

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

**BOARD OF DIRECTORS**

**JOINT MEETING OF THE ENVIRONMENTAL QUALITY AND**

**SEWERAGE SERVICES COMMITTEE AND**

**THE WATER QUALITY AND WATER SERVICES COMMITTEE**

**MEETING MINUTES**

**Thursday, December 18, 2014**

**Committee Members** **Staff**

Obiora (Bo) Menkiti George Hawkins, CEO/General Manager

Rachna Butani Randy Hayman, General Counsel

Alan Roth Leonard Benson, Chief Engineer

David Lake Linda Manley, Board Secretary

Brenda Richardson

Robert Mallett (Via Telephone)

James Patteson (Via Telephone)

Howard Gibbs

Adam Ortiz

**General Manager’s Remarks**

Prior to the Joint Meeting being called to order, George Hawkins, General Manager, announced that these were the last meetings that David McLaughlin, Director of Engineering and Technical Services Department, would attend. He stated that Mr. McLaughlin was retiring to Florida and that he asked that no fanfare occur when he steps onto the next stage of his life. Mr. Hawkins indicated that he is understated but of such quality as a person, always giving advice to the best of his ability. Mr. Hawkins stated that he has relied on his wisdom and his experience all the years he has been here as General Manager, and Leonard Benson, Chief, Engineer, will say the same thing. Mr. Hawkins stated that D.C. Water and the people served would be permanently in his debt. The very fine and world class work he has done will last for a hundred years and beyond. People will be safer, healthier, and able to do everything in the Nation’s Capital because of Mr. McLaughlin’s efforts. It is something to celebrate but bitter because he is departing. Mr. Hawkins indicated that he will be missed every day, but it is sweet because he has been such a fine member of D.C. Water. The committee applauded Mr. McLaughlin.

Mr. Hawkins stated that he thought this was a good time for Mr. Benson to describe to the committees Mr. McLaughlin’s replacement. Mr. Benson stated that Mr. McLaughlin let him know last June that he would leaving for retirement at the end of the year. They identified candidates and made their selection of a candidate. The new Director has had about a month’s overlap with Mr. McLaughlin and this was very fortunate. Ms. Lilliana Moldonado comes from CH2M Hill, one of D.C. Water’s contractors, has a lot of experience in managing large projects and has explicit work on managing water and sewer infrastructure, as well as wastewater treatment. He believes that she has a suite of skills and experience for success in engineering programs. She has been on board for about a month and there is a good transition underway Mr. McLaughlin. Mr. McLaughlin will be available under contract to continue to work on closing out some things he originally started and continuing to help with the transition as needed.

Mr. Hawkins stated that this is how they plan to transition in the future and this method is part of D.C. Water’s succession planning. Knowing that somebody was planning to leave, doing a search anticipating, and allowing a full month of overlap in the seat, and follow-up and consultation. That will be the desired plan in place for all senior executives.

1. **Call to Order**

The Joint Meeting was called to order by Ms. Butani.

Mr. Hawkins stated that the purpose of the Joint Meeting was to receive a briefing on the new Headquarters Building and to obtain a recommendation for contract approval of Phase I, Design. He then summarized what efforts had been made so far to keep the Board up-to-date on the project. One issue is the absolute value of every square inch of the Blue Plains site. He Very recently he received a tour of the new facilities for the belt filter presses and digesters, and he is struck by how little space there is on the Plant, and how every inch of space has been taken up with an existing facility or something being built. Mr. Hawkins stated that they do not know what is coming to Blue Plains in the future, only that if it is consistent with the past, it will not be static. There will be new requirements and challenges that the Enterprise will have to face. The capacity to have flexibility at Blue Plains is extremely valuable because it cannot be put anywhere else. This is the only space.

All of the non-engineering staff will be taken away from Blue Plains and moved to an area of the City that is more accessible to the people D.C. Water serves. This will free up space here. The people in trailers around the Plant will be moved to the existing headquarters building. It was originally built to oversee the management of Blue Plains. He stated that this move will mean that a planned parking garage at Blue Plains will not be required. Contracts in trailers on the Plant will be moved to the existing administrative building, thus freeing up space on the Plant.

Another issue is the fact that other functions that are scattered around will be brought together in the new administrative office building. The Department of Customer Care and Operations which includes the sewer operations, water operations, pumping operations, emergency command center, customer command center and response will be consolidated in one place. This is an operational efficiency matter.

Mr. Hawkins stated that there will be Operation and Maintenance (O&M) fund savings for current permanent leaseholds. It is estimated that there will be a savings of approximately $2 million per year for the Department of Customer Care and Operations.

All of these issues were together very compelling for justifying a new administrative building. The Board approved the non-process facilities Master Plan in September 2013 and the New Headquarters Project in the Capital Improvement Plan in December 2013.

This was accomplished by innovating at D.C. Water in every way they could, not just on technology of cured in place or on the scientific side, but also in the manner in which the work is done. A progressive Design Build delivery mechanism. They wanted the designer and builder joined together so that as designs are being done which might visually look great, you want to make sure the builder says they can build that. There should be constant interplay between the designer and the builder. There was a not to exceed cost for Phase I Design and in Phase II a guaranteed maximum price with the design builder.

Out of 11 respondents, 3 companies were shortlisted. The 3 proposers were given a stipend to motivate them to invest more in their applications, and the applications were very high quality. The 3 proposers had to submit a Request for Proposal (RFP) that included a technical proposal and a submission covering design/sustainability (iconic/Building for the Ages”, functionality, public access, and sustainability). The Evaluation Committee met and scored the submissions. Any one of the 3 proposers could provide an excellent building for D.C. Water. There was a 6 point difference between the highest and lowest average scores. Each of the proposers came in and made a presentation to the Committee.

The Committee selected Skanska – Smith Group JJR that had the highest score on both the technical and design/sustainability proposals. There were a lot of functional aspects of the building separate from its visual nature that made this the strongest candidate. Skanska’s design had sustainable features which helped elevate its proposal. It included sewer heat recovery to offset heating costs of the building, created a natural wet-land area, had 100 percent retention of rain water which will be reused to flush the commodes in the building, used the building design to create a passive shading system to eliminate unwanted solar heat, and additional features. Mr. Hawkins noted the pictures of the proposed building in the briefing package and indicated that they also have available a video that can be requested.

Mr. Hawkins stated that they believe this is a building that is more buildable, more flexible, more open, and provides more sunlight to the employees, has better floor space configuration, way above lead platinum which is an emblem of what D.C. Water stands for, has the best financial costs controls because the design minimizes the greatest risks of building over the existing pumping station, and it is a design that will be for the ages, that will become iconic on the Anacostia waterfront 50 or 100 years from now and longer.

They are enthusiastically recommending this contract to the Board, which is before the Joint Committee as an action item.

The Committee members asked a number of questions about the project. Mr. Hawkins stated that the building completion and move-in date is between June 2017 and September 2017. He was asked if the structure would complement the upcoming waterfront redevelopment. Mr. Hawkins stated that this does complement the attributes of the projects that are coming. There will be the Four City buildings and other office buildings. It was asked if the community would have access to the area. Mr. Hawkins stated that when you walk into the atrium, there is much access and there is an open area that looks into the pump station and you can access the building from both sides. There is an area designated for education. The question about how to be as open as possible and secure is one that they are still looking at and considering all options. The community can take the Metro to come in to pay bills and learn about water issues.

A Committee member asked if Skanska was more connected to the District and the community. Mr. Hawkins stated that Skanska has significantly improved on all the projects they are doing for D.C. Water. In the procurement section of their proposal it shows that there is a significant women and minority owned business component to the procurement. Ms. Butani stated that Skanska has a very good safety program and takes it very seriously. They have a mandatory stretch period in the morning for all employees on site.

A committee member asked about the size of the project. He pointed out that ultimately this would be a $70 million building and all that is in the request today is for a $5 million phase. He stated that he was surprised by the size of the building, seven floors. It was pointed out that the building is narrow and that it wraps around the pumping station. This building is taller for that reason. It exceeds the District’s height regulations and will require a special exception. It is within the height of the buildings that will surround it. It is 170,000 square feet gross. The total square footage of what is being consolidated is 150,000 square feet, so there will be some extra space for expanding in the future. A committee member wanted to make sure the community was involved in this process prior to final design. Mr. Hawkins and his staff responded that they have spoken to a lot of community groups, including ANCs and that they would continue to do so after the Board approves the Phase I contracts.

The video was shown before concluding the meeting.

Ms. Butani asked if the Joint Committee agreed to recommend the contract for Board approval. The members agreed to recommend the contract to the Board after the fact sheet was reviewed with them by Mr. Benson. He assured them that they would be consulted for approval at each stage of the project. Mr. Benson stated that they plan to bring the second contract to the Board in May 2015. It was recommended that they bring reports to the Committee on the labor issues, if any, or other issues before decisions are made on approving the larger phase of the project.

Ms. Butani adjourned the meeting.