and

**WHEREAS**, in the same notice, DC Water published notice of proposed rulemaking (59 DCR 1399) which, if adopted, would increase the rate for retail metered sewer service from \$3.96 per One Hundred Cubic Feet of water used to \$4.22 per One Hundred Cubic Feet of water used, effective October 1, 2012; and

**WHEREAS**, in the same notice, DC Water published notice of proposed rulemaking (59 DCR 1399) which, if adopted, would increase the annual Clean Rivers Impervious Surface Area Charge (IAC) from \$79.68 to \$116.76 per Equivalent Residential Unit

(ERU). The charge per ERU would be billed monthly at \$9.73 per ERU, effective October 1, 2012; and

**WHEREAS**, in the same notice, DC Water published notice of proposed rulemaking (59 DCR 1399) which, if adopted, would increase the Right of Way (ROW) Occupancy Fee/PILOT Fee (Pass Through Charges assessed by the District of Columbia Government) from \$0.64 per One Hundred Cubic Feet of water to \$0.68 per One Hundred Cubic Feet of water used, effective October 1, 2012; and

**WHEREAS**, on April 27, 2012, DC Water published a public hearing notice in the D.C. Register on (59 DCR 3695), for the proposed rulemakings referred to above; and

**WHEREAS**, a notice of public hearing on the rate and fee proposals was published on DC Water's website and also in The Washington Post on April 26, 2012; and

**WHEREAS**, on May 9, 2012, a public hearing was held to receive comments on the rate and fee proposals; and

**WHEREAS**, the record of the May 9, public hearing was left open to receive written comments for a period of 30 days through June 10, 2012; and

**WHEREAS**, comments were received during the May 9, 2012 public hearing; and

**WHEREAS**, DC Water also conducted eight (8) town hall and three (3) community meetings from March 1, 2012 through April 30, 2012 to receive comments on the rate and fee proposals; and

**WHEREAS**, the Retail Rates Committee met on June 26, 2012 to consider the comments offered at the May 9, 2012 public hearing, comments received during the record period, and during the comment period of the proposed rulemaking and recommendations from the General Manager regarding action on the proposed rate and fee changes; and

**WHEREAS**, given the revenue requirements of DC Water, anticipated capital and operating expenditures and the various funding sources the General Manager recommended revised rate and fee increases on June 26, 2012; and

**WHEREAS**, after consideration of the recommendation of the DC Water Retail Water and Sewer, the report of the General Manager on this subject and public comments at the May 9, 2012 public hearing and during the comment period of the proposed rulemaking and open record period, the District members of the Board of Directors, upon further consideration and discussion, recommended increases to the water and sewer volumetric rates, increase to the Clean Rivers IAC, increases to the ROW Occupancy Fees, and revisions to the billing frequency for impervious only properties in accordance with the General Manager's recommendation; and

**WHEREAS**, adoption of these rate and fee changes would increase the average residential customer's monthly bill (using 6.69 Ccfs per month) by approximately \$5.73 per month or \$68.76 per year; and

**WHEREAS**, the final rules and rates adopted by the Board would:

1. Provide for a revised Fiscal Year 2013 increased revenue requirement of approximately \$27.6 million; and
2. result in a combined water and sewer retail rate of \$7.60/Ccf; an increase of \$0.40/Ccf from the current combined rate of \$7.20/Ccf for Fiscal Year 2013 effective, October 1, 2012;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board adopts for final rulemaking the following rates and fees:

**Retail Water Service Rates**

- a. An increase in the rate for retail metered water service from \$3.24 per One Hundred Cubic Feet ("Ccf"), (\$4.33 per 1,000 gallons) to:
  - Residential customers: \$3.42 per Ccf (\$4.57 per 1,000 gallons), effective October 1, 2012
  - Non – residential customers: \$3.42 per Ccf (\$4.57 per 1,000 gallons), effective October 1, 2012

**Retail Sewer Service Rates**

- b. An increase in the rate for retail sanitary sewer service from \$3.96 per One Hundred Cubic Feet ("Ccf"), (\$5.29 per 1,000 gallons) to:
  - Residential customers: \$4.18 per Ccf (\$5.59 per 1,000 gallons), effective October 1, 2012
  - Non–residential customers: \$4.18 per Ccf (\$5.59 per 1,000 gallons), effective October 1, 2012
- c. An increase in the annual Clean Rivers Impervious Area Charge (IAC) from \$79.68 to \$114.84 per Equivalent Residential Unit (ERU). The charge per ERU will be billed monthly at:
  - Residential customers: \$9.57 for each ERU, effective October 1, 2012
  - Non – residential customers: \$9.57 for each ERU, effective October 1, 2012

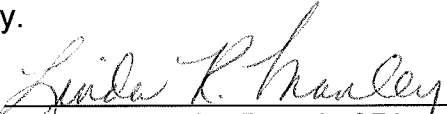


- d. Revise the current billing frequency for impervious only billing properties to lower the monthly threshold from more than twenty-five ERU's to three (3) or more ERU's.
- Impervious only properties with three (3) or more ERU's shall be billed monthly.
  - Impervious only properties with less than three (3) ERU's shall be billed every six (6) months.
  - Customers who are billed for more than one property and who participate in the Authority's group billing program shall be billed monthly for all properties.

**Right of Way Occupancy Fee Pass Through Charge / PILOT Fee**

- e. An increase in the District of Columbia Right of Way fee from \$0.15 per Ccf or (\$0.20 per 1,000 gallons) to:
- Residential customers: \$0.16 per Ccf or (\$0.21 per 1,000 gallons), effective October 1, 2012.
  - Non – residential customers: \$0.16 per Ccf or (\$0.21 per 1,000 gallons), effective October 1, 2012.
- f. 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 \$0.49 per Ccf or (\$0.66 per 1,000 gallons) to:
- Residential customers: \$0.50 per Ccf or (\$0.67 per 1,000 gallons), effective October 1, 2012.
  - Non – residential customers: \$0.50 per Ccf or (\$0.67 per 1,000 gallons), effective October 1, 2012.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to provide notice of the final rate adjustment in the manner provided by 21 DCMR, Chapter 40 and the District of Columbia's Administrative Procedures.

This resolution shall be effective immediately.

  
Secretary to the Board of Directors