



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
286th MEETING OF THE BOARD OF DIRECTORS**

Thursday, May 5, 2022

9:30 a.m.

via Microsoft Teams

Join on your computer or mobile app

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Phone Conference ID: 258 927 364#

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I. **Call to Order (Chairperson Tommy Wells)**

II. **Roll Call (Linda Manley, Board Secretary)**

III. **Approval of the April 7, 2022 Meeting Minutes**

IV. **Chairman's Overview**

V. **Committee Reports**

1. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
2. [D.C. Retail Water and Sewer Rates Committee \(Rachna Bhatt\)](#)
3. [Audit Committee \(Anthony Giancola\)](#)
4. [Finance and Budget Committee \(Anthony Giancola\)](#)

VI. **Issues of General Interest**

VII. **CEO/General Manager's Report (David Gadis)**

- [Procurement Transformation Update \(Dan Bae/Rudy Gonzalez\)](#)

VIII. **Contract Summary (FYI)**

IX. **Consent Item (Joint Use)**

1. [Approval to Add Funding to Option Year For of Contract No. 18-PR-DDCS-03, Jet Blast, Inc. - Resolution No. 22-28](#) (Recommended by the Environmental Quality and Operations Committee (04/21/2022))

X. **Consent Item (Non-Joint Use)**

1. [Approval to Publish Notice of Proposed Rulemaking for Proposed New and Amended Fees & Charges – Resolution No. 22-29](#) (Recommended by the DC Retail Water and Sewer Rates Committee (04/25/2022))

XI. Executive Session

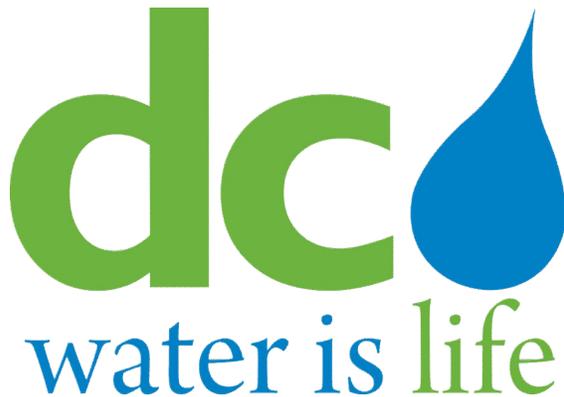
XII. Adjournment (Chairperson Tommy Wells)

Upcoming Committee Meetings – (via Microsoft Teams)

- Governance Committee – Tuesday, May 10th @ 9:00 a.m.
- Human Resource and Labor Relations Committee – Wednesday, May 11th @ 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, May 19th @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, May 24th @ 9:30 a.m.
- Finance and Budget Committee – Thursday, May 26th @ 9:30 a.m.

Public Hearing on Proposed FY 23 & 24 Rates, Fees and Charges, Wednesday, May 11th @ 6:30 p.m.

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Committee Meeting**

Thursday, April 21, 2022

9:30 a.m.

MEETING SUMMARY

Committee Members

Sarah Motsch, Chairperson
Howard Gibbs
Steven Shofar
Jared McCarthy
David Franco

DC Water Staff Present

David Gadis, CEO & General Manager
Kishia Powell, Chief Operating Officer and EVP
Marc Battle, Chief Legal Officer and EVP
Linda R. Manley, Secretary to the Board
Aklile Tesfaye, VP, Wastewater Operations
Joel Grosser, Director, Procurement Goods and Services
David Gill, Acting Safety Director, Safety Operations
John Deignan, Program Manager, Lead Services
Salil Kharkar, SVP, Operations and Engineering
Dan Bae, VP, Procurement and Compliance
Rudy Gonzalez, Director of Procurement, Capital Programs

I. CALL TO ORDER

Ms. Sarah Motsch called the meeting to order at 9:30 a.m. The meeting was conducted via MS Teams.

II. ROLL CALL

Ms. Linda Manley, Secretary to the Board, DC Water, conducted a roll-call of the Committee members present for the meeting.

III. AWTP STATUS UPDATE

1. BPAWTP PERFORMANCE

Mr. Aklile Tesfaye, VP, Wastewater Operations, DC Water, briefed the Committee on post construction monitoring and performance assessment of the Wet Weather Treatment Facility (WWTF) at Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). Specific details of the presentation can be found on pages 12 to 25 of the EQ & Ops Meeting package 04.21.2022 (subsequently will be referred to as "meeting package") posted on the DC Water website. The notes below abbreviate key topics discussed during the presentation.

Mr. Tesfaye gave a brief background on the commissioning of the WWTF noting that it was placed into operation in March 2018 and has been operated by DC Water since May 2020. Since DC Water has been operating the facility, operations and process engineering staff have been conducting a monitoring and performance assessment as required by the NPDES permit. The EPA issued the NPDES permit in August 2018. Since commissioning of the facility, approximately 12.6 billion gallons of flows have been captured by the Anacostia CSO tunnel system and treated through the WWTF.

Mr. Tesfaye briefly discussed the requirements of the NPDES permit. As part of the requirements, DC Water were required to demonstrate that the WWTF is meeting the assumptions of the Long-Term Control Plan (LTCP) with regards to discharges from the facility. To achieve this, DC Water conducted a performance evaluation of the system wherein data for the performance of the system was collected and assessed for the period May 2020 through October 2021. As part of the evaluation, the EPA determined that performance of the facility be defined in terms of operating and monitoring practices instead of numeric limits of water quality parameters in discharges from the facility. These practices were established and optimized during the demonstration period and documented in the form of a report submitted to the EPA in December 2021.

Mr. Tesfaye discussed the process of how flows from the CSO tunnel system are diverted to BPAWTP and then either routed through the WWTF or diverted for complete treatment. Results from the assessment were discussed including the number of wet weather events, volumes captured by the CSO tunnel system, and the percentage of flows diverted for either complete treatment or treatment through the WWTF. Mr. Tesfaye described how influent flows are managed at BPAWTP and discussed summary data from a two-day wet weather event documented in the assessment. Details of how flows are pumped from the tunnels as precipitation increases during wet weather events and how operations staff aim to maximize flow through complete treatment. It was noted how effective DC Water operation routines are at managing flows associated with wet weather events.

Mr. Tesfaye discussed pollutants that are removed through the WWTF along with quantities of trash and debris over the assessment period. Other operational routines that impact water quality of discharges from the WWTF were described. Through the period, routines were established to address solids removal and disinfection in the effluent. The flow management and treatment operation routines were included in the report and will be considered by the EPA for inclusion in the NPDES permit to be reissued in 2023. DC Water have received positive feedback from the EPA on the report submittal

The Committee asked about the reporting required by the EPA until the reissuance of the NPDES permit in 2023. Mr. Tesfaye clarified that DC Water are required to submit a report to EPA on a monthly basis.

IV. THE DEPARTMENT OF OCCUPATIONAL SAFETY AND HEALTH (DOSH)

Mr. David Gill, Acting Director, Safety Operations, DC Water gave a presentation on occupational health and safety initiatives and engagements underway at DC Water. It was noted that policies and procedures are being updated to align with the health, safe and well imperative established in the strategic plan and the standards established in ISO 45001.

Eight Key Performance Indicators (KPIs) have been established to measure health and safety performance across the Authority. KPIs relate to leadership in safety (measured by safety audits conducted at various levels), continual improvement (measured by tracking incident rates and lost time rates) and employee participation (measured by safety observations recorded, incidents reported, corrective actions implemented and training). Performance across these indicators is being tracked through a safety scorecard which is reported via an interactive dashboard system.

Mr. Gill noted that communications continue to be circulated through the Office of Marketing and Communications (OMAC) to engage employees on health and safety. Communications include posters displayed at facilities, toolbox talks, and safety bulletins are posted on Pipeline and posted to digital sign boards. It was noted that DOSH continues to engage with the unions through monthly meetings to discuss safety concerns and items of interest. In addition, DOSH continues to update safety policies; four have been reviewed through the unions and executive leadership and another twelve have been reviewed by executive leadership and are under review by the unions.

Mr. Gill discussed employee engagement initiatives – employees observed some contractors wearing KASK hard hats and reported this to DOSH. These hard hats offer protection for side impacts compared to other typical hard hats which don't offer this protection. After initiating a pilot program for use of this equipment during field work, DOSH now plans to roll out the use of these hard hats throughout the Authority. DOSH has continued to conduct training of staff through the challenges of COVID, training facilities have been upgraded to improve in-person training and provide better practical training. In closing, Mr. Gill discussed the “Safety Differently” approach to safety being adopted at DC Water which places an emphasis on people being the solution and encouraging a “speak up” culture. This is in contrast with the traditional safety approach where people and their actions are seen as the problem.

V. LEAD-FREE DC UPDATE

Mr. John Deignan, Program Manager, Lead Services, DC Water gave a presentation on the status of Lead-Free DC programs. Phase I of the Lead-Free DC plan was completed in 2021, the number of lead service line replacements exceeded the target of 800 for the phase. Starting FY22, block-by-block lead replacement projects have been rolled out as part of Phase II of the plan. For this phase, priority is being given to the most vulnerable customers and areas of the city most in need. To date, construction has commenced on approximately half of the 150 blocks planned for the year, the rate of replacements is planned to increase to meet the FY22 targets. In addition to replacing service lines, another objective of the block-by-block project is to improve the service line material inventory by conducting test-pitting in the field. To date, over 40% of targeted public-side test pits have been completed in FY22.

Mr. Deignan outlined that homeowner participation remains critical to achieve the service line replacement targets for the block-by-block replacement project. Homeowners are required to sign agreements to allow contractors to complete service line replacements on private property. Approximately 40% of homeowner agreements have been returned for all blocks attempted on the program to date – for blocks currently under construction, around 66% of agreements have been returned. Replacement targets are based on 100% homeowner participation. Based on the rates of outreach seen to date on the program, it is anticipated that 70% of agreements will be returned in FY22.

The community outreach and promotion campaign has been expanded in an attempt to increase program participation. To date over 12,000 engagements (emails, mailers, text messages, phone calls) and 3,000 direct engagements (direct conversations with tenants and homeowners through door-to-door interactions) have been initiated with customers to date. Door-to-door campaigning has proven to be the most successful method of increasing participation, so additional resources have been allocated to this campaign. In addition, contractors are mobilizing multiple times to individual blocks in an attempt to maximize replacements in these vulnerable areas.

Data collected during community outreach efforts is being reviewed in order to inform program decisions with a view to achieving DC Water's 2030 replacement goal. A review of this data has shown that approximately 80% of premises are homeowner occupied and 20% are tenant occupied. For the homeowner occupied premises, around 80% of the premises are returning homeowner agreements. For the tenant occupied premises, around 20% of the premises are returning the agreements.

An extensive Lead-Free DC general advertising campaign was launched by OMAC in March, involving social media and digital ads in local media as well as with WMATA and the Washington Post to reach a wider audience across the region. In addition, coordination efforts with DDOT, DCRA, DOEE are ongoing and facilitated through the Office of the Deputy Mayor for Operations and Infrastructure (DMOI). The coordination allows for streamlining of permitting processes, collaboration on overlapping projects across the agencies and planning for future years of the program. The DC Council established a Lead Service Line Planning Task Force in October 2021 to evaluate the path to achieving the 2030 goal and will deliver a report in June with policy recommendations for the goal.

The Committee inquired about the strategies to increase participation amongst tenant occupied premises. Mr. Deignan noted that so far, door-to-door engagements are being used to obtain homeowner contact information which is not necessarily included in DC Water's customer database. Engagements are then targeted at the homeowner in order to obtain signed agreements. Looking forward, discussions are underway amongst the task force to consider policy change measures as a mechanism to increase participation across all premises in the District.

VI. ACTIONS ITEM:

Specific details of the report can be found on pages 25 to 30 of the meeting package. The notes below list the action items and highlight key topics discussed during the meeting.

JOINT USE

1. Contract No.: 18-PR-DDCS-03 – Tank and Reservoir Cleaning

Mr. Joel Grosser, Director of Procurement, Goods and Services, DC Water presented Joint Use Action Item 1.

The Committee recommended the Action Item to the full Board.

VII. PROCUREMENT TRANSFORMATION UPDATE

Mr. Dan Bae, VP, Procurement and Compliance, DC Water and Mr. Rudy Gonzalez, Director of Procurement, Capital Programs, DC Water gave a presentation about the transformation of capital procurement practices at DC Water over the last two years. Mr. Bae described the vision of the CEO to create centralized procurement operations to improve transparency and collaboration in procurement; and ultimately address affordability for DC Water's customers. The announcement was made in 2019 and goals were established to form a new team responsible for procurement for the Capital Improvement Program and adopt best-in-class procurement practices across the Authority.

Prior to this project, procurement of goods and services was the responsibility of the Department of Procurement and procurement for the capital program was the responsibility of the Department of Engineering and Technical Services (DETS). Mr. Bae discussed some of the challenges involved in the project including change management considerations in accommodating all existing procurement staff into a single centralized unit; establishing new processes that were embedded in Engineering SOPs; hesitance by the vendor community in the region; navigating resource challenges as a result of the COVID pandemic; identifying and hiring the right talent to fit the new team structure; and doing this whilst implementing a major Oracle Cloud software adoption project across the Authority. It was reported that despite the change management challenges, no jobs were lost through this process.

Mr. Gonzalez provided details about how the transformation process was implemented, noting that it was a very close collaboration between staff in DETS and the Department of Procurement. It was noted how the profession of procurement has evolved over the last few decades and how solicitation practices and contract types have emerged that can better serve the Authority's procurement for the capital program. Mr. Gonzalez noted that new procurement SOPs have been developed, which amongst other things, identified early engagement of vendors in the planning phase of projects, as a key component to deriving better value in the procurement for capital projects. In addition, a new Delegation of Authority (DOA) has been established so that required approvals for procurement can be enacted amongst a delegation of staff which can allow for timely approvals when needed by the Authority.

Mr. Gonzalez discussed some of the accomplishments in transforming the procurement processes including milestones achieved; key completed items (including new teams, committees and councils established); and results seen to date in the form of negotiated savings, increases in the number of certified firms participating in DC Water work and time savings in solicitation processes. It was further noted that industry has acknowledged the transformation in procurement practices – DC Water was recognized by the American Council of Civil Engineering Companies (ACEC) with conferral of their engineering leadership award for 2021.

The Committee inquired how the new procurement processes balance early engagement and input from vendors without providing competitive advantage to specific vendors. It was noted that a formal public announcement is first made before conducting outreach with vendors. Outreach is then conducted in the form of open events before a second formal announcement to the public when the solicitation is issued. In the formal announcements, as much information as possible is published so that no specific vendors have an unfair advantage.

VIII. OTHER BUSINESS / EMERGING ISSUES

1. The Committee requested a briefing on the story recently published in the media of a customer who had water leaking onto their property and was waiting on DDOT and DC Water to resolve an issue related to a leaking water main. Mr. Marc Battle, Chief Legal Officer and EVP, DC Water noted that a resolution has been reached between DC Water, DDOT, DOEE and the mayor's office to rectify the situation. The customer has been contacted and a way forward was agreed to almost 2 weeks ago.
2. Ms. Kishia Powell, Chief Operating Officer and EVP, DC Water reported to the Committee that DC Water gave a presentation to the community about the Soapstone Sewer Rehabilitation Project. The presentation was an update about DC Water's proposed Air Quality Monitoring Plan for the project. The presentation was well received by the community.

IX. EXECUTIVE SESSION

X. ADJOURNMENT

Meeting was adjourned at 10:50 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY
Board of Directors**

DC Retail Water and Sewer Rates Committee
Tuesday, April 26, 2022
9:30 a.m.

MEETING MINUTES

Committee Members Via Teleconference

Rachna Bhatt, Chairperson
Howard Gibbs
Anthony Giancola
David Franco
Ivan Frishberg
Jed Ross
Reverend Kendrick Curry

DC Water Staff Via Teleconference

David Gadis, CEO and General Manager
Matthew Brown, CFO/EVP, Finance & Procurement
Marc Battle, EVP, Office of Legal Affairs
Linda Manley, Secretary to the Board

Call to Order

Chairperson Rachna Bhatt convened the meeting at 9:30 a.m.

Roll Call

Linda Manley, Board Secretary conducted a roll call of the Committee members.

Monthly Report to DC Retail Water & Sewer Rates Committee (Attachment A)

Mr. Brown, CFO/EVP Finance and Procurement greeted the Committee and stated that there were two presentations and an Action Item that the Committee would be asked to recommend to the full Board.

Mr. Brown provided the Monthly Report. He stated that the year-to-date revenues through the end of March 2022 are on track. He mentioned that the overall revenues were favorable by \$16.6 million or 4.0 percent over the budget. He noted that the major categories with favorable variances were the

Residential, Commercial, and Multi-family. He added that there is an unfavorable variance in the Federal category due to the disputed Soldiers Home accounts and two accounts, Union Station and Amtrak, which were moved from Federal to Commercial category.

Mr. Brown stated that the delinquencies at the end of March 2022 increased to \$28.3 million as compared to \$27.0 million in February 2021. He noted that the delinquent accounts represent about 10.2 percent of the total accounts. Mr. Brown briefed the Committee on the arrears by ward. Mr. Gibbs inquired about the arrearage in Clean Rivers impervious only accounts, Mr. Brown will provide the information as a follow up.

Mr. Brown updated the Committee on the Developer Deposits and mentioned that more information will be provided on the request of a Board member at the upcoming DC Water Finance and Budget Committee meeting to be held on Thursday April 28, 2022. He stated that responses to the customer's mail out informing customers of their funds on account will be discussed in detail as well as the plans moving forward for requested refunds. Mr. Franco asked for the time frame and process for forfeiting credit balances of more than ten years and where the funds go after forfeiture. Mr. Brown provided explanation on the forfeiture process, and he also mentioned that there is no cash set aside for the liability and that in the future a segregated account could be established.

Mr. Brown provided a brief overview of the Disconnection Moratorium Legislation report with information on customers in the (Residential, Commercial and Multi-family categories), their payment terms, 30-Day Accounts Receivable, Active Plans, Plans Defaulted and Non-Payment Disconnections by zip code.

Miscellaneous Fees & Charges Cost of Service Study Update (Attachment B)

Mr. Brown provided a background as to why Cost of Service Studies are conducted every three years and the factors considered, which included appropriate cost recovery and economic equity. He introduced the two expert presenters, Mr. Jon Davis of Raftelis for Miscellaneous Fees and Mr. Robert Ryall of Arcadis for the Potomac Interceptor studies. Mr. Davis started his presentation by explaining that miscellaneous fees are essentially fees that do not appear on a regular DC water bills. He expounded on the study objectives, which include Budget based fee calculations, Cost of Service based fee calculations and Inflation-based calculations. Mr. Davis explained that a "Top down" approach was used for Engineering and Permitting fees, which is a fee development methodology that aligns fees with targets based on previous fees and anticipated quantities of permits.

Mr. Franco inquired if the "Top down" Budget approach has always been used and if our targets have been met in the past. Mr. Davis responded that the methodology was first used in the 2018 study, but the targets revenue have not been met yet. In response to Mr. Franco's follow up question whether other large utilities employ the same methodology, Mr. Davis affirmed that it is the best practice to recover the costs through fees. He said that a comparison of fees with other organizations is difficult because fee structures are unique and often schedules are not published.

Mr. Davis explained the reasons for the fee increases, which include ensuring that fee revenue covers the cost of the Permit organization and a proposed staff expansion for expedited permit review capabilities, a new approach to post permit customer services and an expansion on developer business support. This will lead to the eight new positions for the Department, if the fees are approved. Mr. Davis further explained the three new Engineering/ Permitting fees. Mr. Gibbs enquired about how the fees for the Meter Setter Inspection and Reinspection and Meter Vault Inspection and Reinspection were arrived at. Mr. McDermott stated that the rationale of the fees was determined by capturing the time for labor hours and equipment used in the field.

Mr. Davis explained the Fats, Oils, Grease (FOG), Cross Connection (CC)/Backflow Prevention (BFP), and Fire Hydrant usage fees. He stated that the FOG fee funds the programs to enforce the installation and maintenance of the FOG abatement systems as required by DC plumbing code and fees is also

assessed to food service establishments. A “Bottom up” approach was based on cost of service for FOG. Mr. Davis stated that as a result of two additional positions and a decline in number of participants, the current monthly fee will increase from \$13.70 to \$18.70. Mr. Davis further explained the CC and BFP inspection program, which enforces installation and maintenance of backflow prevention assemblies as required by DC plumbing code. Mr. Davis stated that the current fee of \$6.70 will remain unchanged as costs are offset by an increase in the number of participants. Mr. Davis explained the Fire Hydrant Use Program and stated that it issues fire hydrant permits, and rents fire hydrant meters and equipment, for customers to connect to fire hydrants for temporary services such as construction, landscaping, and community events. There are no personnel currently assigned to the program and the current fees will be escalated to fund two new additional positions, if the fees are approved.

Mr. Davis gave a background of the High Strength and Hauled Waste Fees, which are based on pollutant treatment at Blue Plains. He explained that in each cost-of-service study the high strength fees are updated to align with revenue requirements. He explained the formula used on flow amounts and loadings and provided a detail explanation of the math to arrive at the new fee of \$77 per thousand gallons, which is an increase from the current fee of \$70 per thousand gallons. Mr. Davis further explained three new fees, (i) Notice of Follow Up compliance fee, a one-time fee assessed to customers who have neglected to make repairs following an inspection which may be causing interference with DC Water work; (ii) Non-Residential Reconnection Fee, charged to customers for restoring services after non-pay disconnect or customer initiated turn off; and (iii) Non-Residential Manual Meter Read (MMR) for non-residential customers who refuse to adhere to a repair order and a Notice of Follow Up (NOFOL) reminder notice. The new fees are based on time and materials to perform the service. Mr. Davis concluded his presentation with the inflation-based increases to the miscellaneous customer fees. He stated that the fees will increase by six percent based on Consumer Price Index (CPI) data for the DC Metro Region, but the overall revenue impact is minimal. The fees have not been updated since 2018, although personnel and other costs have increased. He opened for questions and answers.

Mr. Franco commented on the increases in expedited fees and wanted to ensure it does not impact normal service and enquired about the methodology for the increases. Mr. Davis explained that the methodology used is two times the base fee, previously it was 1.75 and additionally, it reduces the processing time by half. In short, it is an improved timeline for the service level. After a presentation of the different review fees and their escalations, Mr. Franco expressed his concerns and requested for the methodology and approach for the proposed fee increases and suggested to use the Developer deposit as a stabilizer. With no questions Mr. Davis concluded his presentation.

2022 Potomac Interceptor Cost of Service Study and Rate Update (Attachment C)

Mr. Robert Ryall introduced himself and gave a background of the Potomac Interceptor (PI) and its smaller users, Dulles, National Park Service (NPS), Navy and Town of Vienna. He explained that the agreements are separate from other municipal agreements and that there is no duplication of cost recovery. Mr. Ryall stated that the rates are adjusted every three years and that charges are based on a proportionate allocation of operating and capital costs, which are recovered through a calculated rate per million gallons of wastewater flow and are billed quarterly based on actual flows.

Mr. Ryall stated that the objectives of the study were to determine the cost of providing wastewater service to the smaller PI customers and prepare a true-up evaluation for FY2019 - FY2021 using actual costs and wastewater flows and calculate projected rates per Million Gallons (MG) for cost recovery purposes for FY2023 – FY2025 using estimated costs and wastewater flows. Next, Mr. Ryall explained the cost of service methodology that was used and how the rate per MG was arrived at. He explained the relationship between decline in annual flows and rate citing NPS as an example. He further explained how eligible capital and operating costs are computed and allocated to the small users, which constitute a small portion of the system.

Mr. Ryall provided the true-up results and showed the over and underpayments, the largest of which was Dulles, primarily driven by the pandemic. Mr. Ryall stated that passenger movement declined by 66% in 2020 and 41 % in 2021, which negatively impacted flows. Mr. Ryall noted that a similar pandemic situation also occurred with the NPS along with a pipe leak that resulted in a reduction in flow. He mentioned that there is a direct relationship between flows and rates, as flows decline, rate increases. Mr. Ryall gave a comparison of current rate and projected rates. Mr. Ryall concluded his presentation with some recommendations which included settling the true-up for FY2019, FY2020, and FY2021 as outlined in the study and in accordance with Small PI User Agreements, adopt projected wastewater rates effective October 1, 2022 to September 30, 2025, continue to monitor billed versus actual costs and projected versus actual flows on an annual basis, and to consider modifying the agreements to include capital (fixed) and operating (variable) rate components in order to mitigate large changes in rates. With no further questions, Mr. Ryall concluded his presentation.

Action Items (Attachment D)

Mr. Brown mentioned that the Committee is asked to recommend the following action item to the Full Board.

Recommendation for Board Approval of the Proposed Miscellaneous Fees & Charges Adjustments Effective July 22, 2022 (Action Item 1)

DC Retail Water Sewer Rates Committee Proposed Workplan (Attachment E)

Mr. Brown, CFO/EVP Finance and Procurement briefed the Committee on the FY 2022 Proposed Workplan.

Agenda for May 24, 2022, Committee Meeting (Attachment F)

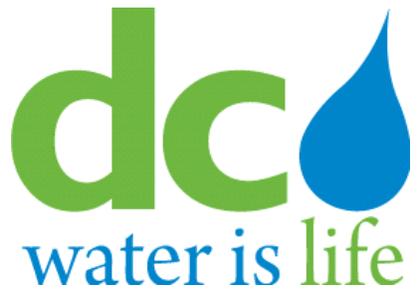
There was no discussion on the agenda for the May 24, 2022, Committee meeting.

Adjournment

Chairperson Bhatt adjourned the meeting at 11:10 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (May 24, 2022)

Explanation of methodology for calculation of Permit fees (including explanation of why the percentage increases vary by fee)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Audit & Risk Committee

Thursday, April 28, 2022

9:30 a.m.

Meeting Minutes

COMMITTEE MEMBERS PRESENT

Anthony Giancola, Vice-Chair
Howard Gibbs
Ivan Frishberg

INTERNAL AUDIT STAFF PRESENT

Dan Whelan, RSM US LLP
Jill Reyes, RSM US LLP
Samantha Bement, RSM US LLP
Sophie Tomeo, RSM US LLP
Mercedes Sivels, TFC

DC Water Staff Present

David Gadis, CEO
Linda Manley, Secretary to the Board
Wayne Griffith, EVP Performance
Matthew Brown, EVP Finance &
Procurement
Marc Battle, EVP Legal Affairs

ERM STAFF PRESENT

Asma Qureshi, Deloitte

Call to Order (Item 1)

Mr. Tony Giancola called the Audit & Risk Committee meeting to order at 9:30 AM.

Roll Call (Item 2)

Ms. Linda Manley performed roll call to confirm Committee members and management in attendance.

FY 2021 Financial Statements Audit Management Letter (Item 3)

Mr. Matthew Brown presented detail related to the one comment from the FY 2021 Financial Statements Audit Management Letter. The comment recommended the Authority strengthen controls over service periods used in the capital accounts payable accrual. Incorrect service periods led to an overestimation of construction in progress by \$521,281. The invoice data on the accrual projection did not match the service period of the invoices. Additionally, a review of the invoice coding did not detect the incorrect

service periods for the invoices. The external auditors recommended that management strengthen internal controls over the accuracy of the service periods entered in Oracle.

Mr. Brown went on to explain that annually, the external auditor (KPMG), reviews the Authority's financial and budget processes and controls. The auditors perform a risk assessment, obtain an understanding of the Authority's processes, review the Authority's financial statements, review the Authority's accounting white papers related to new GASB pronouncements, and communicate findings and observations to management.

Mr. Brown described that a management letter comment represents an opportunity for strengthening internal controls and operating efficiency. There were no material weaknesses and no significant deficiencies. Notably, the Authority received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 24th consecutive year.

Enterprise Risk Management Briefing (Item 4)

Mr. Wayne Griffith introduced Ms. Asma Qureshi to the Committee to provide an update on the status of the Enterprise Risk Management program.

Ms. Asma Qureshi, Senior Manager at Deloitte, provided a briefing on the Enterprise Risk Assessment process and the outcome of the results. The team has conducted risk identification interviews and cross-checked those against other entities in the sector. The interview results were synthesized and shaped into a preliminary set of potential top enterprise risks. The team then conducted a risk prioritization workshop with the Senior Executive Team to align on the assessment of top enterprise risks, prioritize risks into two tiers, Tier 1 and Tier 2. The preliminary top enterprise risks were split into two tiers, Tier 1 and Tier 2. The risks were then divided into 5 categories: people, digital, social pressures, assets, and revenue/costs. Risks were prioritized based on both impact and vulnerability. For impact, factors considered include financial implications, public image, regulatory compliance, and talent. For vulnerability, factors considered include how effective the controls are, the internal capabilities to manage the risks, and the likelihood of the risk.

Mr. Tony Giancola noted that Catastrophic Events were listed as a Tier 2 risk. Mr. Giancola inquired whether Catastrophic Events should be rated as having a higher impact and whether ratings were objectively determined. Ms. Qureshi responded that the rating was based on the impact and vulnerability of each risk. She also noted the rating relates to how effective the Authority is at responding to these events. Mr. Giancola responded that he would have rated Catastrophic Events as having a higher impact.

Mr. Howard Gibbs inquired as to how the risk prioritization takes into account the probability of the risk occurring. Ms. Qureshi responded that vulnerability considers the likelihood of the event taking place, as well as the internal controls in place.

Mr. Ivan Frishberg asked a question about Changing Regulations being rated Tier 1. Mr. Frishberg expressed his opinion that changing regulations is a manageable risk because generally there is time afforded to adapt to changes in the external regulatory environment. Mr. Frishberg also noted that Cybersecurity and Catastrophic Events are risks that he would find more likely to fall into the Tier 1 category. Mr. Tony Giancola commented that the Authority is usually given a reasonable timeframe to implement any regulation changes, which makes this a more manageable risk.

Mr. Wayne Griffith responded to the comments and questions, saying that the team would take them into consideration. Mr. Griffith explained that the approach includes a level of objectivity as well as an understanding of what the Authority perceives as the largest risks. Mr. Griffith said the team will be putting together plans of how they are mitigating the risks, which may lead to impact and vulnerability ratings to be adjusted and thus, tier ratings shifting. Mr. Tony Giancola responded that events could have both short-term and long-term impacts. He noted that management can handle the long-term impact but may not be able to handle the short-term ones.

Ms. Asma Qureshi explained that the team is working to uncover interdependencies between risks. She noted that Reliability and Stakeholder Management had the most interdependencies with other risk areas. The next steps will be to assign each Tier 1 risk an executive sponsor, risk owner, and designated support. The team will be developing treatment strategies, including response to risks, measuring risk, and ensuring the risk is trending in the right direction, as well as determining the right cadence for reporting.

Internal Audit Update (Item 5)

Mr. Dan Whelan, RSM Partner, announced an upcoming change to the Internal Audit team. Samantha Bement, RSM Director, will be joining the engagement team to bring a fresh perspective. Jill Reyes, RSM Partner, will be stepping down from the engagement team, but will still be with the firm and will be available as a resource for her institutional knowledge. Mr. Tony Giancola and Mr. Howard Gibs thanked Ms. Reyes for her time and efforts. Mr. Whelan then presented the agenda and FY 2022 internal audit plan status update. Mr. Whelan noted the team would be going over three FY 2022 completed audits, including Accounts Payable and Supply Chain Management Assessment during open session and Incident Response Tabletop Exercise in executive session, and noted the four upcoming audits are in the planning phase. Mr. Whelan went through the timeline for each audit and noted that the audit plan was on schedule.

Ms. Sophie Tomeo, RSM Manager, presented the status of high-risk prior audit findings. Ms. Tomeo detailed that there is only one open high-risk prior audit finding at this time, which had been reduced from the four presented at the previous Audit Committee meeting. The remaining open item is Training, Licensing, and Certification related to the identification and monitoring of training requirements by position. The latest target date for remediation is June 6, which management is on track to meet. The Oracle training

management module is live. Departments have identified required trainings for their respective areas. Human Resource Business Partners are validating technical trainings identified, People & Talent is locating all training content, and all training materials will then be uploaded and assigned to the appropriate positions in Oracle by the target remediation date.

Ms. Tomeo continued that there are currently four open findings from prior to FY 2021. One is the high-risk finding discussed earlier. One open Occupational Safety and Health finding is related to the distribution of updated policies to contractors following Union review. The Customer Billing & Collections open finding is tied to a COVID moratorium set to end in June. There is one open SCADA ICS finding.

For FY 2021 audit findings, there were three pending testing items that moved to closed status since the Committee materials were distributed last week: Materials Management, Procurement, and Contract Compliance. There are four remaining open items from FY 2021 audits. 95% of all prior audit findings from FY 2014 – FY 2021 are now closed.

At the beginning of FY 2022 there were thirty-three open audit items and three pending testing. Now, there are only eight open audit items and twelve pending testing. Sixteen open audit items have already been closed this fiscal year. Management has placed emphasis on closing these items and strengthening internal control environment. Additionally, the time to close findings has been trending downwards. Mr. Tony Giancola stated that he was impressed with the closure rate and the downward trend. Mr. Giancola noted that management should be congratulated on this effort.

Ms. Mercedes Sivels, TFC Senior Associate, presented the results of the Accounts Payable internal audit. The purpose of the audit was to obtain an understanding of how the accounts payable process is managed and assess whether the system of internal controls is adequate and appropriate. The Authority implemented the financial modules to their new ERP system, Oracle in October 2020. Ms. Sivels gave credit to the Accounts Payable and Finance & Budget teams for their consistent performance of internal controls. There were no high-risk findings for the Accounts Payable process. There was one moderate-risk and two low-risk findings in the full audit report issued. Ms. Sophie Tomeo added that there is a learning curve with any new system implementation. The lack of high-risk findings is a testament to how well the team transitioned to the new ERP.

Ms. Tomeo went on to remind the Committee of the three types of projects that Internal Audit includes in their annual audit plan, which include (1) cycle audits for highly transactional core business processes, (2) ad hoc audits based on risk trends, and (3) management assessments. Management assessments are meant to evaluate risk with the purpose of informing management strategic decision making. The Supply Chain Management Assessment took a deep dive into two different areas of the Authority: pipe and fittings procurement and fleet parts supply and demand planning. A key takeaway from the pipe and fittings procurement review was that materials lead time from

distributors has increased 1.6x since 2020 due to high demand and raw materials constraints. As a result of the assessment, the team noted opportunities for reduction in overall project timelines, cost savings, decreasing material lead times, enhancing design and forecasting process, and increasing competition in construction contracting through restructuring the current procurement model. A key takeaway from the fleet parts supply and demand planning was that repair hours are exceeding annual service hours due to non-compliance with vehicle preventative maintenance schedules. As a result of this assessment, the team noted that the fleet inventory management process was designed effectively.

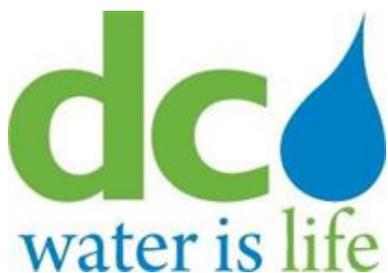
Ms. Jill Reyes, RSM Partner, provided a hotline update. The hotline has received nine calls in FY 2022, seven of which were turned over to the appropriate management and correspondingly closed out in the hotline dashboard. The two remaining open cases are currently being investigated and relate to the same issue. This concluded the Internal Audit update.

Executive Session (Item 6)

There was a motion to move into Executive Session to discuss legal, confidential, and privileged matters pursuant to Section 2-575(b)(11) of the D.C. Official Code. It was so moved and seconded, and motion carried. The meeting was cleared of non-Executive members and all public individuals. The Audit & Risk Committee went into Executive Section at 10:11 AM.

Adjournment (Item 7)

The Audit & Risk Committee meeting adjourned at 10:24 AM.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, April 28, 2022

11:00 a.m.

MEETING MINUTES VIA MICROSOFT TEAMS

Committee Members

Anthony Giancola, Chairperson
Adriana Hochberg
Sarah Motsch
Jared McCarthy
Joe Leonard
David Franco

DC Water Staff

David L. Gadis, CEO & General Manager
Matthew Brown, CFO, EVP, Finance & Procurement
Marc Battle, Chief Legal Officer & EVP, Legal Affairs
Lola Oyeyemi, Director, Budget
Dan Bae, VP, Procurement & Compliance
Rudy Gonzalez, Director, Procurement, Capital Projects
Brian McDermott, Director, Permit Operations
Paul Guttridge, Director CIP Infrastructure Management
Linda Manley, Secretary to the Board

Call to Order

Chairperson Anthony Giancola called the meeting to order at 11:00 a.m.

March 2022 Financial Report

Ms. Lola Oyeyemi, Director, Budget, provided the monthly financial report. At the end of March 2022, operating revenues were \$431.1 million, or 54.0 percent of the budget, operating expenditures were \$288.9 million, or 43.9 percent of the budget and capital disbursements were \$166.7 million or 29.4 percent of the budget.

Ms. Oyeyemi highlighted major FY 2021 closeout activities. These include the completion of the Blue Plains Operating & Maintenance (O&M) Settlement which shows \$2.6 million to be billed to the wholesale customers, and the Multi-Jurisdictional Use Facilities (MJUF) settlement of about \$200 thousand to be billed to the wholesale customers. The FY 2021 Green Bond attestation had been completed and can be viewed on the DC Water website. The website also includes the FY 2023 Executive Budget Summary.

Next, Ms. Oyeyemi explained that total revenues for the month were higher than the budget in the Residential, Commercial and Multi-Family customer categories. The area of under collection remains in the federal category due to the disputed accounts, as well as the re-categorization of two accounts from Federal to Commercial.

Mr. David Franco asked if we could expound on the reason the commercial revenue was ahead of the budget and if the trend will continue through the rest of the year. Mr. Matthew Brown, CFO, Exec VP, Finance & Procurement, responded that there were some payments at the beginning of the year where

revenue was slightly ahead. Also, there was conservative budgeting that was included in the revenue budget. We will continue to monitor the trends and expect consumption to go up in the coming warmer months. A revenue forecast will be presented to the Committee in May as part of the year-end forecast process.

Ms. Oyeyemi went to review the operating budget pressures. These include projected increases in supplies due to the supply chain constraints, higher chemical prices of 10 percent to 15 percent in major chemicals, and increased utilities costs due to current market conditions for fuel pricing. Mr. Matthew Brown added that management is looking into chemical contracts for the upcoming year and anticipate using the debt service savings from recent bond transactions to cover the budget shortfall.

Chairperson Giancola asked about management's effort to reduce the vacancy rate which is at 12 percent and appears that the trends are going in the wrong direction compared to budget assumptions and historical trends. Ms. Oyeyemi responded by stating that the impact of the pandemic on revenues in the recent past years resulted management only proceeding to fill only critical positions. Additionally, there was a pause on hiring positions during the rollout of the Human Resource/Payroll phase of the Enterprise Resource Planning (ERP) project. She further explained that departments are proceeding to backfill positions while management has also brought in additional professional support to assist with the recruitment efforts. Ms. Oyeyemi also mentioned that the job market has been competitive, and that the number of vacancies is also due to attrition as some of these positions are backfilled by internal candidates and that management is working to achieve a single digit vacancy rate by FY 2023. Mr. Giancola stated that management should still look into adjusting the budget goals in future years. He also expressed concern about impact of these vacancies on special programs, specifically in the CIP execution, contract COTR and inspection activities. He feels that we should be getting more aggressive in spending more money in capital projects.

Next. Ms. Oyeyemi provided an overview of the capital disbursements stating that we have spent 29 percent of the budget. She noted that lower spending on capital equipment is primarily attributed to the Fleet equipment due to supply chain constraints and long lead times. She noted that this is being monitored closely and management anticipates that some of these funds would be carried forward to next year to pay for the vehicles that will delivered in the next fiscal year.

Mr. Paul Guttridge, Director CIP Infrastructure Management, explained that Capital projects should see an uptick in spending soon. There had been some underspending in Lead Free DC due to lower participation rate, as well as with the Potomac Interceptor and Small Diameter Watermain due to some external DDOT issues. At the end of the year, there is typically about 80 percent of spending against budget, but management anticipates that we may come in a little less than that this year. Mr. Guttridge also stated that spending is only one indicator of the health of a program and that other factors are also important. Mr. Giancola stated that the capital program is important and that he wants to see progress on the critical projects and hope that we have adequate staff to oversee these contracts.

Next, Ms. Oyeyemi reported that total cash investments were at \$841.9 million, which includes the recent bond proceeds. The Rate Stabilization Fund balance remains at \$46.1 million. The interest income for March is \$30 thousand and the year-to-date is at \$618 thousand. The retail accounts receivable report reflects a delinquent amount of \$28.3 million. Ms. Oyeyemi explained that there was a decrease in the number of accounts with the increased in delinquency in the commercial and multi-family customer accounts. The number of delinquent accounts represent 0.2 percent of the total customer accounts.

Permit Refunds Update

Mr. Brian McDermott, Director, Permits Operations, explained that the Permits group reviews and approves plans submitted for new construction, and at the completion of the review, they apply inspection charges for permit approval based on scope of work. Per District law applicants are to request refunds no later than two years after work is completed. Requests for refund have not been received timely; this became apparent in 2017 during switch between accounting systems. In FY 2018 and FY 2019 internal audit reported a significant balance. Management's response to the audit included the issuance of annual statements to remind owners of account balances, new permit processing software that ties accounts to projects, and the addition of published forfeiture clause for accounts that are inactive more than ten years. After publishing the forfeiture clause, there were refunds requested for over 1,100 accounts for 375 projects at a cost of approximately \$6.7 million. He noted that construction inspection is 95 percent of the Merch account program and refunds due were in periods prior to 2006 to 2015 and 2018 to present.

Next Mr. McDermott provided an overview of the Merch Accounts balance for the various series highlighting that the total credit amount was \$41.6 million while the debit amount was \$10.1 million for a total net liability balance of \$31.5 million. He stated that a total of \$6.8 million in refund requests have been received to date which have reduced the credit amounts to \$34.8 million.

Chairperson Giancola asked about the impacts of the as-built drawing and the timeline to process permit refunds. Mr. Dermott explained that under the new process, staff begins to process the refund requests after the marked-up drawing is received from the customers without waiting to complete the as-builts.

Mr. David Franco noted that there are several factors and technical aspects that impact the permit refund process, and that management should consider adding more resources to deal with the backlog. He applauded management for having a new system in place that mails out a statement showing the credit balance for the deposit. He also asked if the Board was informed of the audit results and the significant liability balance. Mr. Brown reported that an internal working group was established to determine a path forward and that an annual forfeiture policy statement is issued for greater transparency. As statements were not provided historically, the forfeiture policy was set at 10 years. Mr. Brown noted that annual statements showing the credit or debit amounts are now provided to developers irrespective of whether there was any financial activity. Regarding the resources, Mr. Brown noted that a new fee proposal was presented at the Retail Rates Committee which includes resources for eight additional staff for the Permits organization. Mr. Franco stated that he has concerns about the new fee proposal especially in the light of the high value of deposits being held by the Authority.

Mr. Franco asked about the new policy for the forfeiture now that statements are being mailed out. CFO Brown explained that after ten years if there has not been a request for refund, the funds are forfeited to DC Water. The Committee members discussed the need for management to consider limiting the time period to between 3-5 years by giving adequate notice of intent now that new measures are in place for developers to track their deposits. Mr. Brown appreciated the feedback from the Committee and stated that management is considering the options internally with the goal of being fair while understanding that the development process and applicable District law.

In closing, Mr. McDermott reviewed the distribution of the merch accounts including progress made to date on refunds which is about \$2.7 million in the past twelve months. He went on to review the steps to process a refund request which is significantly more time consuming, and that workload exceeds the

available resources. Mr. Franco encouraged management to provide a courtesy communication to applicants to expect delays due to the volume of the backlog requests that have come in. Mr. Leonard asked if there were other factors contributing to the delays. Mr. McDermott explained that these requests are sometimes about ten years old, and staff will need to retrieve the original invoice. This may require going into several legacy systems, spreadsheets, and paper files to perform the reconciliation, balancing and verification of address amongst several factors.

Chairperson Giancola asked management to consider hiring a contractor to assist with the review and evaluation to handle the short term needs rather than adding more staff especially given the slow recruitment process. Mr. McDermott agreed, and that management will work towards transitioning the work in-house once the new positions are hired in FY 2023.

Procurement Transformation Update

Mr. Dan Bae, Vice-President, Procurement and Compliance, reviewed the objectives and scope for a centralized procurement operations which was established under the leadership of the CEO and General Manager in 2019. He noted that this presentation was delivered to the Environmental Quality and Operations Committee this month and is scheduled for briefing with the full Board at the May 2022 Board meeting.

Mr. Bae explained that the procurement transformation process was completed in March 2022 and has resulted in more transparency, improved efficiencies, increased value, reduced risk, and address customer affordability. He highlighted some of the challenges experienced during the transformation process including change management concerns. This process addressed job security concerns, by redesigning roles and responsibilities resulting in no job loss during transformation. This included updated business practices to separate procurement processes that were embedded in engineering SOPs to improve consistencies across the organization. It also addressed concerns from vendor community on change by utilizing new procurement methods. During this time, the same team members were implementing two (Oracle ERP and P6 & Unifier) systems amidst the COVID-19 pandemic and successfully pivoted to online meeting forums.

Mr. Rudy Gonzales, Director of Procurement, Capital Programs, noted that Procurement team worked closely with Engineering staff to separate roles and responsibilities, create transparency between departments and minimize handoffs. He reported that the Capital Procurement team has been created, including the development of a new procurement Delegation of Authority to address administrative and lower dollar amount items at appropriate levels, and new SOPs that are consistent with the strategic sourcing concept. He also noted that a new governance (Procurement Steering Committee and Procurement Leadership Council) was established for transformation decisions. Mr. Gonzales went on to review the results which includes generated negotiated savings of \$18 million in FY 2021 and \$17 million in FY 2022 as of February 2022, increased participation by certified firms bidding as primes, early engagement of contractor community, and reduced lead times for contract solicitation, award, and execution.

In closing, Mr. Gonzalez reviewed the governance structure and continuous improvements needed to build on the results of the procurement transformation process. He stated this was a collaborative process and thanked all the members across several levels of management and from various departments that contributed to the success.

Adjournment

Chairperson Anthony Giancola adjourned the meeting at 12:06 p.m.

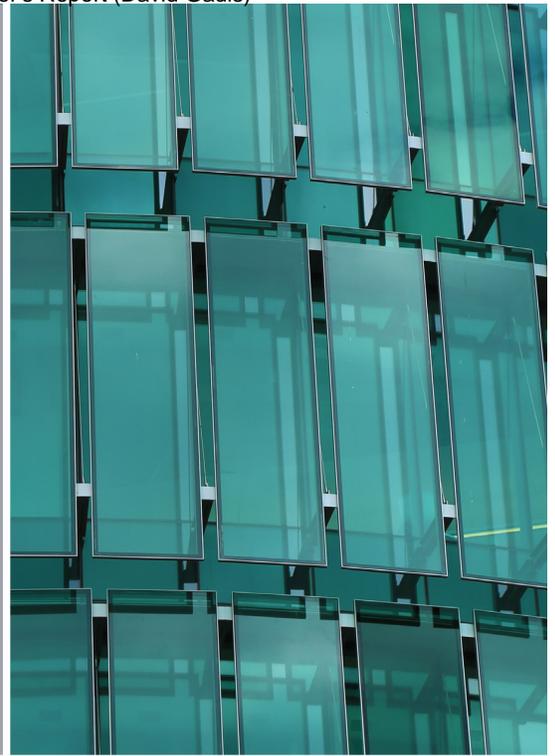
Follow Up Item

1. Provide more information about the forfeiture policy that will encompass gradual rolling reduction from the ten-year period and develop KPIs on the CEO's dashboard to monitor these permit refunds (Chairperson Giancola)
2. Consider hiring contract assistance in eliminating the backlog rather than permanent staff.



CEO's Report

MAY
2022



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

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dc Highlights

Chairman Wells and members of the Board, from participating in the Mayor's Build Back Better Infrastructure Task Force, to presenting at a conference in Singapore, DC Water has once again demonstrated its leadership locally, nationally and internationally over the past month. This report captures the highlights of the team's efforts across the five imperatives of the Blueprint 2.0 strategic plan: Sustainable, Equitable, Reliable, Resilient, and Health, Safe and Well. I think you will be particularly impressed by the work we are doing to improve our business processes internally, while at the same time enhancing our public outreach to more effectively engage customers.

Sustainable

Mayor Bowser's DC Build Back Better Infrastructure Task Force

Mayor Muriel Bowser has created the DC Build Back Better Infrastructure Task Force, consisting of experts from District agencies and external partners to advise on priority projects to be funded through President Biden's Bipartisan Infrastructure Law. I am pleased to share that the Mayor has asked me to serve on the Environment and Resilience Subcommittee, alongside Brandi Collander (Chair, DC Green Bank), Liz DeBarros (Interim CEO, D.C. Building Industry Association), Eli Hopson (CEO, DC Green Bank), and former DC Water board member Emile Thompson (Interim Chairman, Public Services Commission).

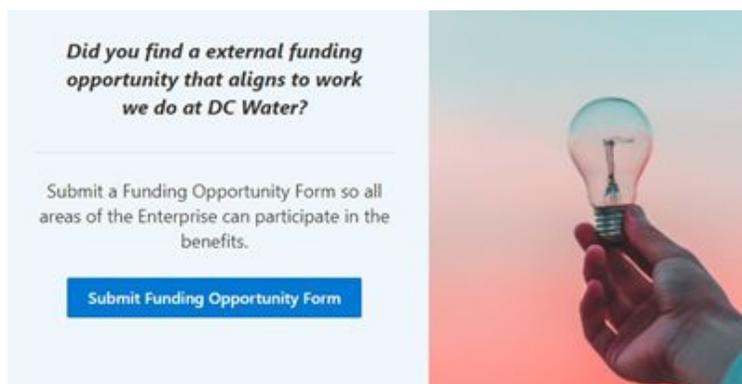
The Task Force will be responsible for making recommendations on how to maximize the impact of the available funding. I will continue to advocate for additional funds for the Lead Free DC program and will provide periodic updates on the work of the Task Force as it pertains to Authority business.

Maximizing Infrastructure Funding – "Leaving no dollars behind"

The Enterprise Program Management Office (EPMO) under the leadership of **Francis Cooper** (Director, EPMO) and **Ogechi Okpechi** (Senior Program Manager) has expanded its support functions to include Business Process Management which comprises of supporting Authority-wide business process improvement and business process reengineering engagements. The EPMO's business process management functional area closely aligns with the Strategy & Performance's Cluster core functions of Enterprise Strategic Management and Execution. Additionally, it allows DC Water to rethink how work is done in many of its operational and administrative areas improving Authority-wide operational efficiency and effectiveness.

The first business process reengineering engagement that the EPMO is embarking on is "Maximizing Infrastructure Funding" with a focus on the Bipartisan Infrastructure Law (BIL). The goal of this project is to ensure that DC Water has a process in place to easily identify external funding opportunities, not only for the BIL but for future opportunities through enterprise coordination with transparent tracking tools, so that DC Water "leaves no dollars behind."

The EPMO has co-created a funding opportunity process, funding intake process, and SharePoint based information system. This enables all employees to participate in identifying external funding opportunities issued by various agencies that align with work performed by DC Water which may be beneficial to the Authority and specify projects which correspond to an identified external funding source/opportunity that has been approved through the Funding Opportunity process. A SharePoint site, "External Funding Administration" has been built to house these processes increasing transparency across the Enterprise, as well as facilitating the monitoring and tracking of funding opportunities. Additionally, the EPMO is looking at leveraging this enhanced business process to effectively prioritize available funding across all functional areas. As the EPMO is a facilitating business unit, it is currently engaging Operations & Engineering, Office of Legal and Governmental Affairs, and Finance to advance the identification of programs to be funded through the BIL.



Did you find a external funding opportunity that aligns to work we do at DC Water?

Submit a Funding Opportunity Form so all areas of the Enterprise can participate in the benefits.

[Submit Funding Opportunity Form](#)

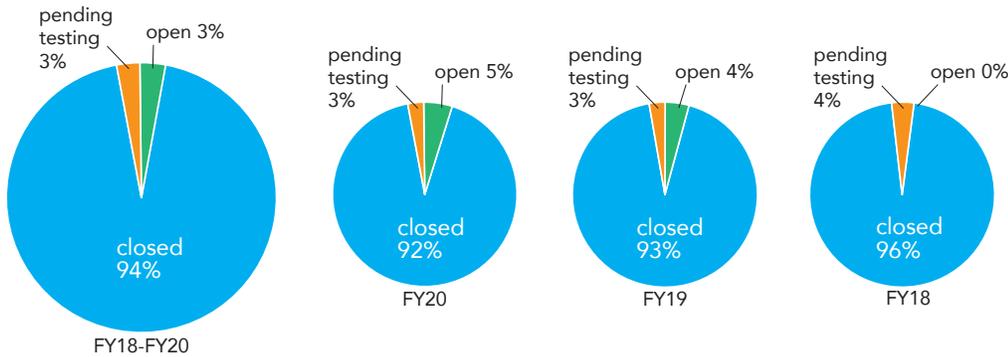
 **Sustainable** continued

Internal Audit Performance Highlights

Over the past year, the Strategy and Performance Internal Audit team led by Francis Cooper (Director, EPMO) and Helen Hagos, (Program Manager, Program Manager, Strategic Planning & Cultural Transformation) has purposefully partnered with our Internal Audit partner, RSM, to drive results and performance that add value to the Authority. As part of this effort, we have a more advanced understanding of the importance of the Authority's management controls to proactively understand and manage business risk. Additionally, supplementary management reports are now included that feature operational process improvement opportunities and recommendations. Strategy & Performance cluster is regularly collaborating with the impacted business units and departments to effectively oversee the establishment of comprehensive management action plans, facilitate the close-out of the audit findings and recommend appropriate business improvement initiatives. Strategy & Performance is also launching routine surveys to measure stakeholders' audit experience. These survey results provide input to address stakeholder needs and expectations to further enhance the overall internal audit business process.

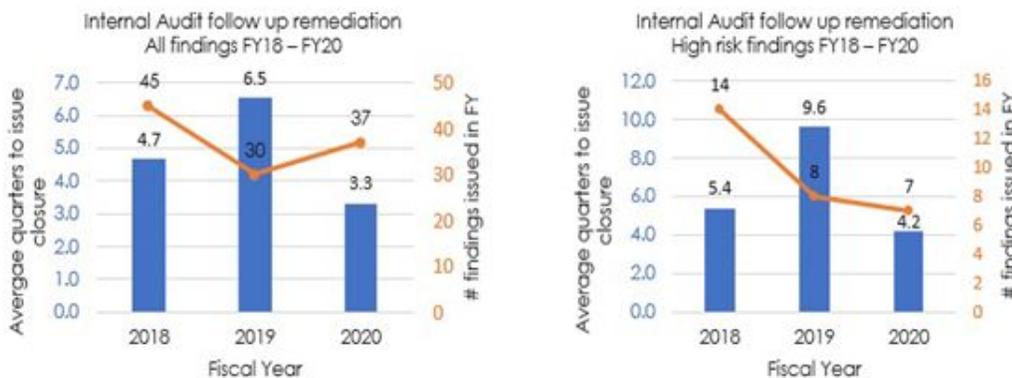
Over the past 12 months, we have remarkably improved our response, performance and closure rate of audit findings. As of April 2022, 94% of all audit findings have been closed for the FY18-FY20 period. More importantly, Internal Audit is recognized as a partner of management focused on helping DC Water achieve and execute its objectives. This alignment with Management marks a significant accomplishment and it will lead to ongoing business performance improvements and add true value to the Authority.

Closure rates by year



The pie charts illustrate current rate of closure for audit findings issued FY18 – FY20 as of April 2022. 94% of all audit findings have been closed for the three-year period.

Time to closure by fiscal year



These graphs illustrate the average number of quarters from audit finding issuance to audit finding closure year-over-year as of April 2022.

dc Highlights



Equitable

Public Outreach for Proposed Rates Adjustment

Under the leadership of **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer / Marketing and Communications), DC Water has broadly expanded the Authority's traditional approach to community engagement regarding the proposed rate adjustment.

The Office of Marketing and Communications (OMAC) has built a multi-pronged outreach campaign that will bring greater equity and transparency to the rate making process for additional constituencies.

That outreach included two virtual public meetings on April 5 and April 14, and two in-person Townhalls on April 20 and April 21 to offer attendees a preview of proposed rate adjustments and also brief them on the Lead Free DC initiative and the dramatic impact of the Clean Rivers Project, which is making our rivers swimmable again 50 years after the passage of the Clean Water Act.

In addition, **Matt Brown** (Chief Financial Officer and EVP / Finance and Procurement) partnered with Ms. Williams to lead a virtual briefing for 20 nonprofit and District agencies to ensure that our partners supporting low-and-moderate income families are advised of the proposed rates, and well informed on available Customer Assistance Programs (CAP).

Concurrently, **Emanuel Briggs** (Manager, Community Outreach / Marketing and Communications) and his team of Authority Ambassadors are promoting related information at major community events and pop up appearances at least once per week throughout the rate setting process. Mr. Briggs is also coordinating informative briefings for Council Constituent staff, Mayor's Office of Community Relations, and Advisory Neighborhood Commissions (ANC).

In partnership with the Office of Cable Television, Public Service Announcements will air educating residents about the proposed rates and how customers can participate in the townhalls and the Board's formal public hearing.



dc
Townhall Meetings
We've missed you, join us in person!

let's talk

Water — it keeps our community healthy, our city running, and our economy growing.

Wednesday, April 20
6:00 PM - 7:30 PM.
Capitol View Neighborhood Library
5001 Central Ave SE, Washington, DC 20019

Thursday, April 21
6:00 PM - 7:30 PM.
Martin Luther King Jr. Memorial Library
901 G St NW, Washington, DC 20001

DC Water CEO David Gadis is hosting meetings to discuss proposed rates, current projects and issues impacting your community.

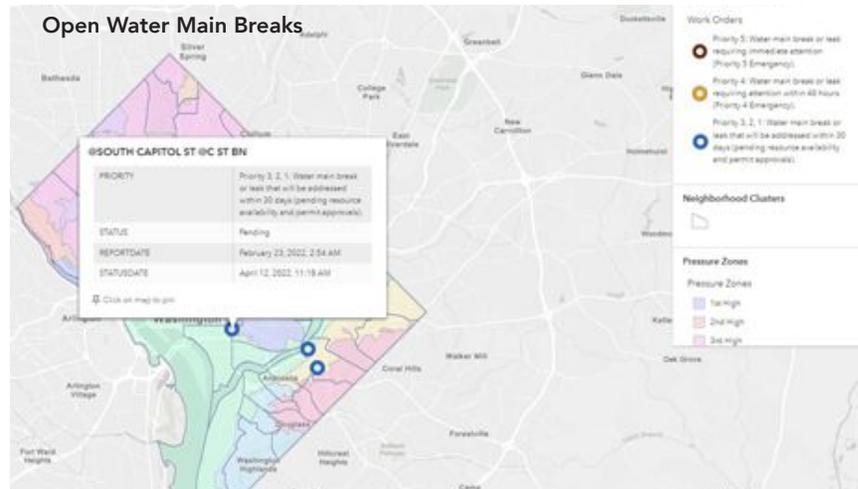
water rates • clean rivers • drinking water • infrastructure



New Map of Active Water Main Breaks

Working together OMAC, Water Operations & IT developed a new online water main break map that is now publicly available on dcwater.com. The map is a visual reference of all open main breaks, and hovering over the individual icons reveals a pop-up window with the priority and status of the break.

The map is another example of DC Water's continued commitment to enhance customer communications and transparency.

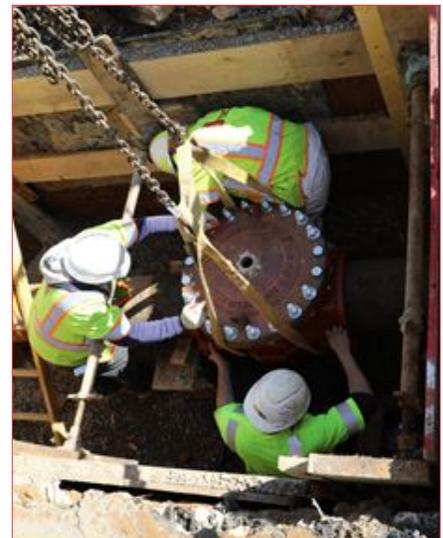


Anacostia 3rd High Emergency Valve Replacement Successfully Completed

Over the past month, I have reported to the Board on the urgent nature of our valve replacement project across several Ward 7 neighborhoods. I am very pleased to report that, despite brief weather delays, the project has now been completed successfully, without the need for a Boil Water Advisory (BWA) or other complications.

The five new valves installed will address pressure concerns, improve water quality and system reliability, and replace the aging cast iron mains, many of which date from the 1920s. I would like to highlight the work of **Marlee Franzen** (Senior Manager, Water Operations / Water Services) and **Sylvia Okogi** (Operations Program Manager, Utility Services / Water Services), who led the effort to a successful conclusion with minimal service disruption.

Additionally, I am very appreciative of the coordinated work of **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer / Marketing and Communications), **Dusti Lowndes** (Director, Emergency Management / Shared Services), and **Gregory Vernon** (Manager, Emergency Management / Shared Services) in notifying and helping prepare stakeholders for a potential BWA.



Temporary and Partial Power Outage at Blue Plains Advanced Wastewater Treatment Plant

During two separate events on April 7, 2022, and April 10, 2022, the electrical power supply to one of two feeders to the plant was interrupted due to a problem at the Blue Plains Main Substation. In both instances, the Medium Voltage team, working with PEPCO, restored power within hours. In the interim period, sewage backed up in the system and was relieved to the tunnel. In the past, this sewage would have gone out to the river. The relief to the tunnel and its reintroduction back into complete treatment allowed DC Water to remain in permit compliance.

Joint inspections with PEPCO revealed that in both instances the problem was caused by "wet" bird nesting materials. The material cleared after the first event was reintroduced by the birds in the same location leading to the second event. After the second event, and to prevent a third at this location, PEPCO installed insulating material on the impacted section of cable. DC Water is evaluating insulating all exposed wiring at the Blue Plains Main Substation to prevent a repeat at other points in the substation.

Healthy, Safe and Well

COVID-19

We continue to monitor the rising number of COVID cases reported in the Metropolitan Washington region. This time, new cases are being driven by the Omicron BA.2 strain, which is generally viewed as both more contagious and milder than some previous variants.

The City of Philadelphia reinstated its indoor mask mandate on April 18, and locally, Howard University shifted to online learning for the rest of the semester. While I do not believe that the current situation calls for a return to mandatory masking, our Emergency Management team, under the leadership of Kishia Powell (Chief Operating Officer and EVP), will follow developments to ensure we continue to provide a Healthy, Safe, and Well working environment.

To that end, we have made excellent progress in our effort to protect our workforce from the virus. Currently, 95.34% (1,044) of Authority employees are fully vaccinated. People & Talent continue to work with the remaining (51) employees not fully vaccinated.

Religious / Medical Exemption Requests:

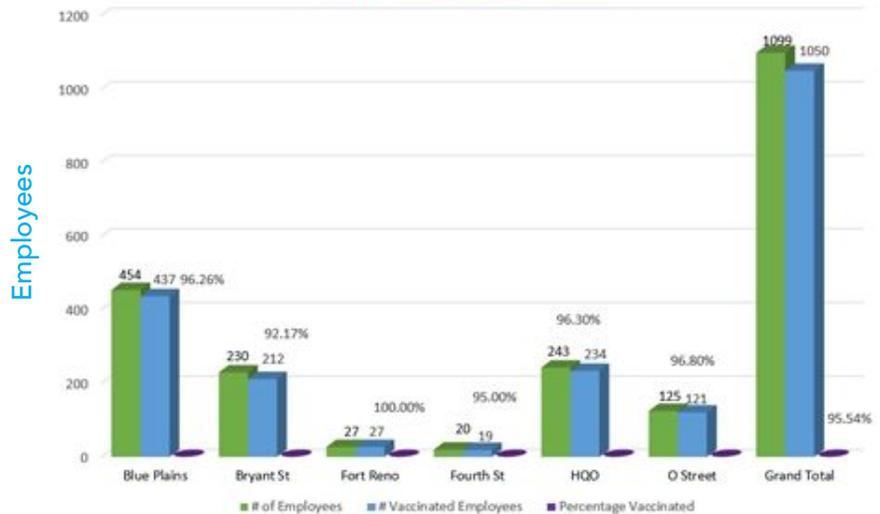
- 19 approved exemptions
- 24 pending exemption requests

Partially or Unvaccinated Employees:

- Five partially vaccinated employees, all with scheduled second dosages
- Two employees are not vaccinated, and are on unpaid leave
- One employee is not vaccinated, and has been on medical leave

Note: Employees whose exemption status is pending or who are partially vaccinated (with a scheduled second dosage) will remain in active status and will be required to submit weekly test results.

Employee vaccinations by location



Employee vaccinations by non-union / union




Resilient

WiSE Partnership Update

A delegation of DC Water employees attended the Singapore International Water Week 2022 Conference, at the Sands Expo and Convention Center in Marina Bay Sands, Singapore in mid-April. The Authority's delegation consisted of a diverse cross-section of the enterprise that not only learned from other world-class utilities but also presented on DC Water's efforts to be more resilient and sustainable.

The delegation's visit strengthens our existing ties with the water utility in Johor Bahru, Malaysia, who visited DC Water last October, following the WEFTEC Conference in Chicago. All travel for the trip was sponsored by the U.S. State Department, as part of the Water Smart Engagements (WiSE) program.

Authority Hosts Students and Leaders from the National Defense University

The Eisenhower School's Environment Industry Study group consists of military officials and international officers who engage in the study and analysis of essential industries from a national security perspective. A significant component of their studies are field visits and seminars with government agencies, labor, trade and public policy organizations, research facilities, financial institutions, and selected industry exemplars.

Given DC Water's role in providing critical services to the national capital region, we are an expert resource regarding physical/cyber security, resiliency, energy redundancy, emergency preparedness and hazard mitigation.

On April 5, DC Water was visited by approximately 20 students which included US military lieutenant colonels/colonels, Department of Defense GS-15s/FS-1s, and international officers from Kazakhstan and Kenya.

We started with a bus tour of Blue Plains, hosted by Saul Kinter (Program Manager, Business Development, Resource Recovery) and Ivelisse Cassas (Director, Security / Shared Services) as we reviewed the treatment process and the challenges of operating such a large site next to the Potomac River. We then concluded with a briefing on our Emergency Management and Hazard Mitigation functions, presented by Dusti Lowndes (Director, Emergency Management / Shared Services). Those participants from DC Water, which also included Sharon Bocalig (Executive Assistant / Shared Services) and Maureen Holman (Vice President / Shared Services), were presented with Eisenhower School challenge coins as a token of appreciation.





Divisions

The CEO report now includes service level based key performance indicators for our operations divisions. These are indicators for which the teams have established or confirmed response and resolution times in which to perform the related work. This is assisting us in identifying productivity impacts related to COVID-19 and resource needs as well as benchmarking ourselves against other utilities. It is important to note that where teams may not meet the Service Level Targets set for a specific metric, it does not mean the work is not getting accomplished. The teams are doing a tremendous job despite the pandemic and continue to strive to meet a high bar of performance.

Financial Metrics

Metric	Target	Dec-21	Jan-21	Feb-22	Mar-22
Operating Cash Balance (millions \$)	\$235.6	\$241.2	\$249.3	\$269.5	\$243.2
Delinquent Account Receivables (%) [†]	3.3%	4.5%	4.6%	4.4%	4.5%
On-time Vendor Payments (%) ^{††}	97.0%	94.5%	93.5%	93.0%	94.0%
Investment Earnings Data (Thousands \$) ^{†††}	\$2,234.0	\$49.8	\$141.9	\$82.3	-\$30.5
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index		0.7%	1.1%	1.4%	2.2%
Core Investment Yield Data (%) - Actual Monthly Yield	0.2%*	0.5%	0.6%	0.7%	0.8%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index		0.1%	0.2%	0.3%	0.5%
Short Term Investment Yield Data (%) - Actual Monthly Yield	0.1%*	0.1%	0.1%	0.1%	0.1%
Days of Cash on Hand	250.0**	335.0	335.0	339.0	315.0***

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor, and compared to the Monthly Treasury Index and the Actual Monthly Yield

** 250 days of cash represents the projection for annual days of operating reserves including the Rate Stabilization Fund

*** The 315 days of cash is made up of 50 days in the Rate Stabilization Fund and 265 days in the operating cash balance.

Metrics Explanations:

[†] Delinquent account receivables as a percentage of 12-month rolling average revenue. The delinquent account receivables increased due to the impact of COVID-19.

^{††} Vendor payments percentage is not at the desired target primarily due to performance related to the transition from the legacy system to the new system, which includes tolerance configuration (Materials Management invoices), retention invoices, or system entries (non-payment entries, e.g., ROCIP funding), and user training related to receipts issues.

^{†††} Securities the investment portfolio purchased during COVID 2020-2021 were purchased at a time of near all-time low interest rates. DC Water may experience losses in the market value of investments as the result of the current rising interest rate environment. Better returns are projected later in 2022 as a result of Board-approved investment policy and strong management of our investment portfolio.

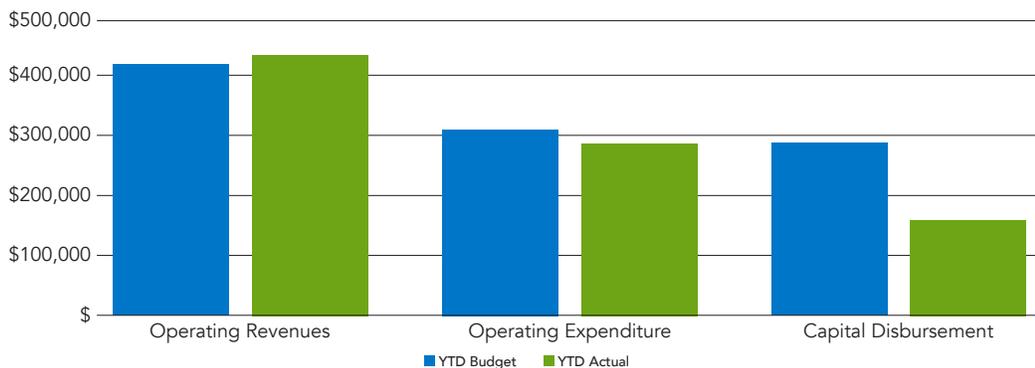
Finance Highlights

FY 2022 Financial Performance YTD

At the end of March 2022, with 50 percent of the fiscal year completed, DC Water is on track with budgetary expectations and targeted performance metrics. The total operating revenues are \$431.1 million or 54.0 percent of the budget. Total operating expenditures are \$288.9 million or 43.9 percent and capital disbursements are \$166.7 million or 29.4 percent of the respective budgets.

The operating expenditures reflect increased spending in chemicals and utilities due to higher than anticipated unit prices because of prevailing market conditions including supply chain issues and impacts of the ongoing war between Ukraine and Russia on fuel and natural gas. Management continues to monitor spending with proactive steps to mitigate significant budget gaps and impact on other core operational needs. The updated forecasts will be presented as part of the mid-year projections process which is currently underway and anticipated for Board/Committee reviews in May.

FY 2022 Year to Date Performance Budget vs. Actuals (\$000's)



Ratemaking Process

On March 3, 2022, the Board adopted the FY 2023 Operating Expenditure budget of \$686.4 million, FY 2022 – FY 2031 Capital Improvement Program disbursement budget of \$6.4 billion, Financial Plan and the proposed two-year rates, charges and fees. Detailed information about the adopted budget and multi-year rate proposal can be found at dcwater.com/ratemaking-process.

DC Water held two virtual Town Hall Meetings on April 5 and April 14, 2022 to inform customers about the adopted FY 2023 and FY 2024 rates, discuss the Capital Improvement Program, and promote all of the existing customer assistance programs. Virtual rate adjustment briefings were provided to the DC Council Constituent Services Staff, Nonprofit Community Partners, and the Mayor's Office of Community Relations and Services (MOCRS).

FY 2021 Financial Audits

The Annual Comprehensive Financial Report (ACFR) was completed and posted on DC Water's website. The OMB Uniform Guidance Audit was completed and submitted to Federal Audit Clearinghouse. DC Water's Green Bond attestation engagement has also been completed and can be viewed on DC Water's website.

The Water and Wastewater CFO Forum

CFO and EVP, Matt Brown and Director of Finance, Ivan Boykin are the DC Water members and hosted the event from April 11-13 at DC Water's HQO. The Forum focuses on utility financial management and associated challenges, and it provides multiple roundtables on real-time topics, industry-leading organization presentations, group panel discussions, and utility member case studies. Membership is limited to CFOs of innovative, large-sized entities.

On April 11, a tour of DC Water Headquarters was led by Director of Facilities, Brent Christ, followed by the opening ceremony on the HQO rooftop later in the evening managed by Blue Drop, LLC. On April 12, CEO and GM David Gadis welcomed CFO Forum attendees. Invited guest speakers from DC Water were COO and EVP, Kishia Powell, who discussed challenges of developing a \$6.4 billion capital improvement program for the next 10 years. To close the Forum on April 13, Korey Gray, Vice-President of Contract Compliance and Business Development, provided insight through his presentation on Business Diversity and Inclusion and how DC Water plays a role to help the small business community in the District.

Series 2022 Bond Issuance

The sale of approximately \$400 million in bonds has been completed. The fixed rate portion of the transaction was completed on February 24, 2022. These bonds were issued as tax-exempt on a subordinate lien for \$100 million designated as Series B green bonds and \$100 million designated as Series C non-green bonds. A taxable fixed rate of \$75 million was also designated as Series D for capital upgrades to the Washington Aqueduct. The variable rate portion of the transaction was completed on March 10, 2022, for \$100 million designated as Series E issued as tax-exempt bonds. Additionally, selected bonds were refunded to lower costs and provide debt service savings for DC Water ratepayers. These bonds were settled on March 24, 2022.

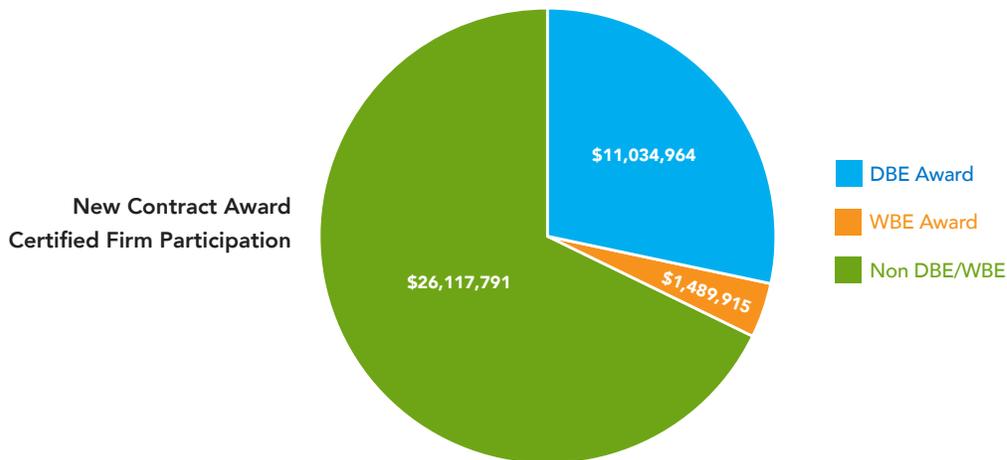
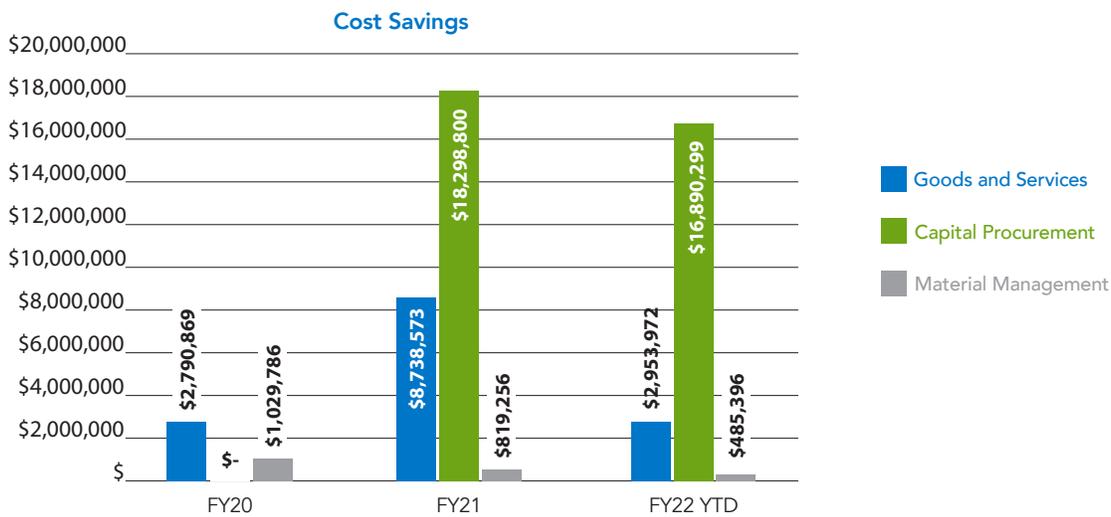
Procurement and Compliance

Key Procurement and Compliance Activities

- Working with the Department of Small and Local Business Development’s Procurement Technical Assistance Center (PTAC), DC Water conducted a presentation to 40 and 50 certified business enterprises covering a range of topics, including: registration on DC Water’s Vendor Portal; identifying and responding to solicitations, and how to leverage the CBE certification on projects.
- Working with the Council of Governments (COG), DC Water participated in a conversation concerning best practices for workforce development. One of the main things, that were discussed during the meeting was teamwork. DC Water’s Compliance team is leading the conversation on how we engage with the different utilities without duplicating efforts.
- DC Water Apprenticeship Program was approved for recertification on March 31,2022.

Cost Savings (negotiated savings and cost avoidance)

The chart shows the cost savings from FY 2020 to FY 2022 year-to-date achieved by Procurement through the competitive solicitation process in the Capital Project and Goods/Service solicitations and the cost avoidance achieved in the Materials Management through the inventory optimization. The cost saving for Capital Procurement was not tracked in FY 2020.



Procurement and Compliance - continued

Upcoming Business Opportunities

All current and planned solicitations are available at dcwater.com/procurement. Those upcoming in the next two months are shown below:

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
April, 2022	Small Diameter Water Main Repl. 16A	IFB	\$10M	Bid Build	DBE/WBE
May, 2022	Sanitary Sewer Lateral Replacement Contract	RFP	\$ 10M	Bid Build	DBE/WBE
May, 2022	Valve Assessment Rehab	RFP	TBD	N/A	DBE/WBE
May, 2022	PI Phase 4 Rehab (Fairfax and Loudon Co.)	RFP	\$20M	Bid Build	DBE/WBE
May, 2022	Subsurface Utility Engineering BOA	RFP	\$2.5M	Design	DBE/WBE
May, 2022	Small Diameter Water Main Repl. 16A	IFB	\$10M	Bid Build	DBE/WBE
May, 2022	Miscellaneous Facilities Upgrade - Phase 8	RFP	\$35M	Bid Build	DBE/WBE
May, 2022	Traffic Control Plans	RFP	TBD	Other	TBD
May, 2022	Lead Free DC Construction Contract	RFQ	TBD	Bid Build	DBE/WBE
June, 2022	BSPS & Meter Shop Roof Upgrades	RFP	\$1M	Bid Build	DBE/WBE
June, 2022	Potomac River Tunnel Project (Construction Management)	RFP	\$1M	Construction Mgmt.	DBE/WBE
June, 2022	Plantwide Projects Program Management	TBD	TBD	TBD	TBD

Goods and Services Procurement:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
April, 2022	Small Construction Projects and Renovations	RFP	\$1-\$5M	DBE/WBE
May, 2022	Group Vision Insurance Services Benefit	RFP	< \$1M	LSBE
May, 2022	Financial Staff Augmentation	RFP	\$5-\$10M	MBE/WBE
May, 2022	Pest Control	RFP	< \$1M	LSBE
May, 2022	Snow & Ice Removal	RFQ	< \$1M	LSBE
June, 2022	Group Legal Services	RFP	< \$1M	LSBE
June, 2022	Financial Advisory Services	RFP	< \$1M	LSBE
June, 2022	Investment Advisory Services	RFP	< \$1M	LSBE
June, 2022	Sand, Gravel, Stone, Topsoil, Cold Mix	RFP	< \$1M	LSBE

Shared Services



May is Building Safety Month – an international campaign that aims to raise awareness about the importance of building codes to stress the safety of the spaces where all of us live, work, and play.

In the U.S:

- 1625: the first building codes were established in 1625 to address fire safety and specific materials as coverings for roofs.
- 1770s: George Washington recommended that area- and height limitations be imposed on wood-frame buildings in Columbia district plans.
- 1788: First formal building code written in the U.S.
- 1865: New Orleans became the first city to enact a law that required the inspection of public places.

5 Facts About Building Safety That You Should Know (nationaltoday.com/building-safety-month/)

- Life inside buildings: According to the U.S. Environmental Protection Policy, 90% of our lives are spent inside buildings.
- High energy consumption: Buildings account for 40% of greenhouse gas emissions and 40% of total energy consumption in the U.S.
- Fires of history: The great fires in the history of mankind that have led to the development of building codes include the Great Fire of Rome (64 A.D.), the Great Fire of London (1666), the Great Chicago Fire (1871), the Great Baltimore Fire (1904), and the Cleveland Clinic Fire (1929).
- Fire protection: The MGM Grand fire in Las Vegas in 1980 and the Station Nightclub fire of Rhode Island in 2003 led to the addition of fire prevention systems like sprinkler systems, exit lights, and more.
- I-Codes: The International Code Council has a set of 15 model codes specified on the basis of geographic locations and these are collectively called 'I-Codes.'

DC Water Embraces Building Safety

- Working with DC's Department of Consumer and Regulatory Affairs to ensure DC Water manages design and construction per requirements.
- Collaborating with Fire and Emergency Services to support regular inspection and make necessary repairs or upgrades to ensure compliance.
- Providing training in Incident Command Structure and active shooter training to establish and maintain awareness and preparedness.
- Healthy, Safe and Well Imperative: To reinforce DC Water's commitment to maintaining healthy, safe and well working environments for our employees, contractors, visitors and customers.



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Dec-21	Jan-22	Feb-22	Mar-22
Security: Camera operational uptime	90%	97%	96%	97%	97%
Security: Smart card readers operational uptime	90%	99%	99%	99%	99%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	44%	63%	83%	87%
Facilities: Service Request Completion Rate	90%	63%	68%	67%	57%
Fleet: Preventive Maintenance (PM) on Schedule	96%	21%	22%	14%	17%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	87%	83%	75%	77%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 5.3	1.9	2.6	2.1	2.4
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 2.1	1.6	1.5	1.2	1.7
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.8	3.5	2.6	2.5	2.4
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0	0	0.4	0.3

Facilities: Preventive Maintenance (PM) completion rate saw a slight increase in March 2022. The HVAC shop and the PM contractor have maintained their focus efforts on PM's and the reporting process within Maximo. This focus by the HVAC shop combined with the steady PM performance from the Plumbing shop resulted in a second great month in a row for PM completion. Service Request (SR) completion rate dropped to 57%. This % drop does not reflect the increased SR productivity for Facilities this month. March's total of 179 service requests completed is the highest SR total for Facilities in FY22 (average monthly completion in first 5 months of FY22: 117). With the return from the pandemic, we saw an increase in overall service requests for the month of March: 313 total requests in March which is considerably higher than the monthly average of 199 recorded in the previous 17 months.

Fleet: The Preventative Maintenance completion rate for March 2022 was 17%. 309 vehicles scheduled for compliance checkups are a result of rollover from previous months and cancelled bookings. There were 226 scheduled PMs in March, so the actual percentage is 17%. We can refactor the metric to exclude cancelled bookings moving forward. Communications and the appointment confirmation process needs to be improved to increase this response rate.



Customer Assistance Programs (CAP)

Residential Assistance Program (RAP) funding application is lower than previous year due to DC Water applying LIHWAP funding in advance of RAP funding. We believe the total distribution for FY22 will be less than the total distributed in FY21.

In FY21, the RAP program was new and there were many enrollments due to DC Water adding assistance to already approved and newly approved CAP customers' accounts. In FY22, customers who received CAP assistance in FY21 were automatically recertified for FY22 CAP. To be eligible for RAP and LIHWAP, customers need to recertify. DC Water is applying LIHWAP funding in advance of applying RAP funding to accounts that need additional support.

LIHWAP pays up to \$5000 (one-time payment) towards an eligible customers' outstanding bill. The minimum amount an eligible customer will receive is the greater of \$250 or 25% of the annual balance. As of March 2022, DC Water received LIHWAP funding totaling \$1,171,013. The funding covers October thru February approvals. Accounts with remaining balances after the LIHWAP funding, received DC Water assistance through RAP. DC Water applied a total of \$129K in RAP funding.

To increase FY22 RAP participation, DC Water has been contacting current CAP customers through email to advise them that they may be eligible for more assistance if they reapply to update their eligibility.

Additionally, the Multi-Family Assistance Program is moving forward as anticipated and is currently on track to meet or exceed the FY 21 total posting over the 12-month period. We need owner participation to ensure eligible occupants can receive assistance through their property accounts. We are working on outreach initiatives to notify owners and occupants that the assistance program is still available. We are specifically reaching out the previously eligible accounts, and accounts who are not participating, but have eligible units to encourage the owner to apply.

Customer Assistance Programs (CAP)

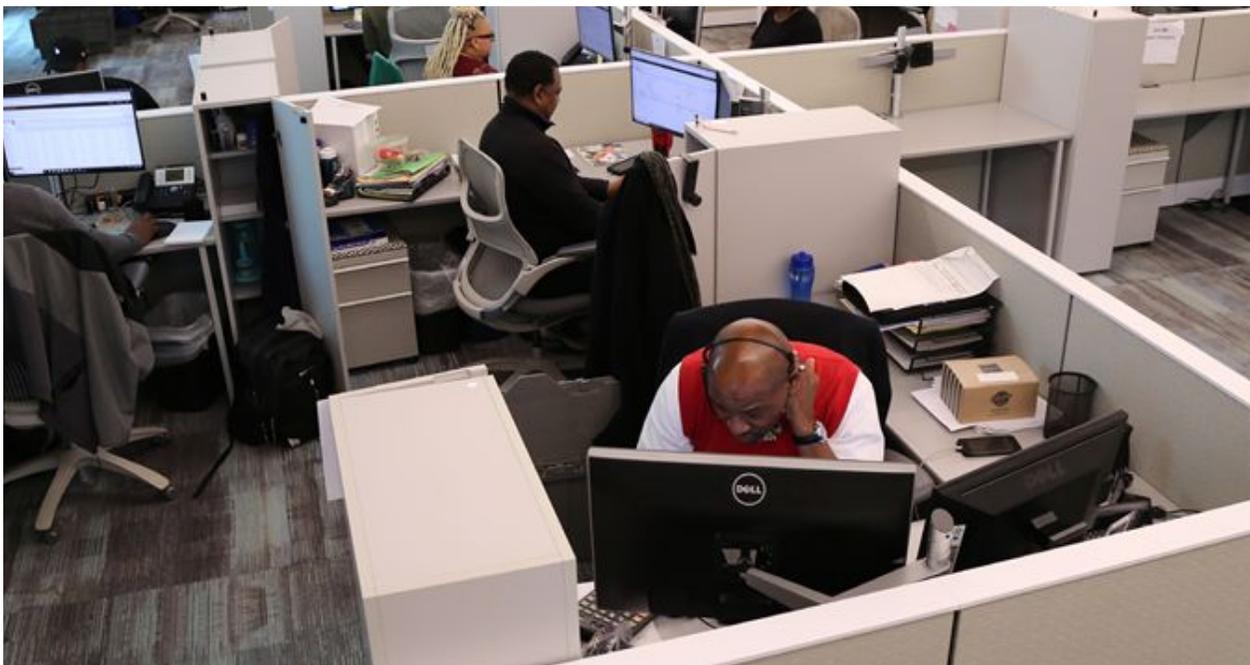
Program	FY2021 Enrolled	FY2021 Dollars	Mar # Enrolled	Mar Dollars	# FY22 Enrolled	FY2022 Dollars	FY2022 Budget
CAP I	4,453	\$2,378,326	172	\$401,176	6,165	\$2,254,560	\$2,737,865
CAP II	538	\$245,637	10	\$27,318	585	\$163,168	\$296,536
CAP III	191	\$36,059	6	\$3,126	198	\$19,282	\$100,000
Non-Profit CRIAC Relief	189	\$955,707	8	\$88,545	107	\$321,047	\$1,260,000
Emergency Relief Program	1,820	\$1,071,464	0	\$0	28	\$27,493	\$-
DC Water Cares Residential	2,842	\$1,892,843	73	\$51,778	179	\$128,944	\$3,000,000
DC Water Cares Multifamily (number of units)	5,978	\$2,507,484	454	\$204,657	3,626	\$1,599,962	\$6,223,837
STAY DC	304	\$352,419	37	\$46,247	1,099	\$1,105,081	N/A
Low Income Household Water Assistance Program	N/A	N/A	761	\$515,702	1,954	\$1,171,013	\$2,000,000

dc Customer Experience

Customer Care team is meeting most of department metrics and working to incorporate Blueprint 2.0 focus into individual actions creating a greater opportunity of future achievement. The increase in High Bill Complaints is a direct correlation to the increase in Talk Time. High Bill Complaints is an interaction record, or a comment category related to the system notes. Many of these calls begin as a complaint about high bills or usage, but end in customers gaining greater clarity about their household usage and how it contributes to higher bills. Additionally, the talk time increase is greater than anticipated for March. We continue to identify triggers that cause longer calls. For March, as we monitored calls, we noticed more non-residential customers asking for bill details in preparation for their taxes. These types of seasonal requests have direct impact on talk time.

Key Performance Indicators

Metric	Target/ Service Level	Jan 22	Feb 22	Mar 22
% of Bills issued on time (w/in 5 days)	95%	98.0%	98.0%	98.0%
Estimated bills as a percent of meters read	4%	4.8%	4.0%	4.0%
Number of High Bill Complaints	trend only	124	128	176
% of OPC inquiries resolved within 14 days	90%	100%	100%	100%
% of calls answered in 40 seconds (Call Center)	85%	95%	95%	96%
Monthly Call Volume Served	trend only	7,248	6,304	7,022
Average Talk Time (minutes)	5:30	5:48	6:00	6:12
Average Wait Time (minutes)	1:30	0:32	0:13	0:11
Abandoned Calls (%)	6%	1%	1%	2%





VertexOne Upgrade (Customer information System) - upgraded S4 HANA 1809 version to S4 HANA 2020 the most current version of the system. Additional changes to the user interface to improve access to information and resolve some existing bugs were also implemented as part of the upgrade. This project also include a technical upgrade to the Interactive Voice Response (IVR) system for inbound calls.

Lead Service data management – implemented a new database for Water Quality to collect, store, and validate lead information. Added dynamic search capabilities for service line information to the website at dcwater.com/service-line-materials-dashboard

Premise Address	POServiceMaterial Type	POServiceInspectionDate	PrivateServiceMaterial	PrivateServiceInspectionDate	PrivateServiceReplacementDate	PublicServiceMaterial	PublicServiceInspectionDate
000W ST BET 5TH & 6TH ST NW			Non-lead			Non-lead	
000W ST BET 5TH & 6TH ST NW			No information			Non-lead	
03RD MASS AVE 3RD & D STS NE			Non-lead			Non-lead	
03RD MASS AVE 3RD & D STS NE			No information			No information	
04TH ST & E ST SE			No information			No information	
04TH ST & E ST SE			No information			No information	
08TH & 10TH ST & D ST SW			No information			No information	
08TH & 10TH ST & D ST SW			Non-lead			Non-lead	
11TH & HARVARD ST NW			No information			No information	
11TH & HARVARD ST NW			No information			No information	
12TH & PENNSYLVANIA AVE NW			No information			No information	
12TH & SOUTH DAVIDA AVE NE			No information			No information	
12TH & SOUTH DAVIDA AVE NE			No information			No information	
12TH ST SW			No information			No information	
12TH & PENNSYLVANIA AVE NW			No information			No information	
12TH & SOUTH DAVIDA AVE NE			No information			No information	
12TH ST SW			No information			No information	
13TH & O ST SE			No information			Copper	
14TH & MONTAGUE STS NW			No information			No information	
18TH & IRVING ST NW			No information			No information	
18TH & EASTERN AV NW			No information			No information	
18TH ST & COLORADO AVE NW			Non-lead			Non-lead	
17TH & LAMORIT STS NW			No information			No information	
19TH & INDEPENDENCE AV SE			No information			No information	
1ST & L ST NW			No information			No information	
2ND & BRYANT ST NW			Non-lead			Non-lead	
2ND & CHESAPEAKE ST SW			No information			No information	
2ND & HAMILTON ST NW			No information			No information	

No new projects were launched in March

Work with the Water Industry Cyber Security Taskforce for improving water/wastewater cyber preparedness continued; the taskforce meet three (3) times during March. The Federal Government continues to remind all critical infrastructure companies across all utilities to remain vigilant during these times of geo-political unrest. We continue to monitor our environment and as of this report have not seen any increase in probing activities.

IT Monthly Report

SR/WO Type	SL Target / SLA	Jan 22	Feb 22	Mar 22
Number of tickets submitted	Trend only	856	802	1317
Number of open tickets	Trend only	87	27	36
Helpdesk SLA	96%	100%	97%	97%
Number of active projects	Trend only	20	25	23
Number of completed projects	Trend only	1	0	2
On schedule performance	90%	91%	88%	86%
On budget performance	90%	87%	81%	86%



Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Featured Projects of the Month – Wastewater Engineering

Blue Plains Naval Research Laboratory (NRL) Feeder Ties

(Transfer Trip and Stuck Breaker Protection at Main Sub)

Pepco is installing 69kV connections between the existing two feeders supplying the Blue Plains AWTP and the existing two feeders supplying PEPCO's Substation at the adjacent NRL. This would create redundancy for Pepco feeders to both Blue Plains and NRL. DC Water completed installation and testing of signal wiring to facilitate the new NRL feeders to Blue Plains, Pepco's final cabling and commission testing is being scheduled now.

Inflatable Dams Improvements

As part of DC Water's contribution to improved river water quality, there are dams in the combined sewer outfall structures that inflate to prevent sewage from discharging into the river. A construction task was issued under the Miscellaneous Facilities Upgrade 7 contract to improve some of these dams.

Blue Plains Floodwall

Planning is underway for the final segments of the floodwall that will mitigate impacts of a 500-year flood event on Blue Plains. DC Water received a \$215,000 grant from FEMA to contribute to the planning phase of the project. DC Water submitted an application for a FEMA BRIC grant for the next phase of the project, which will be a design-build contract.

Key Performance Indicators

Metric	Target/Service Level	Dec-21	Jan-21	Feb-22	Mar-22
Wastewater Operations					
NPDES Permit Compliance	100%	100%	100%	100%	100%
Air Permit Compliance	100%	100%	100%	100%	100%
Biosolids Class A	100%	100%	100%	100%	100%
Tunnel Dewatering	100%	100%	100%	100%	100%
Combined Heat and Power	>20%	27	26%	25%	29%
Reactive Maintenance	<20%	37%	35%	32%	27%
Critical Asset Availability	>95%	98%	97%	96%	97%
Sewer Operations					
CSS Structures Inspection	100%	100%	100%	100%	100%
MS4 Area Catch basins Cleaning/Inspections	100%	91%	72%	67%	91%
CSS Area Catch basins to Anacostia – Cleaning/Inspections	100%	100%	2%	30	94%
Non-Anacostia CSS Area Catch Basins – Cleaning/Inspections	85%	98%	100%	100%	100%
Sewer Cleaning and Inspection (Miles)	>12	2.22	1.75	4.31	2.43
Sewer Backup (Investigation to Resolution)	>95%	100%	100%	95%	100%
Sanitary Sewer Overflow	1.4 per 100 Miles	0.31	.62	.93	.93
Combined Sewer Overflow	0	0	1	1	0

Key Performance Indicators continued

Metric	Target/Service Level	Dec-21	Jan-21	Feb-22	Mar-22
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	34%	43%	44%	17%
Critical Asset Availability	95%	98%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Replace Non-Standard Hydrants	>21/Month	23	5	5	10
Hydrant Flow Tests (Non-Winter Months)	>180	16	55	280	31
Fire Hydrants Operational	99%	99.57%	99.63	99.60%	99.76%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	83%	80%	75%	85%
Water Main Breaks	<28/Month	55	151	34	25
Water Main Break Rate /100 Miles (National Average is 25)	25	33.78	39	35.47	35.47
% of Hydrant Leaks in Inventory that are not leaking	>90%	99%	99	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	94%	91%	91%	90%



Explanation of Missed Targets

MS4 Area Catch Basin Cleaning/Inspection (100%)

The Department has an annual goal of 100% and expects to achieve this goal by year end. Our permit compliance period for the MS4 July 1, 2021 – June 30, 2022. The targets for catch basin cleaning are calibrated according permit compliance period and expected weather related obstacles.

CSS Area Catch basins to Anacostia (100%) and Non-Anacostia CSS Area Catch Basins (85%)

We have a goal for 1st time inspections of the CSS Anacostia between January 1, 2021 -June 30, 2022. Our permit compliance period for cleaning the Non-Anacostia CSS is January 1, 2022 - December 31, 2022. The targets for catch basin cleaning are calibrated according permit compliance period and expected weather related obstacles.

Sewer Cleaning & Inspection (>12 Miles)

This KPI is a measure of progress toward meeting an internally set goal of cleaning and inspecting 12 miles of our small diameter sewers per month. This is based on completing the cleaning and inspection of 1,400 miles of small diameter (< 24 in) sewer in a 10-year cycle. Due to our existing internal crews prioritizing response to service requests and permit required inspections, progress toward our overall goal is impacted. The Department is assessing the internal and external resources required to achieve the established target in the coming year.

Hydrant Flow Tests (Non-Winter Months) (>180)

The Department did not meet the monthly target due to limited staff availability and the need for additional resources. The Department anticipates an increase in performance as adequate levels of staffing are maintained.

Water Quality Complaint Resolution (within 48 Hours)

Although we addressed all customer complaints by phone and email, by flushing hydrants within the same day, we were unable to fully resolve 51% of the customer complaints since there were hydrants that needed to be rechecked and were still pending due to illness, scheduled leave and resource needs (staff). The Department is actively recruiting for several water quality positions and is looking forward to demonstrating improvement within the next year.

Wastewater Operations Reactive Maintenance (<20%)

DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as percent of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. We observe a descending trend of percent of total reactive maintenance hours, measured as annual average during fiscal years 2019, 2020, and 2021 to date*, of 40%, 37% and 31% respectively, for assets at the Blue Plains Advanced Wastewater Treatment Plant. The reduction realized is attributed to enhanced proactive and predictive maintenance programs, training of staff on precision maintenance and reliability centered maintenance, optimization of existing preventive maintenance plans, and improvements in processes and equipment through the Capital Improvement Program. The goal is to remain on the reduction pathway towards a benchmark that is applicable for Blue Plains.



DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers

Fleet Facilities

As of March 15, 2022, the substantial completion date for the new Fleet Facility is April 22, 2022. This date is based on the resolution of all delays created earlier in the project due to permit impacts and inefficiency related to the debris filled earth material.

Sewer Services Building

As of March 15, 2022, the building contractor has reached substantial completion and is working on punch list items. Facility training has started, and DC Water is working with the contractor for a date to start relocating vehicles.

O Street

Initial work related to reconstruction of O Street to facilitate developer activities have started. These are activities must be completed prior to construction start and are primarily related to alternate access points and environmental cleanup from legacy DPW issues. The project is anticipated to be complete by October 2022.



- In March the LFDC team received the highest single monthly return of private-side agreements for the CIPERR by-block projects. Based on the cumulative agreements to date and planned outreach activities, WPM estimates that over 70% of agreements will be signed and returned by project closeout. This is a significant increase in homeowner participation compared with the early months of the program.
- The LFDC team have achieved DDOT's Asset Management group have agreed to pay for all final restoration and repaving costs associated with poor condition roads that overlap with DC Water's proposed block-by-block projects next fiscal year.

Fiscal Year	LPRAP (Assistance Program)	Voluntary Full	CIP Full	CIP Partials	Emergency Full	Emergency Partials	Total LSRs	FY22 Goal	Total Partials	Partials %	Goal %
FY2022	123	167	232	10	54	3	589	2393	13	2.20%	2.10%

DC Clean Rivers

Rock Creek Green Infrastructure

DC Water will be installing Green Infrastructure facilities that include bioretention and permeable alleys in the CSO 049 Rock Creek sewershed to manage the equivalent of 22 impervious acres. Construction started on March 14th on two alley permeable pavement facilities in Columbia Heights and one planter bioretention facility in Tacoma.

Potomac River Tunnel - Contract A, Advanced utility Construction:

DC Water is installing necessary infrastructure under the Potomac River Tunnel - Contract A, Advanced Utility Construction and includes construction of a high voltage electrical duct bank along Independence Ave as well as low voltage power electrical duct banks at five (5) satellite sites. This work needs to be performed in preparation for the future Potomac River Tunnel - Contract B, Tunnel System Construction. High voltage electrical duct bank work currently progressing on Independence Avenue west of 14th Street. Also continuing to install low voltage duct bank at the CSO 028 and CSO 020 sites. Coordination with the community and third-parties continues.



High Risk Audit Findings

Open High Risk Prior Audit Findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
1	2016	7/28/2016	Training, Licensing, and Certification	Identification and monitoring of training requirements by position	9/30/2017	6/6/2022	5
			<p>Status notes: Three training buckets (safety, compliance, and technical) have been configured in Cornerstone learning management system (LMS) but will be transitioned into the new Oracle LMS module that went live in March. Technical training requirements have been identified by each department. Requirements are undergoing validation by HRBPs and all training content is being collected by People & Talent. Trainings will be assigned by role once content is uploaded to Oracle LMS.</p> <p>Reason for extension: Multiple changes in leadership within People & Talent, not prioritized under previous leadership, difficulty organizing technical trainings requiring cross-departmental support, delay in Oracle implementation go-live.</p>				

Legend	
	Past due
	Original target date has not yet come due





CEO Report Dashboard

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Interpretation of Charts A

Color Key

Red	Did not meet Target
Yellow	Missed Target but within acceptable range
Green	Met/Exceeded Target
Gray	Budget/Target Value
<transparent>	Green/Yellow/Red based on comparison

ORGANIZATIONAL PERFORMANCE DASHBOARD (Mar 2022)

Financial Highlights

Net Operating Cash (\$m)		Operating Revenue (\$m)		Operating Expenses (\$m)		Capital Disbursement (\$m)		Operating Cash Bal (\$m)	
Actual	148.93	Actual	431.10	Actual	288.90	Actual	166.70	Actual	243.20
Target	57.52	Target	414.50	Target	305.40	Target	288.60	Target	194.00

Core Invest Yield (%)		Short Term Invest Yield (%)		Delinquent Acct Receivables (%)		On-time Vendor Payments (%)	
Actual	0.82	Actual	0.09	Actual	4.53	Actual	94.00
Target	2.22	Target	0.52	Target	3.00	Target	97.00

Operations and Engineering Highlights

Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production (wet tons)	Total Nitrogen (lbs/yr mil)
		Actual 417	

Plant Effluent Flow (gal mil)	Excess Flow (gal mil)	Water Main Leaks	Water Valve Leaks
	0	25	2

Fire Hydrants Insp. And Maint.	Fire Hydrants out of Service	Fire Hydrants Replaced (YTD)
874	24	10

Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO	Permits Processed within SLA (%)	Electricity Usage (Kwh)
6	169	0	90	16169

Customer Experience Highlights

Call Center Performance	Command Center Performance	Emergency Response Time
Actual 96% 	Actual 83% 	Actual 100%  (% of calls Received)
Target 85%	Target 85%	Target 90%

Low Income Assistance Program Highlights

SPLASH Contributions (\$tho)	Customer Assist. Program (\$tho)
Actual 36.05	Current 401.18
Target 40.00	Previous 192.10

People and Talents Highlights

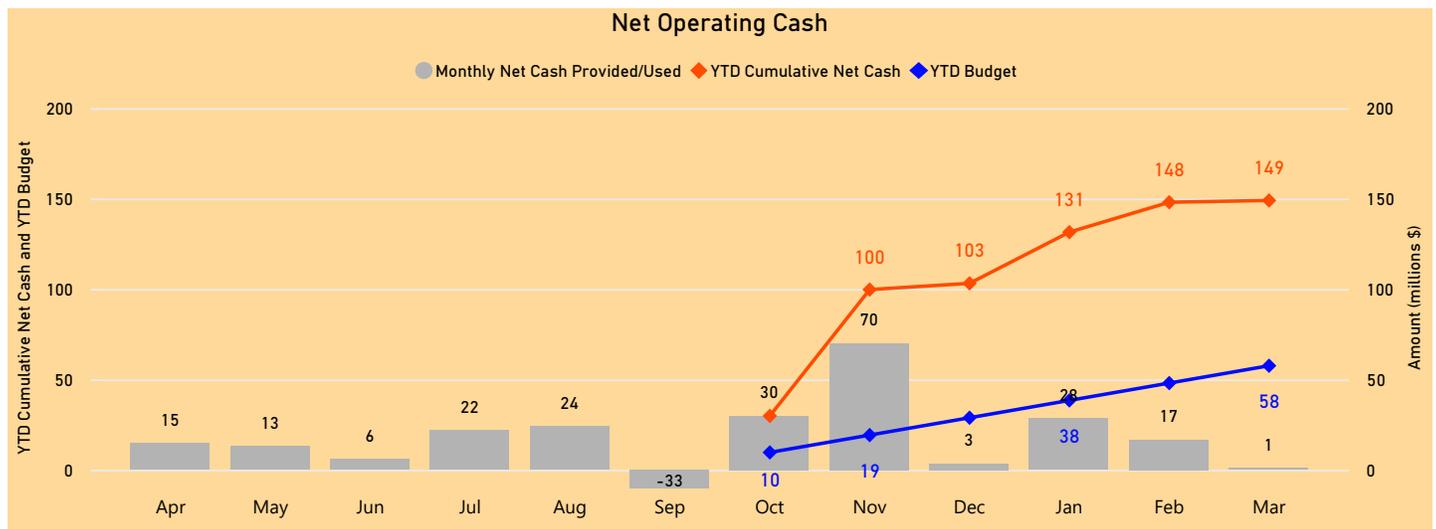
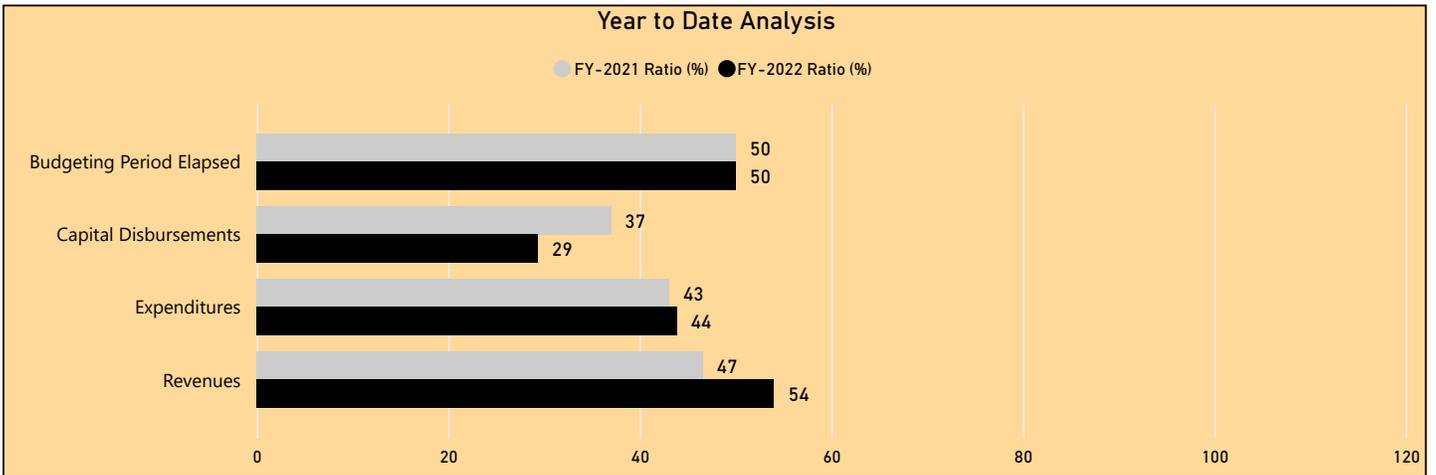
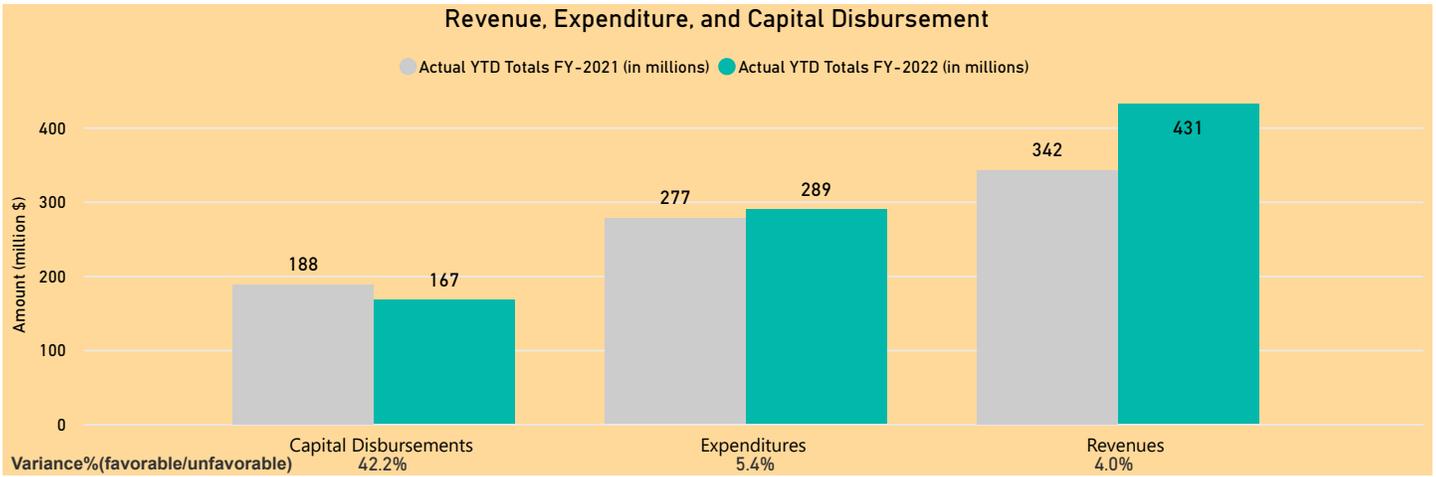
Recruitment Activity	
Filled	11
Open	73

Administration Highlights

Employee Lost Time Incidence Rate	
1.70%	

FINANCIAL HIGHLIGHTS

Financial Performance Summary

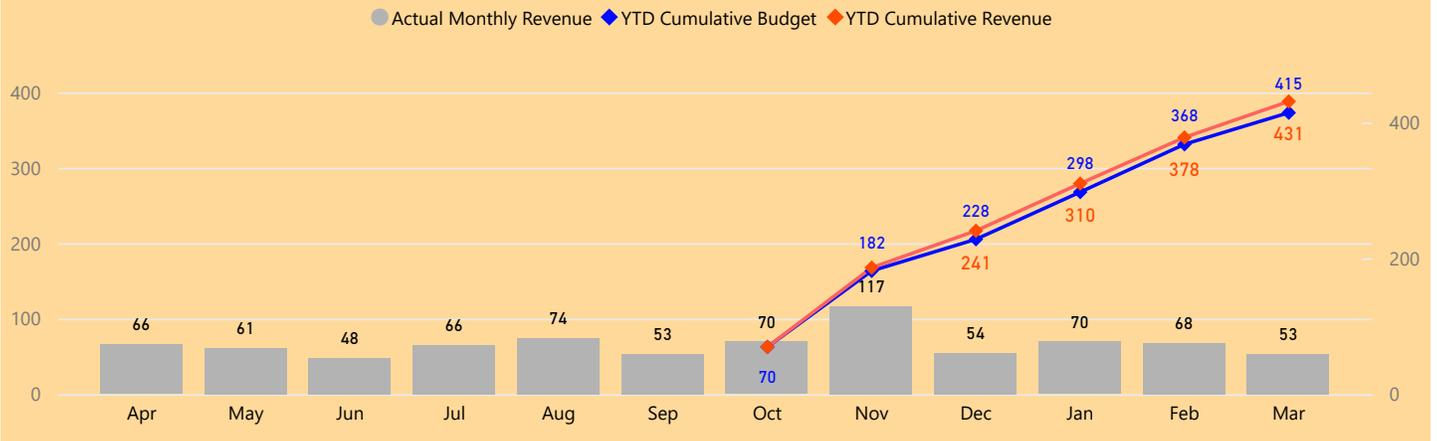


Net cash to date for March was above budget by \$91.40 Million

FINANCIAL HIGHLIGHTS

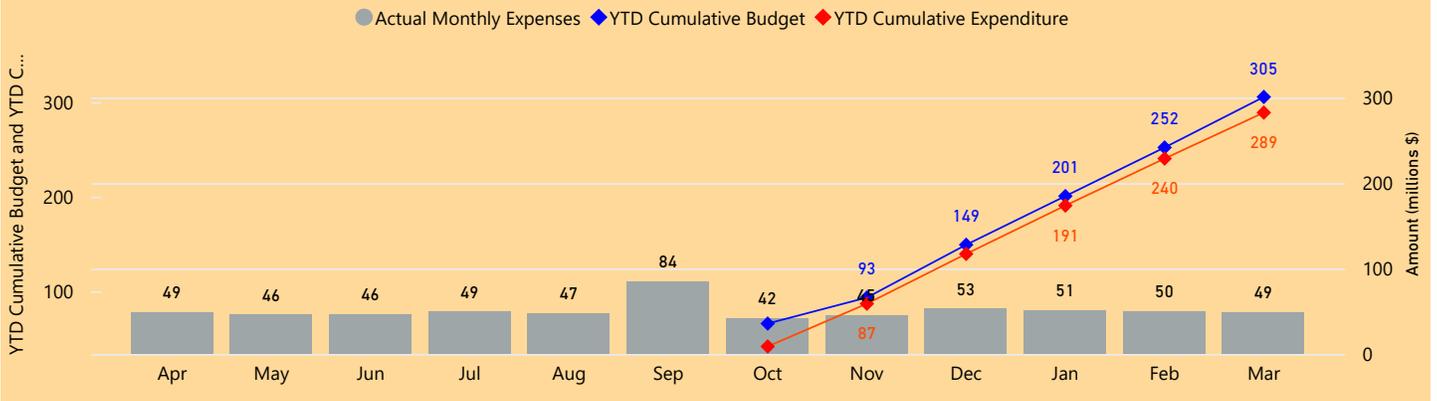
Revenues & Operating Expenses

Operating Revenues



Revenue to date for March was above budget by \$16.60 Million

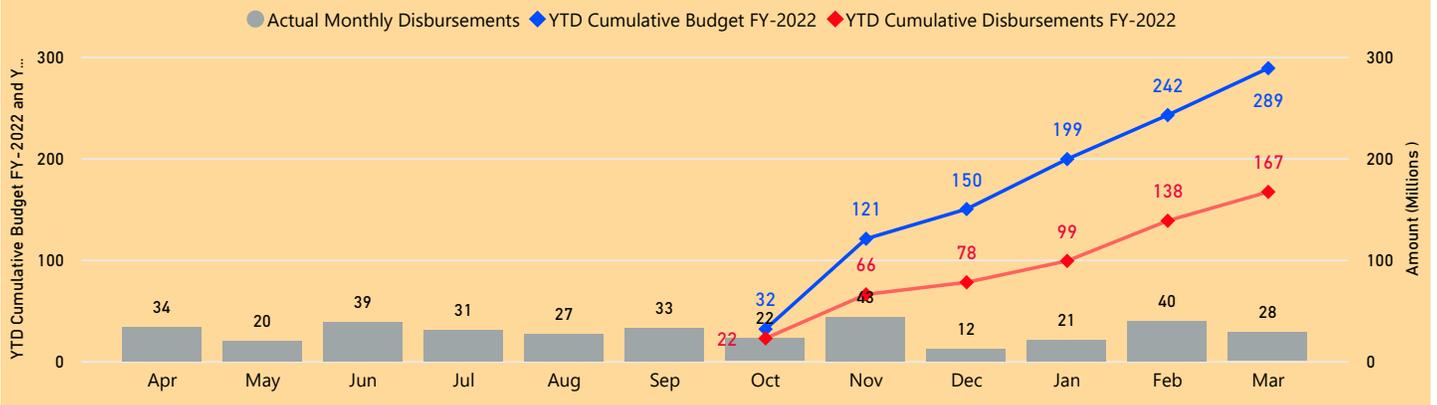
Operating Expenses



Expenditure to date for March was below budget by \$16.6 Million

Capital Spending

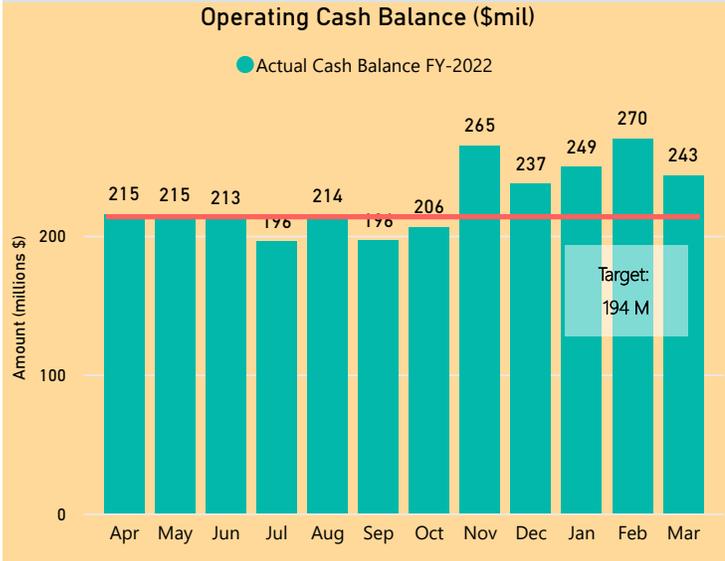
Capital Disbursement



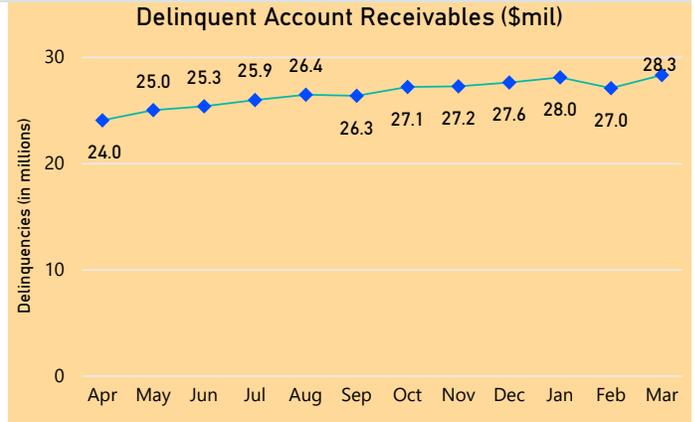
Disbursements to date for March was below budget by \$121.8 Million. YTD spending reflects comparison to the revised budget.

FINANCIAL HIGHLIGHTS

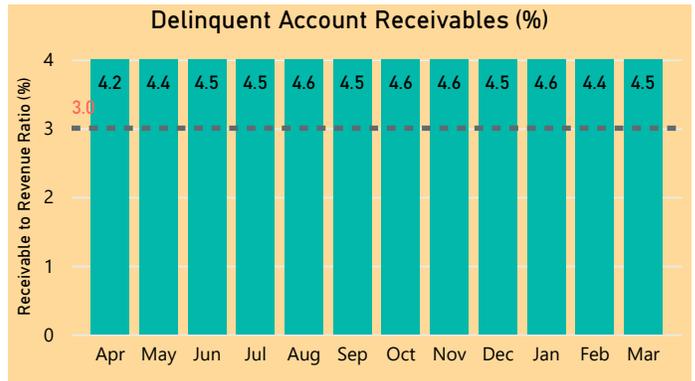
Operating Cash & Receivables



Cash Balance for March was above target by \$49.2 million

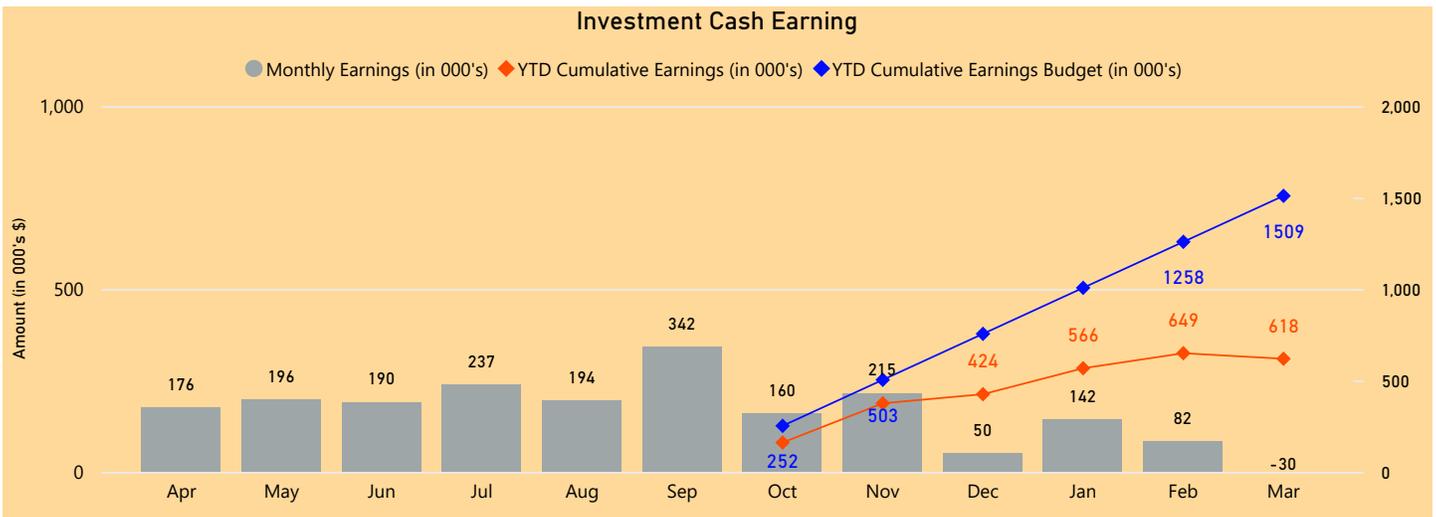


Starting March, the increase is primarily due to increased delinquencies and deferred payments resulting from the COVID-19 pandemic



March Receivables to Revenue Ratio is 4.53, Delinquency is \$28.26 million.

Investment Earnings

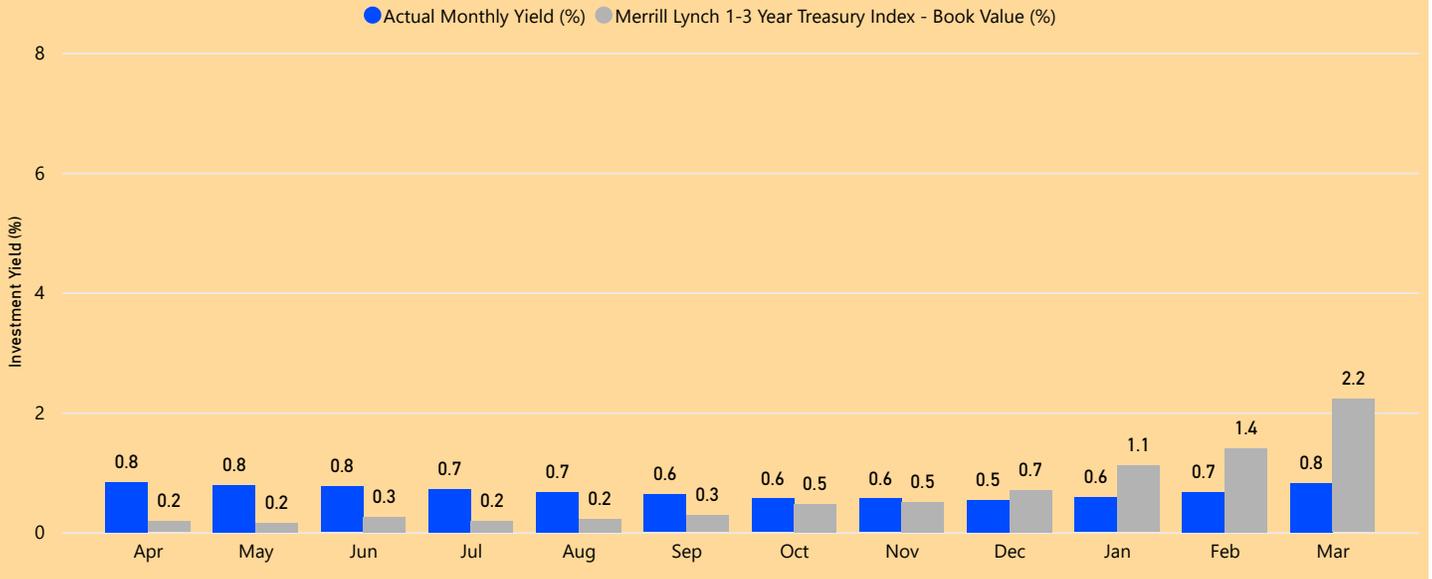


Earnings to date for March were below Projected Budget by \$891,058.

FINANCIAL HIGHLIGHTS

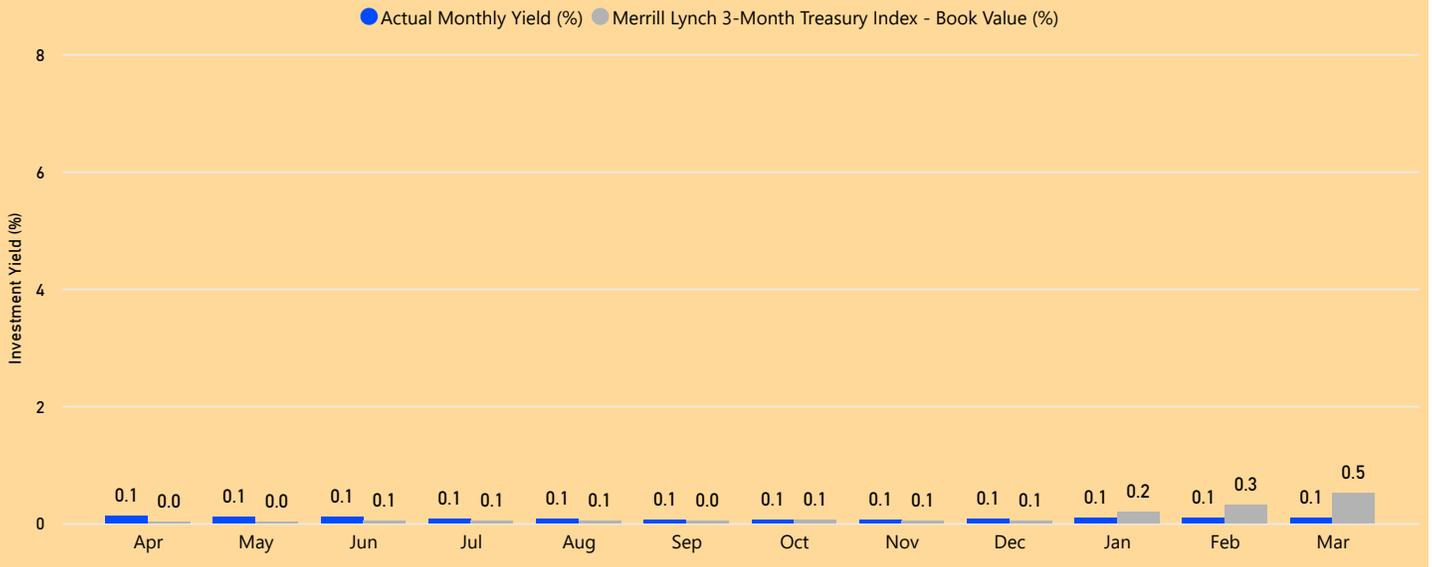
Investment Yields

Core Investment Yield



Yield for March was less than the treasury index by 1.40%

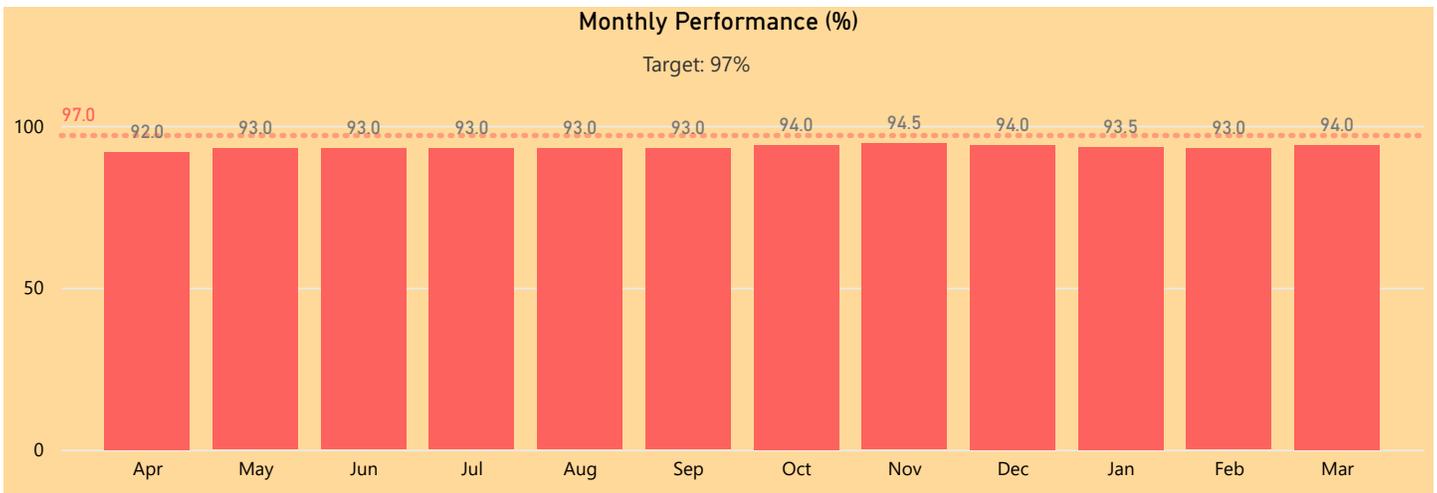
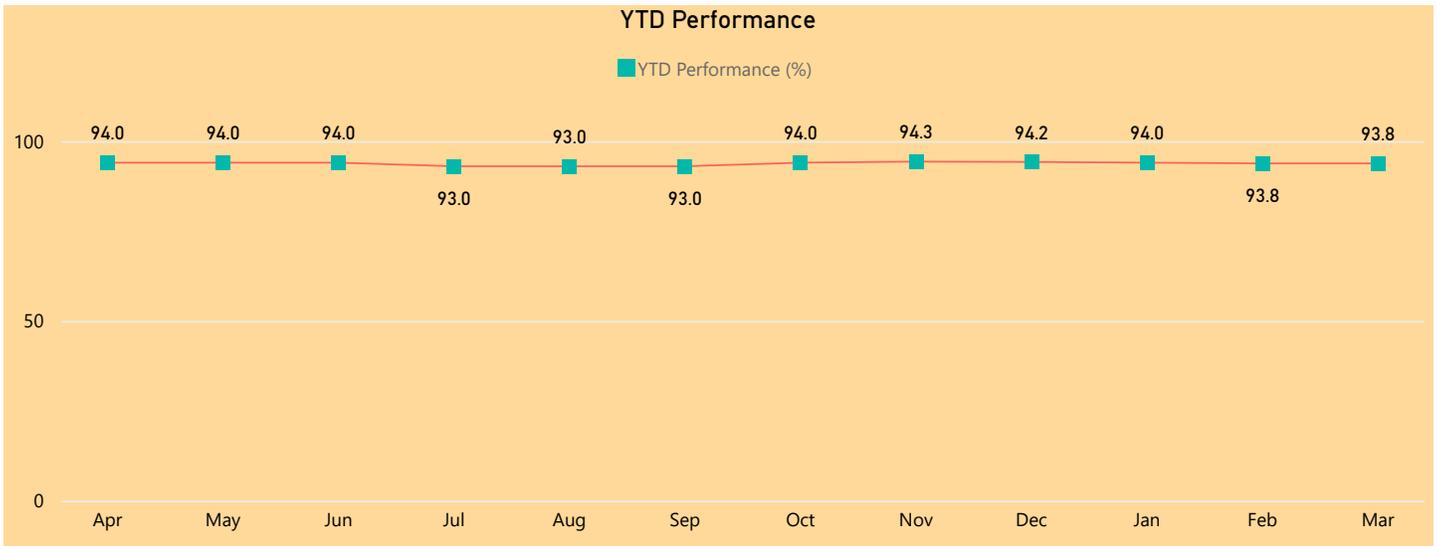
Short Term Investment Yield



Short Term Yield for March was less than the Merrill Lynch yield by 0.43%

FINANCIAL HIGHLIGHTS

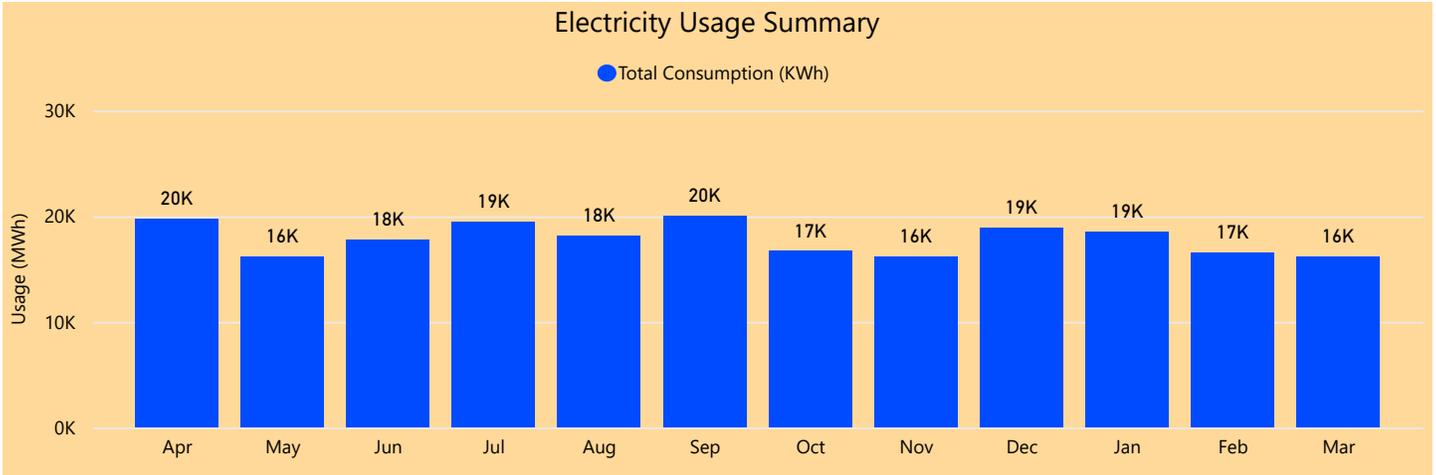
Vendor Payments



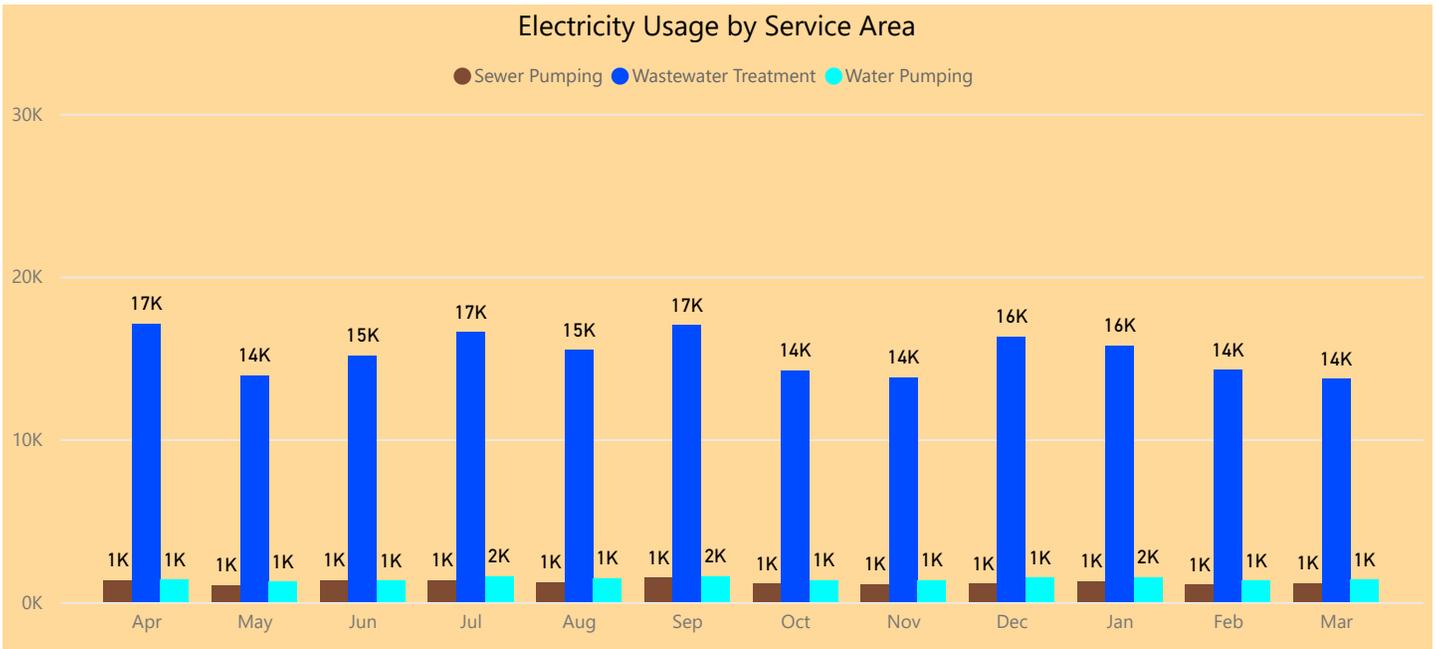
Performance for March was 3.0% below the monthly target of 97.0%

OPERATIONS AND ENGINEERING

Energy Consumption



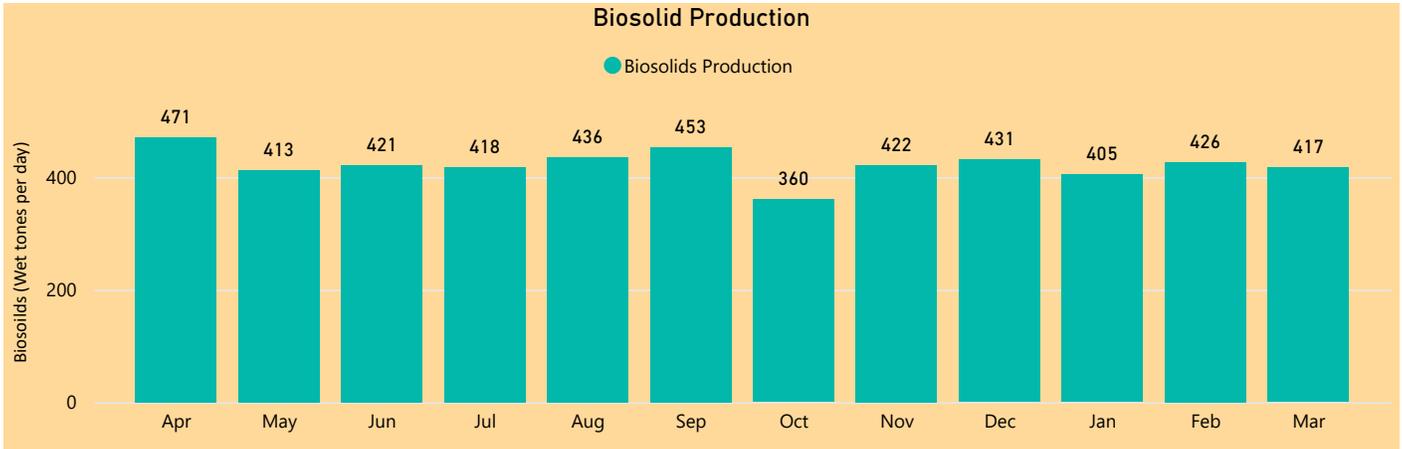
Electricity consumption in Mar 2022 was 16169 KWh.



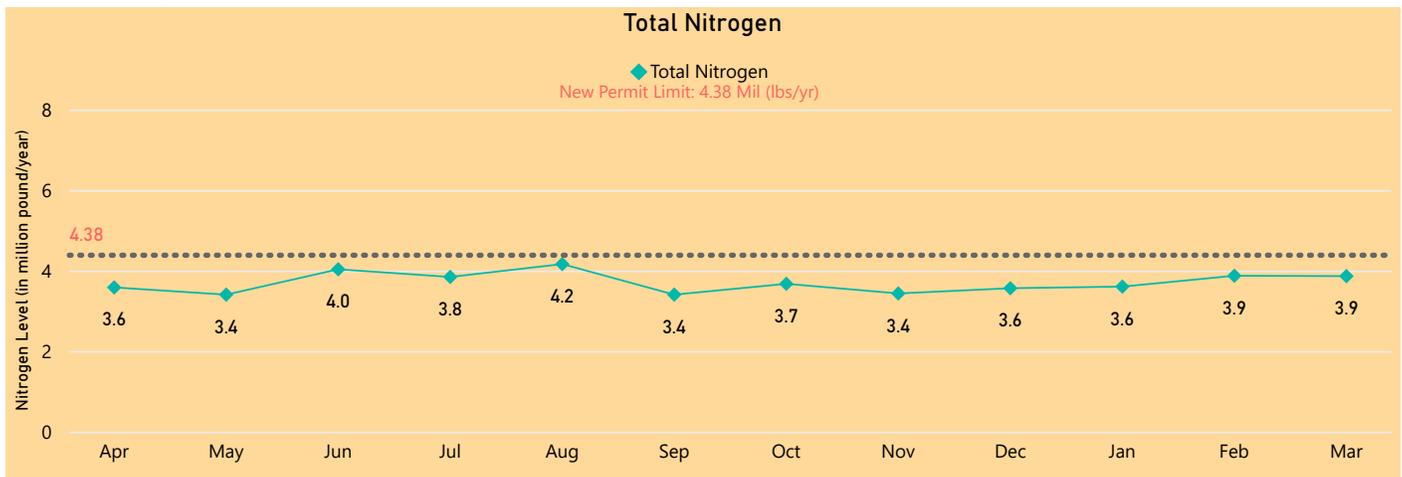
Wastewater treatment has the highest electricity consumption in Mar 2022 at 13684 KWh.

OPERATIONS AND ENGINEERING

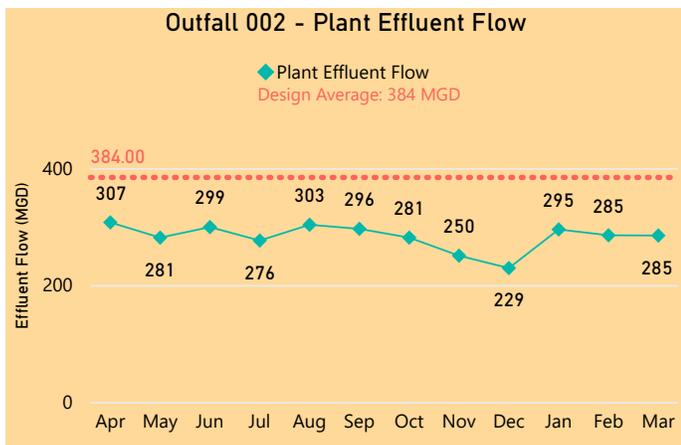
Wastewater Treatment



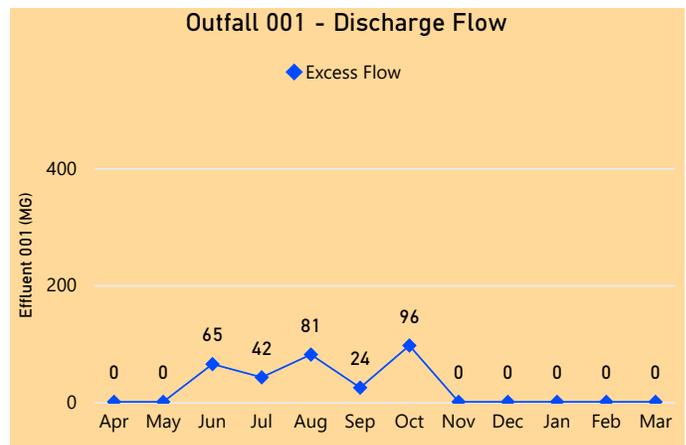
Biosolids daily production for Mar 2022 was 416.82 wet ton per day.



Nitrogen level for Mar 2022 was below permit by 0.52 million lbs/yr.



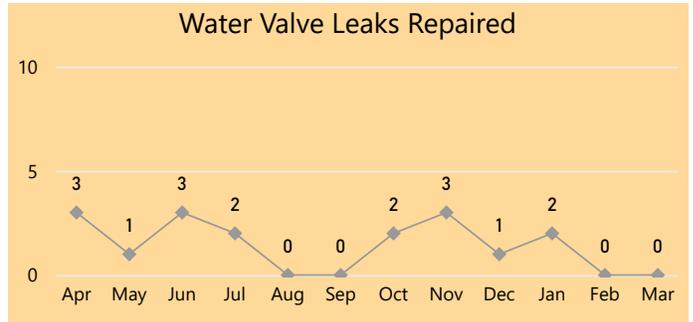
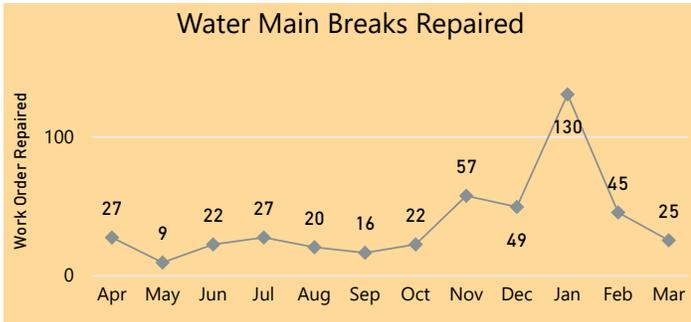
In Mar 2022 effluent flow was below permit by 99.4 MGD.



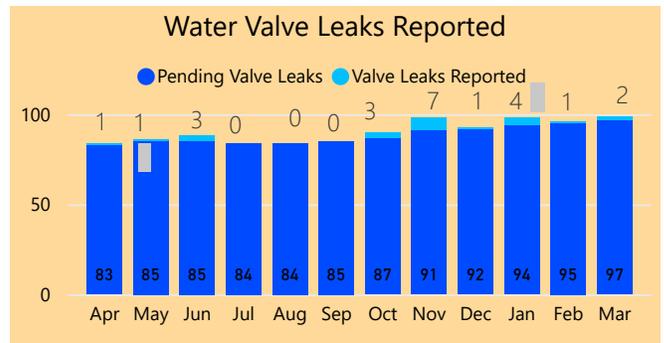
Excess flow events were recorded at 0 MG in Mar 2022.

OPERATIONS AND ENGINEERING

Water Distribution Operations



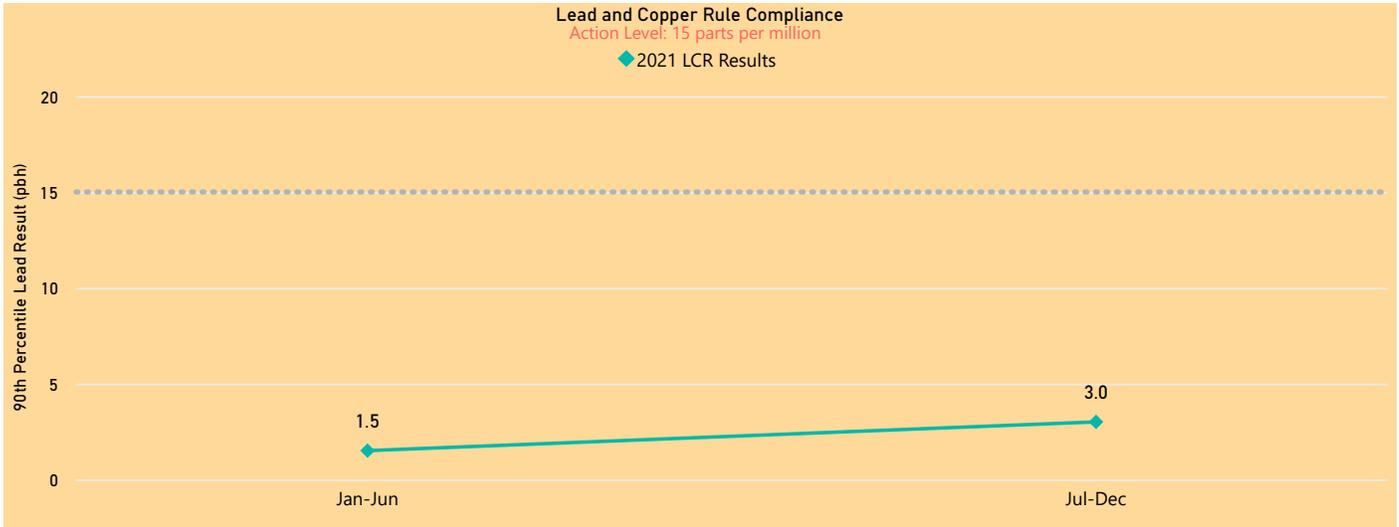
There were 25 Water Main Work Orders reported in March.



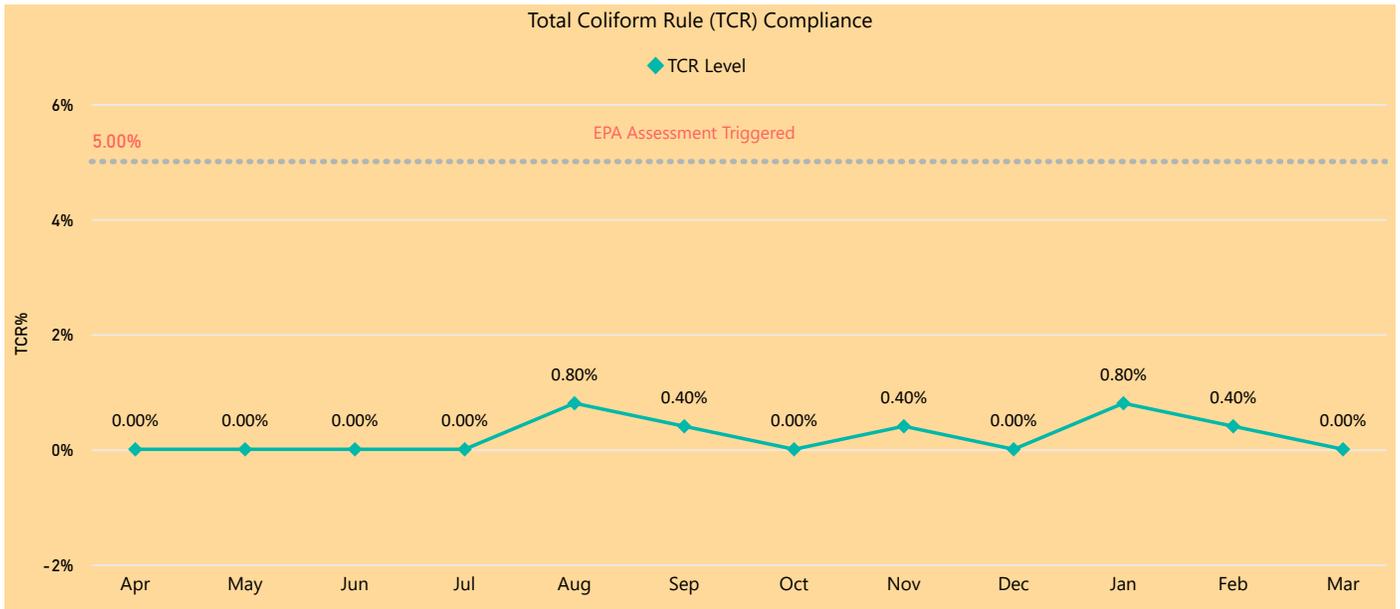
1 leak was reported in February.

OPERATIONS AND ENGINEERING

Drinking Water Quality



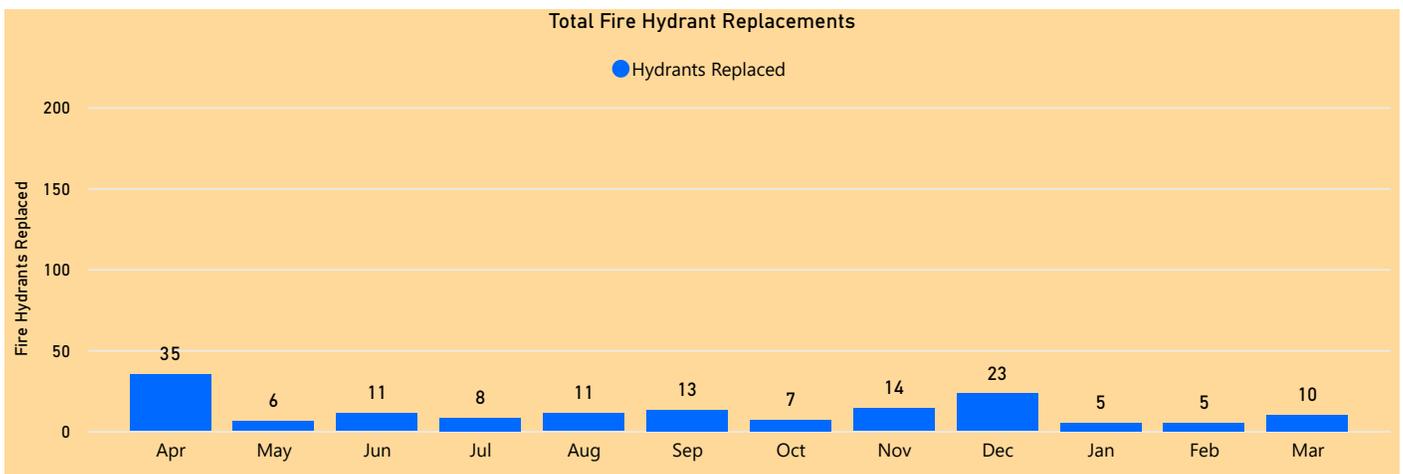
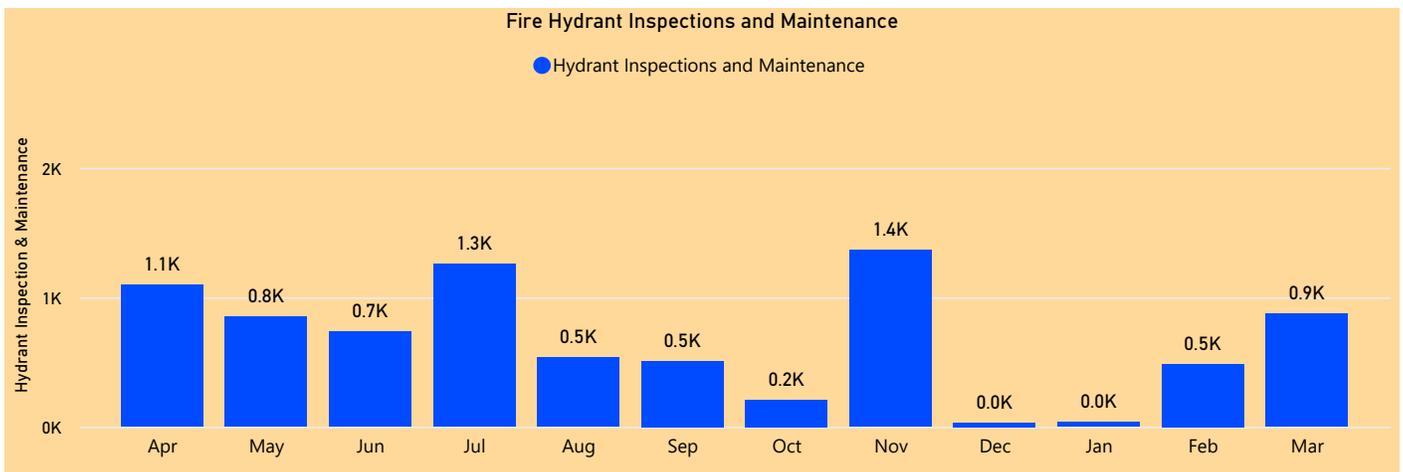
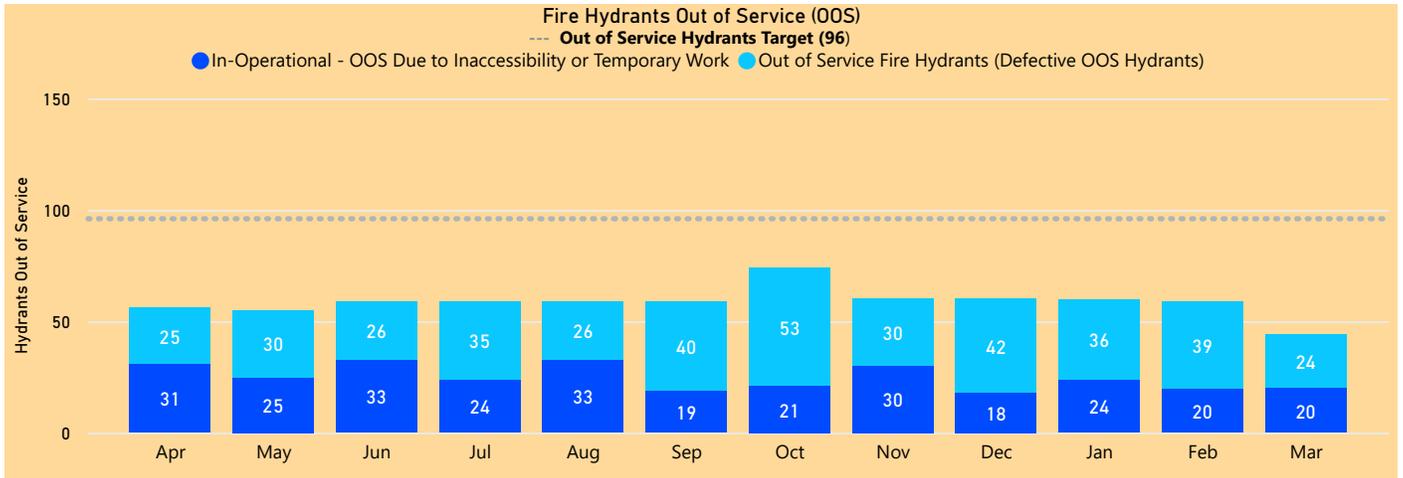
90th percentile of lead level for the 1st semester 2022 is 1.3 ppb



Coliform Positive was recorded at 0% for Mar 2022

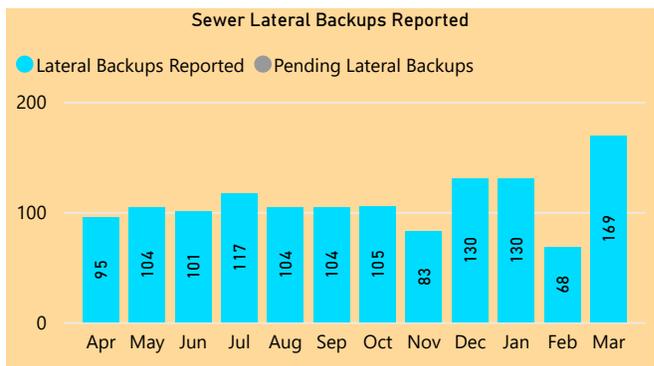
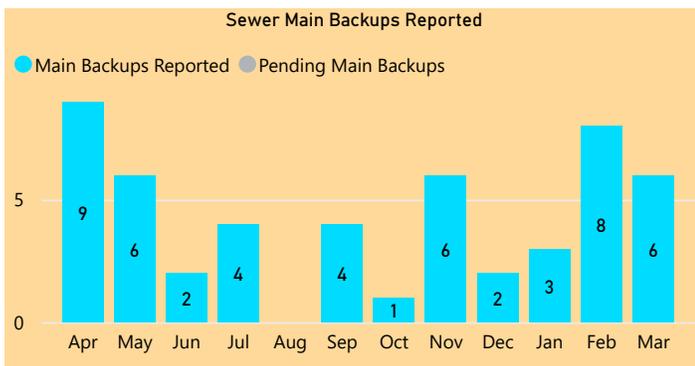
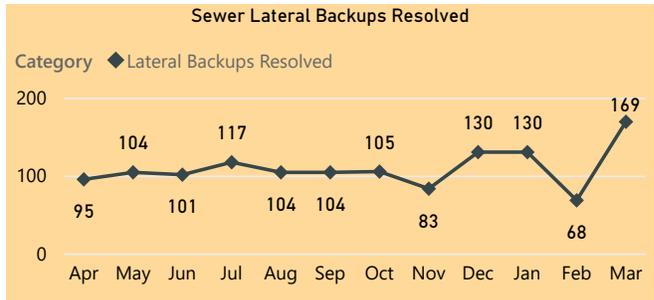
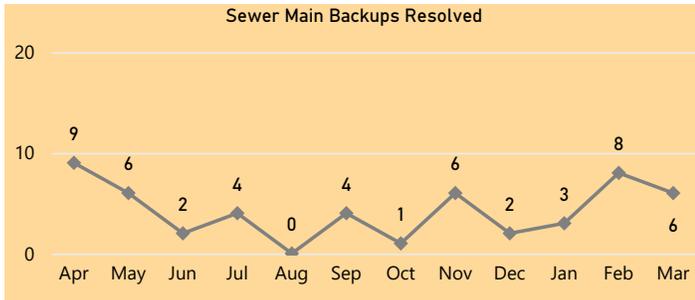
OPERATIONS AND ENGINEERING

Fire Hydrants



OPERATIONS AND ENGINEERING

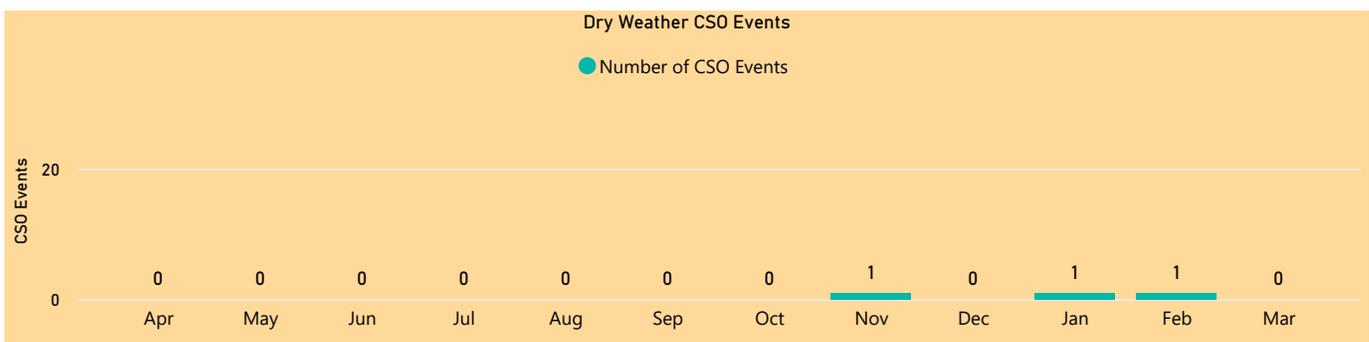
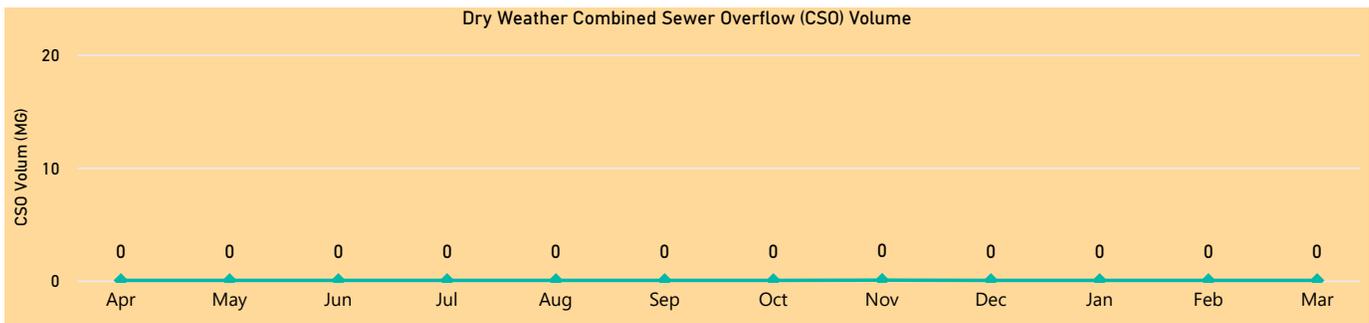
Sewer System Operations



0 pending main backup(s) reported

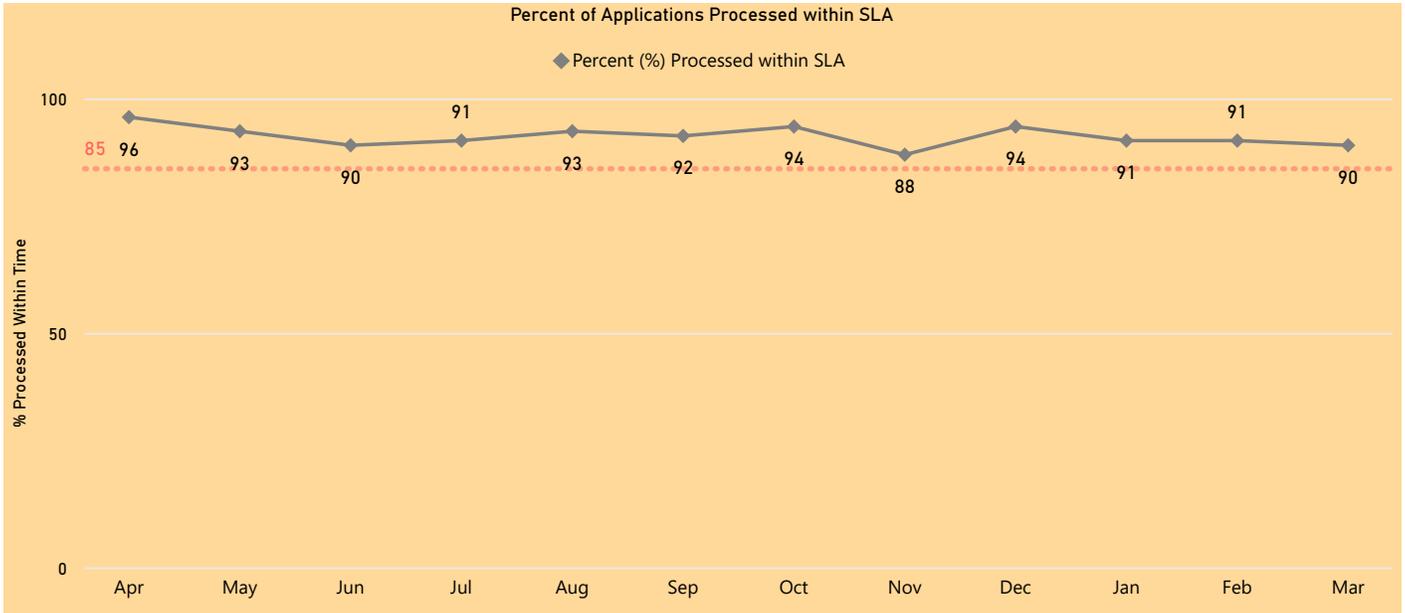
0 pending lateral backup(s) reported

Combined Sewer System

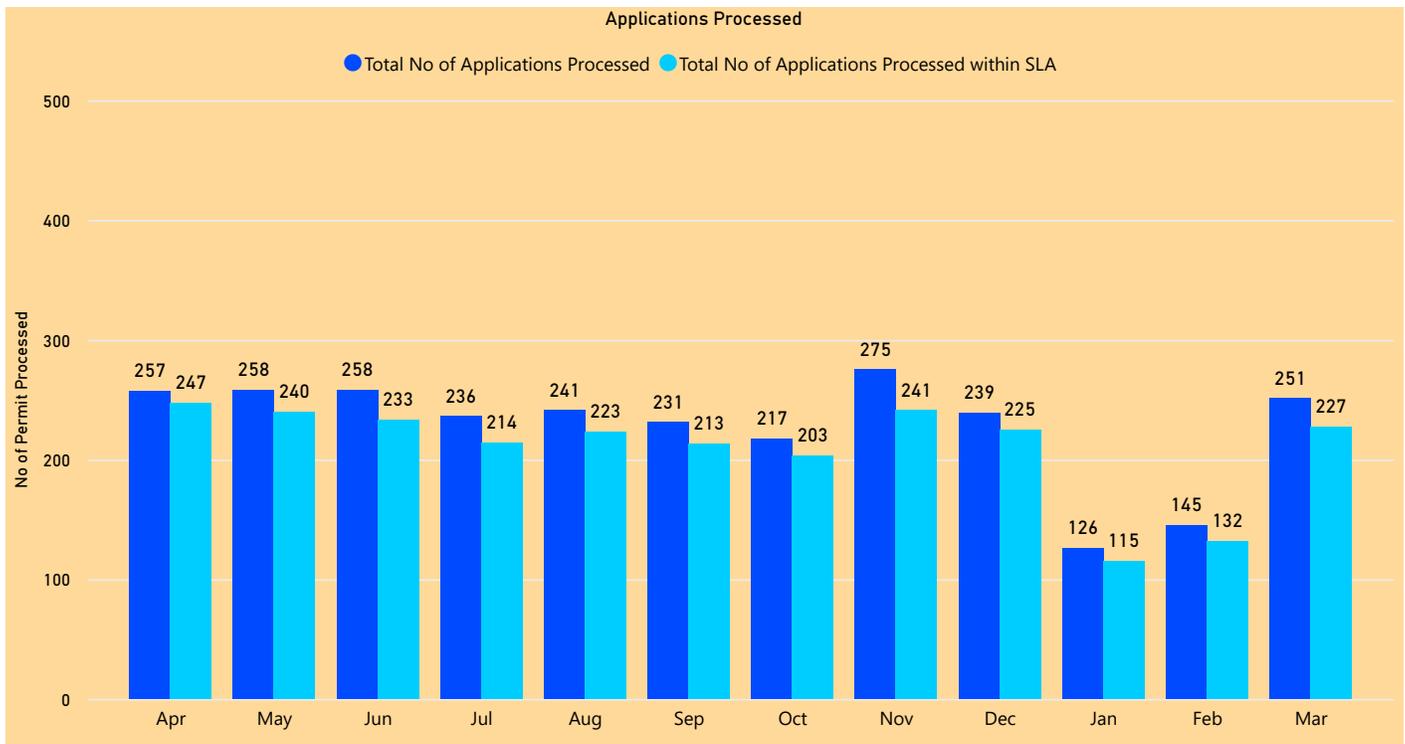


OPERATIONS AND ENGINEERING

Permit Processing

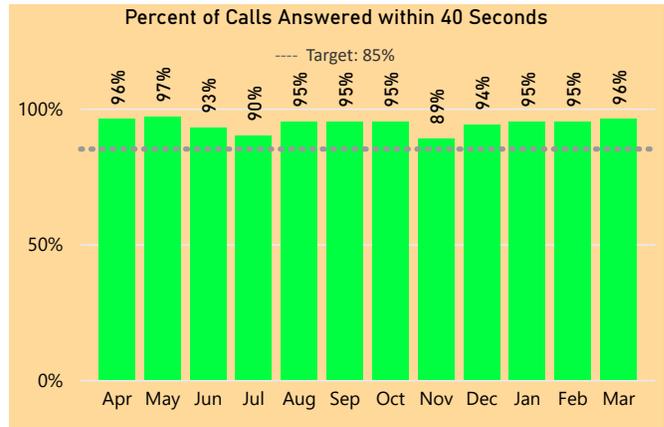
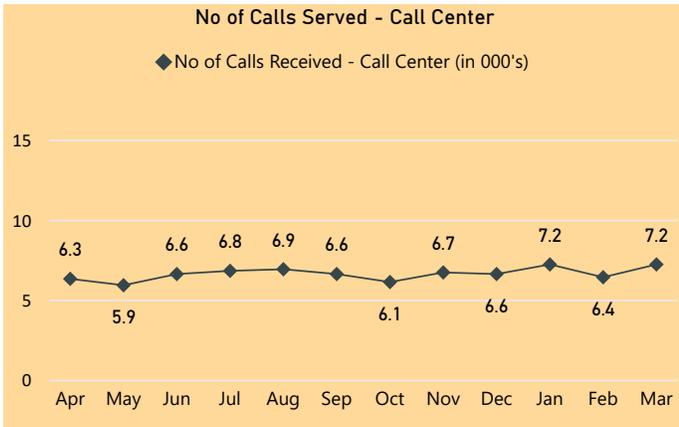


Permits processed in Mar 2022 were 5% above the SLA target 85%



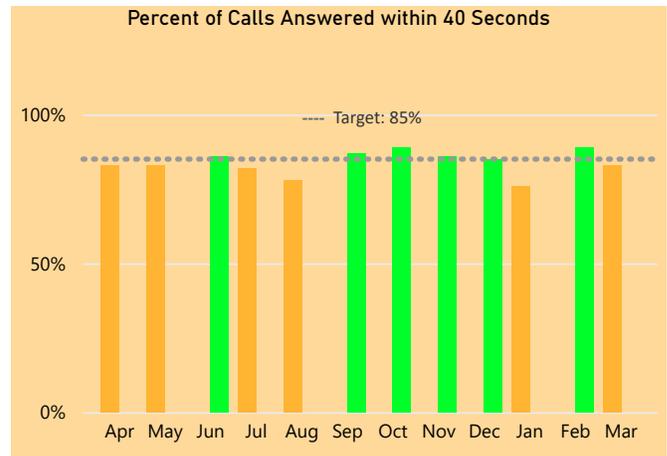
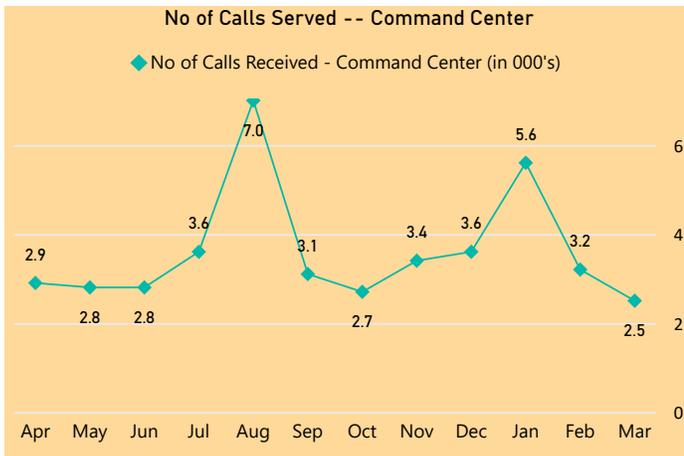
CUSTOMER EXPERIENCE

Customer Care - Call Center Performance



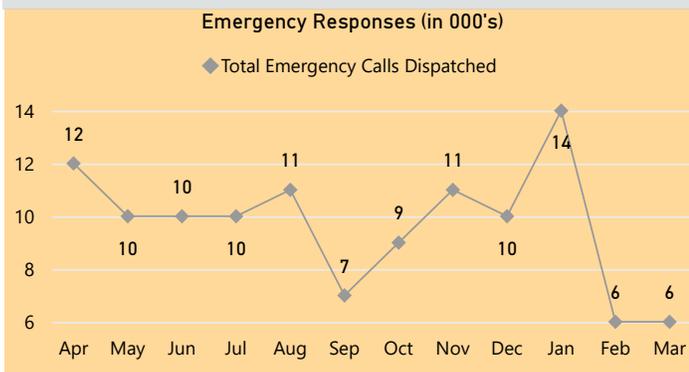
Call Center was above target by 11%.

Customer Care - Command Center Performance



Command Center was below target by 2%.

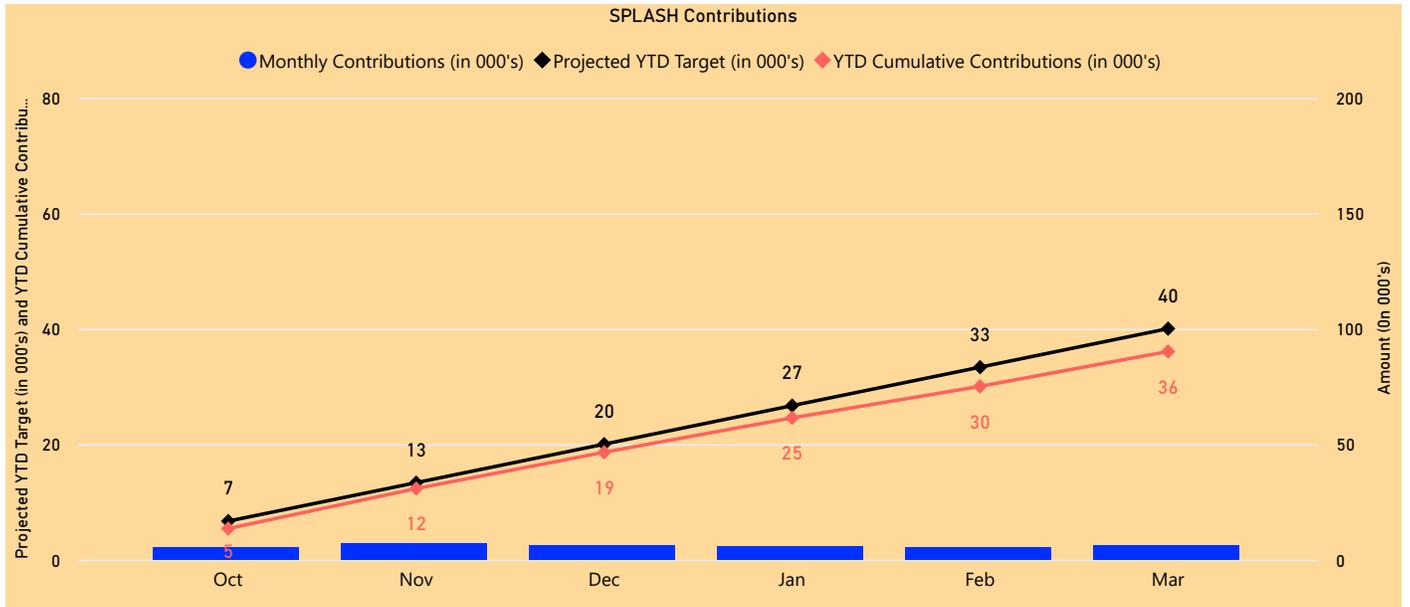
Customer Care - Emergency Response Time



Performance for Mar 2022 was above target by 10%.

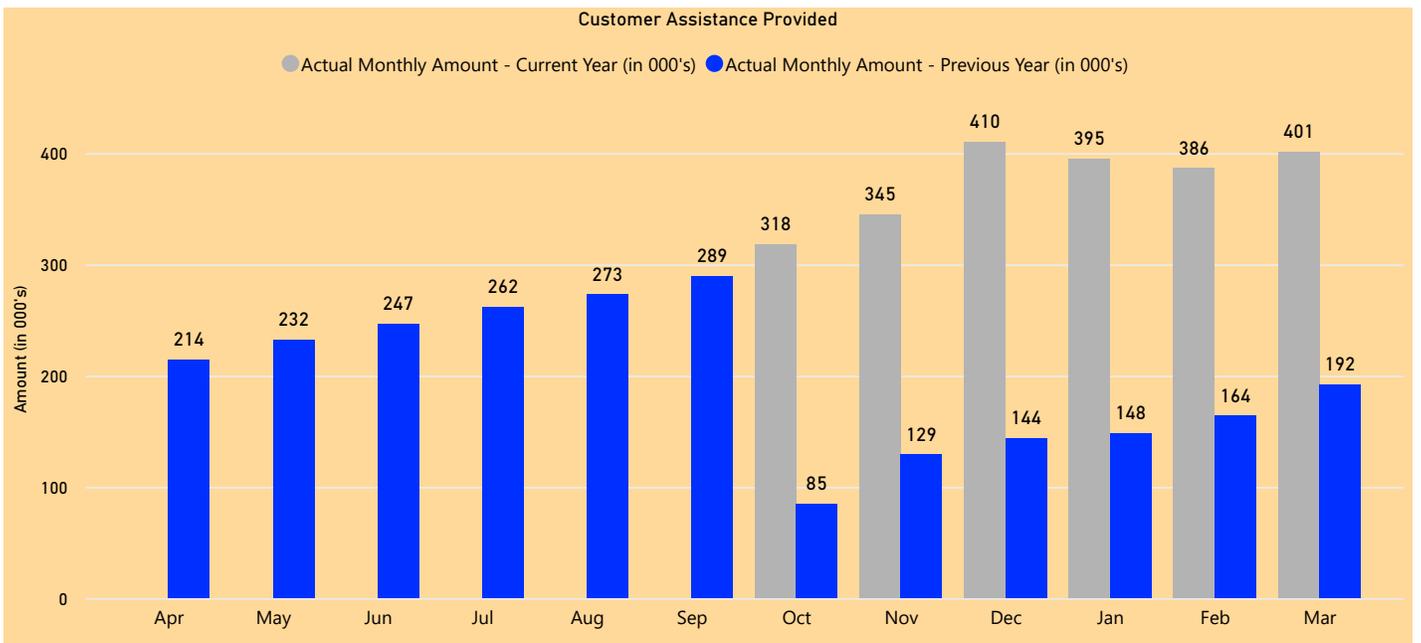
LOW INCOME ASSISTANCE PROGRAM

SPLASH Program



Total SPLASH contributions to date were below target by \$3.95k due to lower employee and customer contributions compared to last year.

Customer Assistance Program (CAP)

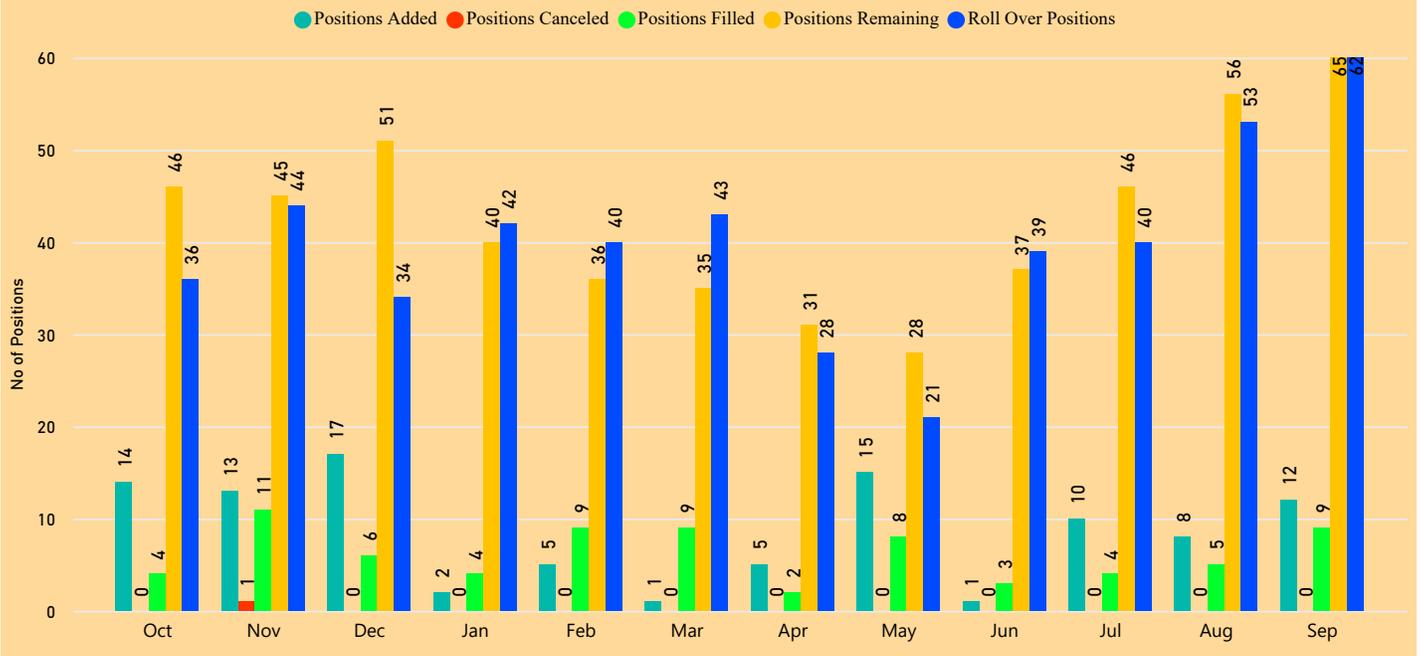


Total CAP account credits were \$209.08k higher than last year.

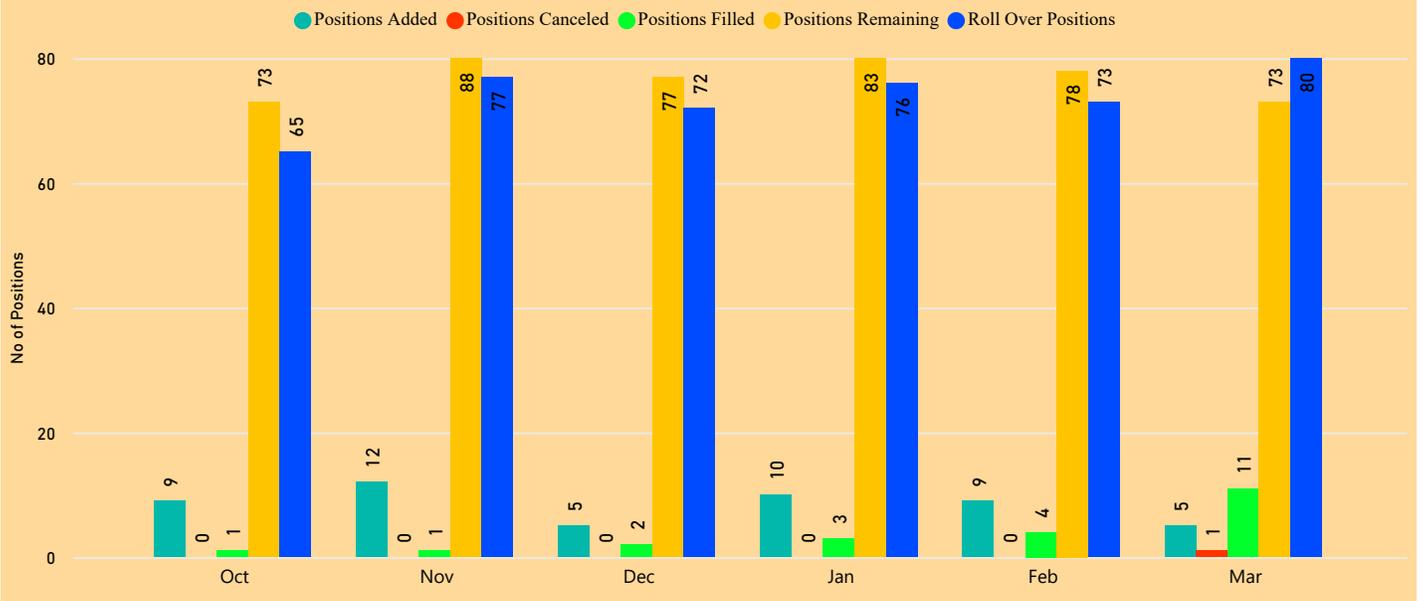
PEOPLE AND TALENT

Human Resources

Recruitment Activity - Previous Fiscal Year



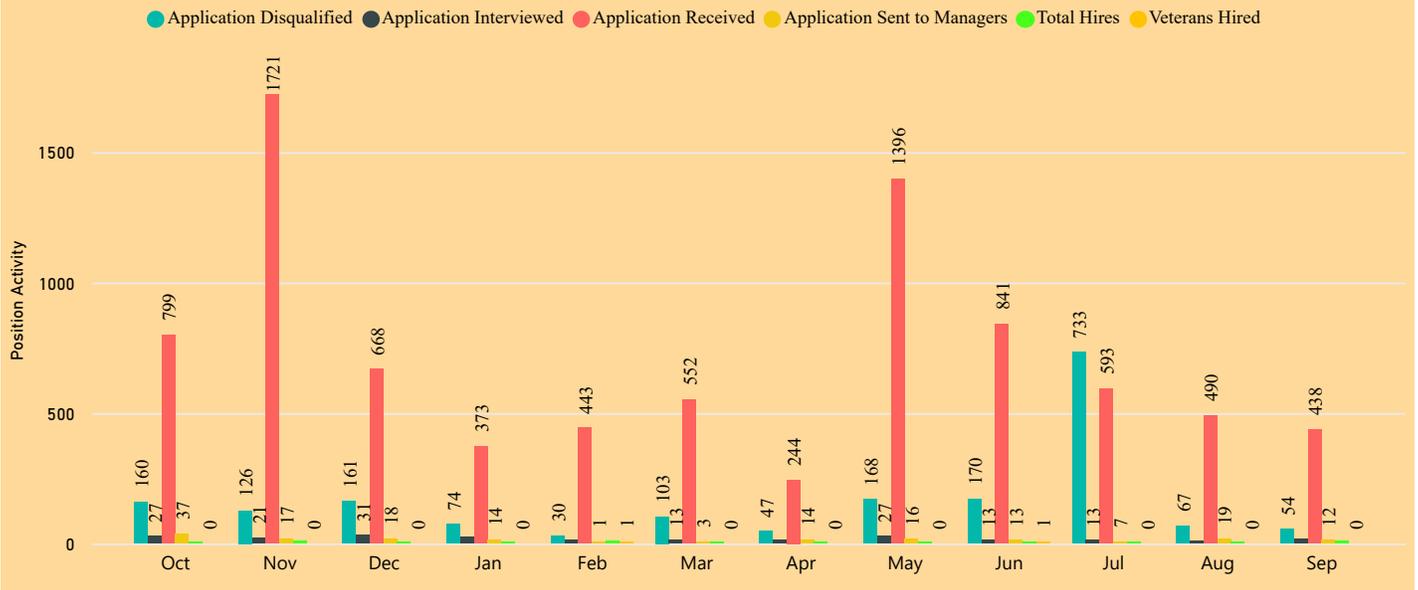
Recruitment Activity - Current Fiscal Year



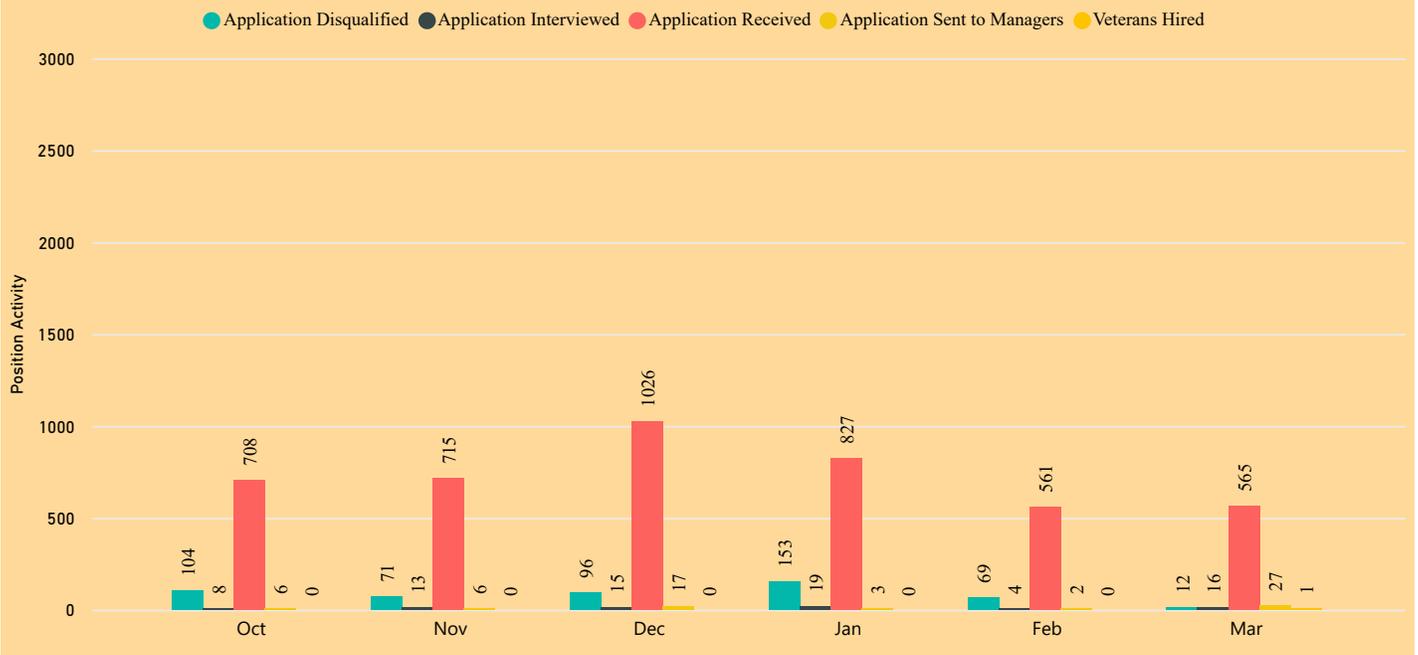
PEOPLE AND TALENT

Human Resources

Recruitment Performance Metric - Previous Fiscal Year

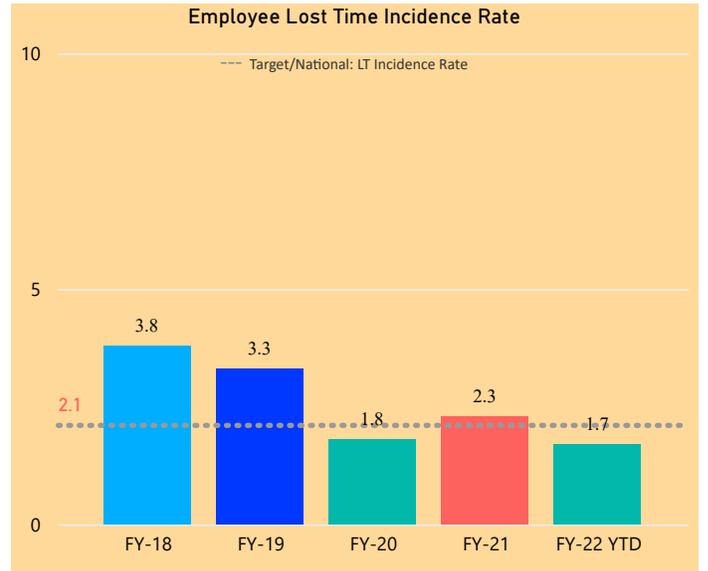
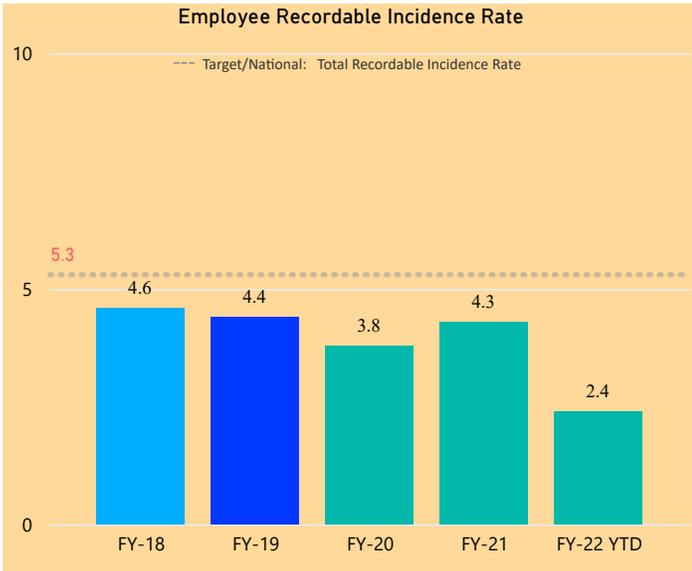


Recruitment Performance Metric - Current Fiscal Year



ADMINISTRATION

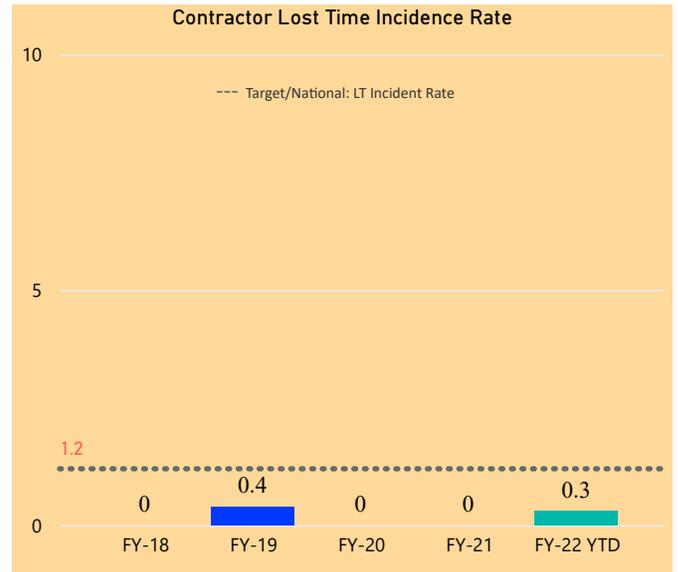
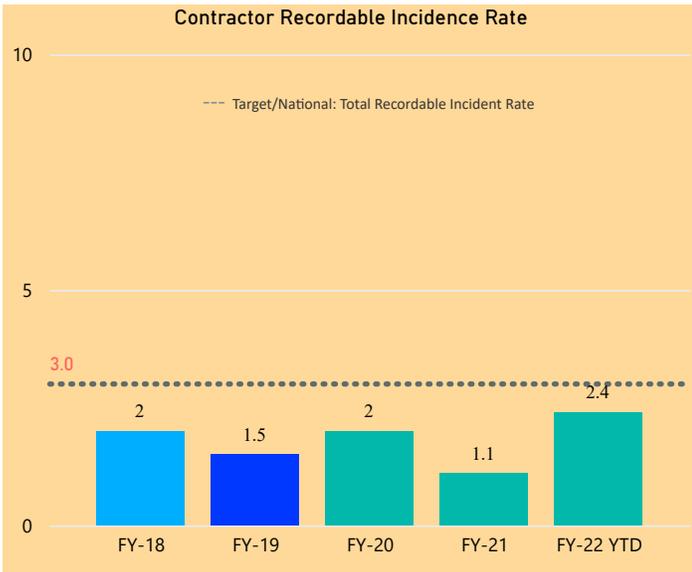
Safety



There have been 9 lost time incidents in FY 2022 YTD

ADMINISTRATION

Safety



There have been 1 lost time incidents in FY 2022 YTD.

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or higher than budget or target</p>	<p>Red - when the actual is higher than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

A

Vendor Payment Performance

- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

OPERATIONS & ENGINEERING

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Non-Revenue Water

- Bar graph shows the volume of water purchased (dark blue) and water sold (light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Lead and Copper Rule (LCR) Compliance

- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)

- Line graph denoted by (Δ) shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked (dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked (dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements Per Month

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded***

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked (dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked (dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
 - the number of permits processed per month (dark blue)
 - the number of permits processed within SLA per month (light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or higher than budget or target	Red- when the actual is higher than 5% of budget or target Yellow- when the actual is within 5% of budget or target Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

CUSTOMER EXPERIENCE

CUSTOMER CARE

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)

- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

PEOPLE AND TALENT

HUMAN RESOURCES

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target	Red- when the actual is higher than 5% of budget or target
Yellow- when the actual is within 5% of budget or target	Yellow- when the actual is within 5% of budget or target
Green- when the actual is equal to or higher than budget or target	Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

ADMINISTRATION

SAFETY

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)



Board of Directors

May 5, 2022

Mr. Tommy Wells, Chairperson

Procurement Transformation Update



DC Water Headquarters from the Anacostia River

- 1. Procurement Transformation Objectives & Scope**
- 2. Challenges**
- 3. Transformation Process**
- 4. What's Accomplished**
- 5. Governance and Continuous Improvement**
- 6. Credits**
- 7. Q&A**



Procurement Transformation Objectives & Scope

❖ Objectives

- The CEO and General Manager announced in 2019 an objective for centralized procurement operations centered on transparent and collaborative processes to increase value, manage risk, and address customer affordability.

❖ Scope

Design and implement a new Capital Procurement Team and Process to:

- Establish the Industry Leading Best-In-Class Procurement Practice at DC Water
- Implement a New Delegation of Authority (DOA)
- Improve Integrity, Fairness, Transparency, and Competition
- Streamline Process, Reduce Lead Times, and Improve Efficiency
- Clearly establish the Segregation of Duty
- Improve Business Diversity and Inclusion Through Vendor Development and Relationship Management

❖ Change Management

- New roles and duties, job security
- Changing processes and culture
- Procurement processes were deeply embedded in many Engineering SOPs and documents
- Inconsistent application of procurement process across DC Water departments
- Consultant staff enmeshed in the procurement process
- Changes to the process prompted vendor concerns / complaints
- Two predominant solicitation types (IFB for construction and SOQ for Engineering)
- Manual award and contract execution process with multiple hand-offs (brown folder process)

❖ COVID-19

- Transformation occurred during major pandemic
- Changed to online meetings

❖ Resources

- Hiring the right team members with unique skillset including public & private procurement, engineering, construction, utilities experience, strategic sourcing, negotiation, and ERP expertise

❖ Other major projects

- Same resources on:
 - Oracle Cloud ERP implementation
 - Oracle Cloud P6 & Unifier implementation



Transformation Process

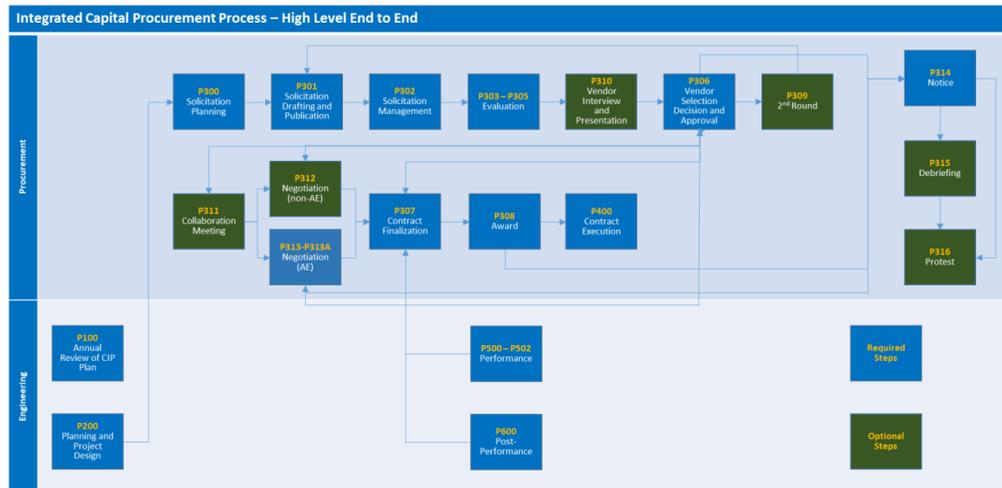
❖ Process

- Very close partnership by Engineering & Procurement
- 10 Milestones, 15 months, 2 weekly meetings, 30+ people, +6,000 hours

Milestones	Timeline
1. Roles and Responsibilities	Jan 2021
2. Procurement SOP	Feb- Apr 2021
3. Implementation Plan	Feb – May 2021
4. Identify core working group	May 2021
5. Implementation Schedule	May 2021
6. Information Sessions: Overview of Procurement SOP	May – Jun 2021
7. Contract Execution & Performance Phase SOP	Jul - Oct 2021
8. Sourcing Phase SOP	Oct – Nov 2021
9. Post-Performance (Close-out) Phase SOP	Dec 2021
10. Training of staff	Jan – Mar 2022

❖ Key transformation concepts:

- **Segregation of duties:** Separation of roles and responsibilities between Engineering and Procurement departments
- **Transparency:** Early and timely engagement of key stakeholders from other departments (i.e., Procurement, Compliance, DGLA, Safety, Risk, etc.)
- **Speed and Efficiency:** Minimize handoffs between departments while simplifying the procurement process and documentations





What's Accomplished

❖ Completed

- New Capital Procurement Team
- New Procurement Delegation of Authority (DOA)
- New SOPs that adopted the strategic sourcing concept
- Established Procurement Steering Committee (PSC) and Procurement Leadership Council (PLC) for governance and transformation decisions
- Completed implementation of Oracle ERP and Primavera P6

❖ Results

- Generated negotiated savings using the strategic sourcing process:
 - \$18 million in FY21
 - \$17 million in FY22 as of February 2022
- Increased the number of Certified firms bidding as primes or JV
- Awarded \$3 million Program Manager BOA to WBE prime
- Developed value-based, inclusive approach to Restoration IRR, LFDC, SDWMR, and Microgrid Program Management contracts
- New Capital Procurement approach recognized by ACEC/MW's 2021 Engineering Leadership Award
- Reduced solicitation, award & contract execution lead times

❖ Expected Benefits

- Apply consistent procurement process run by procurement subject matter experts across DC Water
- Engage Procurement, Compliance, Legal, Safety, Risk, and other stakeholders early during planning and design phases
- Increase transparency, accountability, agility and flexibility of the procurement processes
- Expanded Outreach allows additional business development time for Certified and Local firm participation
- Stronger competition and negotiation utilizing the strategic sourcing process
- Empower end-users in decision making
- Reduce dependence on outside consultants
- Mitigate potential conflicts of interest, project risks, and potential liabilities
- Actively manage supply chain risks like (pipe, valves)
- Create value / beat budget estimates thru structured negotiations



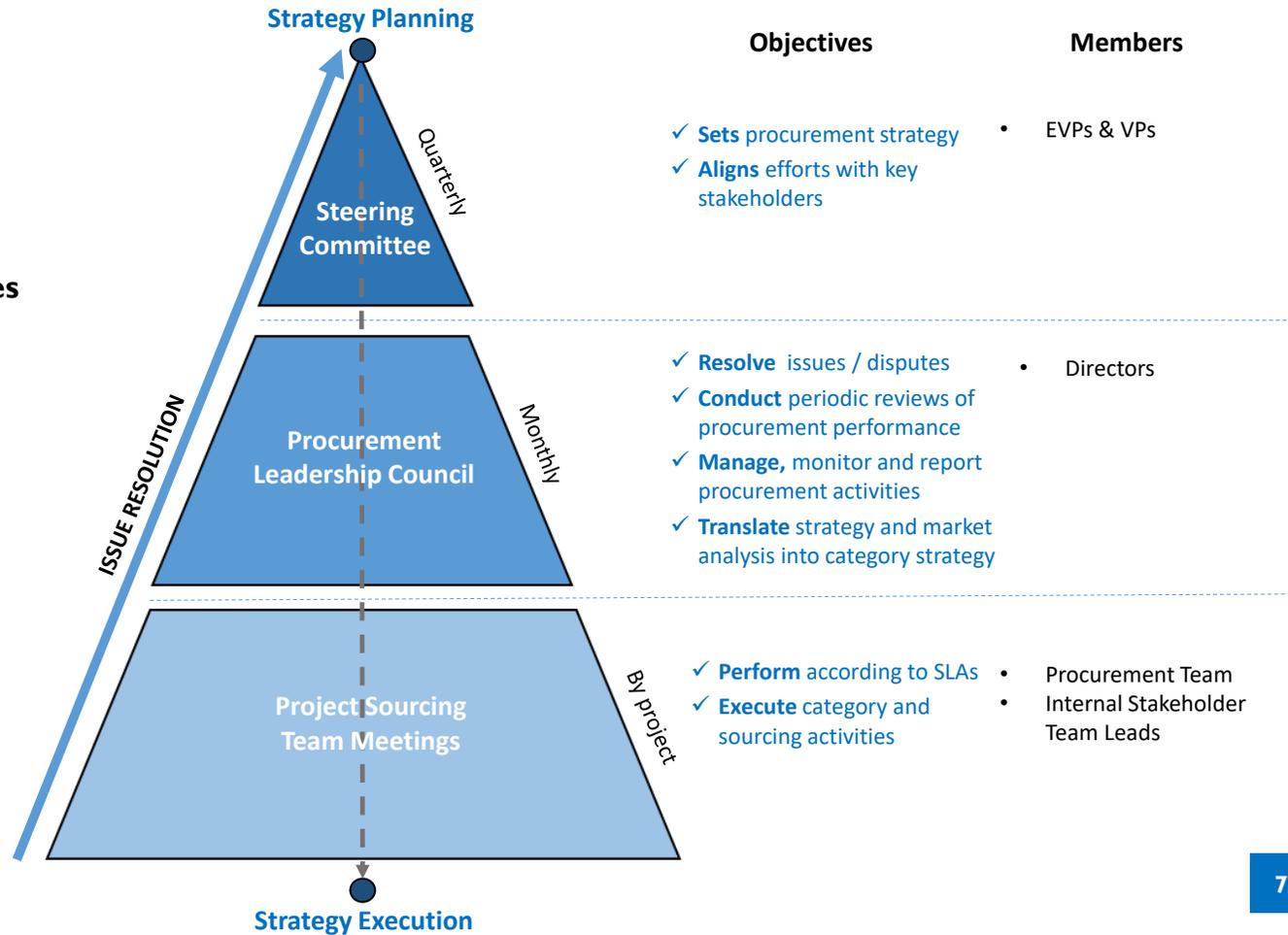
Governance and Continuous Improvement

❖ Procurement Steering Committee (PSC)

- Policies and procedures
- Major projects
- Major procurement strategies and initiatives

❖ Procurement Leadership Council (PLC)

- PLC for Capital Projects
- PLC for G/S
- Continuous process improvement
- Acquisition Planning
- Project review
- Procurement strategies and initiatives





Credits

PSC Team	PLC Team	Procurement	Ad-Hoc Members
Matt Brown	Brent Christ	Kevin Bellamy	Andria Bagwell
Kishia Powell	Will Elledge	Reggie Scott	Tsedale Berhanu
Wayne Griffith	Korey Gray	Ma Kainnayi Kosun	Rhonda Green
Dan Bae	Paul Guttridge	Ines Eden	Kimberly Isom
Rudy Gonzalez	Kathleen Kharkar	Dalila Perla	Michael Marchant
Francis Cooper	Getachew Melsew		Ogechi Okpechi
Salil Kharkar	Daniel Nguyen		
David Parker	Nick Passarelli		
	Deidre Saunders		
	Mark Babbitt		
	Moussa Wone		

PSC: Procurement Steering Committee
 PLC: Procurement Leadership Council



Q & A



Contract Summary on Consent Agenda

286th Meeting of the DC Water Board of Directors

Thursday, March 5, 2022

Joint-Use Contract

Resolution No. 22-27 – Execute Contract No. 18-PR-DDCS-03, Jet Blast, Inc. The purpose of the contract is to provide all labor, and equipment required materials, tools, and equipment required to complete the thorough cleaning, waste disposal, and disinfection work throughout the Washington, DC area. The additional funding amount is \$300,000. (Recommended by the Environmental Quality and Operations Committee 4/21/2022)

Presented and Adopted: May 5, 2022

SUBJECT: Approval to Add Funding for Contract No. 18-PR-DDCS-03, Jet Blast, Inc.

**#22-28
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on May 5, 2022, upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 18-PR-DDCS-03, Jet Blast, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 18-PR-DDCS-03, Jet Blast, Inc. The purpose of the contract is to provide all labor, and equipment required materials, tools, and equipment required to complete the thorough cleaning, waste disposal, and disinfection work throughout the Washington, DC area. The additional funding amount is \$300,000.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

**Tank and Reservoir Cleaning
(Joint Use)**

Approval to add funding to OY 4 for Tank and Reservoir Cleaning for the Department of Pumping and Sewer Operations in the amount of \$300,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Jet Blast, Inc. 6800 Fort Smallwood Baltimore, MD. 21226	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$370,000.00
Base Period Contract Dates:	03-01-2018 – 02-28-2019
No. of Option Years in Contract:	4
Prior Modifications OY1-OY4:	\$511,263.16
Prior Option Year Dates:	03-01-2019 – 02-28-2023
Add funding to OY 4 (This request):	\$300,000.00
Option Year 4 Dates:	03-01-2022 – 02-28-2023

Purpose of the Contract:

DC Water requires the services of a qualified supplier, licensed in Washington DC Metropolitan area to provide Tank and Reservoir Cleaning work for the Department of Pumping and Sewer Operations, with tanks and reservoirs located throughout the Authority.

Scope of the Contract:

Provide all labor, materials, tools, and equipment required to complete the thorough cleaning (via water blasting), waste disposal, and disinfection work, including site mobilization, staging, and demobilization of various DC Water underground water storage reservoirs and water storage tanks and appurtenances at various locations throughout the Washington, DC area.

Spending Previous Year:

Cumulative Contract Value:	02-28-2019 to 03-31-2022	\$881,263.16
Cumulative Contract Spending:	02-28-2019 to 03-31-2022	\$766,254.12

Contractor's Past Performance:

According to the COTR, the Contractor's quality of services, conforms to DC Water's policies, procedures, and contract terms: and invoicing all met expectations and requirements.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Tank and Reservoir Cleaning	Contract Number:	18-PR-DDCS-03
Project Area:	Open		

BUDGET INFORMATION

Funding:	Operating	Department:	Pumping and Sewer Operations
Project Area:	Other	Department Head:	Kenrick St. Louis

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	70.05%	\$210,150.00
Washington Suburban Sanitary Commission	21.95%	\$65,850.00
Fairfax County	5.15%	\$15,450.00
Loudoun Water	2.54%	\$7,620.00
Other (PI)	0.31%	\$930.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$300,000.00

Kenrick St. Louis / 4/13/2022
 Kenrick StLouis Date
 VP, Pumping and Sewer Operations


 Dan Bae Date
 VP, Procurement and Compliance

Dan Bae
 C=US, E=dan.bae@dcwater.com,
 O=District of Columbia Water and
 Sewer Authority, OU=VP of
 Procurement & Compliance, CN=Dan
 Bae
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Matthew T. Brown Digitally signed by
 Matthew T. Brown
 Date: 2022.04.13 16:16:18
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 Matthew T. Brown Date
 CFO and EVP, Finance and Procurement


 David L. Gadis / 5/2/2022 Date
 CEO and General Manager

Presented and Adopted: May 5, 2022

SUBJECT: Approval to Publish Notice of Proposed Rulemaking for Proposed New and Amended Fees & Charges

**#22-29
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” or “DC Water”) at the Board meeting held on May 5, 2022 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___() opposed, to approve the following actions with respect to the proposed new and amended Fees and Charges.

WHEREAS, Section 203(11) of the Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996, effective April 18, 1996 (D.C. Law 11-111, § 203(11); D.C. Code § 34-2202.03(11)) authorizes DC Water to establish, adjust and collect charges for services, facilities, or commodities furnished or supplied by DC Water; and

WHEREAS, in accordance with Resolution #11-10, dated January 6, 2011, DC Water establishes rates, charges and fees in accordance with the Board approved Rate Setting Policies, including the recovery of current costs to provide the services; and

WHEREAS, on April 26, 2022 the DC Retail Water and Sewer Rates Committee met to consider the recommendations from the General Manager for proposed new and amended fees and charges as presented in Attachment A to be effective July 22, 2022; and

WHEREAS, the General Manager proposed new and amended fees including: Engineering/Permitting fees; Fats, Oil and Grease (FOG) fee, Cross-Connection Control/Backflow Fee; Fire Hydrant Use Charges and Meter Rental Fees; High Strength Waste Fees; Hauled Waste Fees; Penalties and Turnoff Charges, Tap Fees, and other miscellaneous fees; and

WHEREAS, the DC Retail Water and Sewer Rates Committee, after consideration and discussed the proposed new and amended fees and charges, recommended that the Board approve the publication of the Notice of Proposed Rulemaking for the proposed new and amended fees and charges as presented in Attachment A for public comment; and

WHEREAS, it is the intent of the Board to take final action on the proposed amended permit service fees and charges at the conclusion of the public notification and comment period; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board directs the General Manager to publish a Notice of Proposed Rulemaking in the District of Columbia Register to seek public comment on the new and amended fees and charges as provided in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required in accordance with the District of Columbia Administrative Procedure Act.

This resolution is effective immediately.

Secretary to the Board of Directors

**Attachment A
Proposed Amended Fees & Charges**

Chapter 1, WATER SUPPLY, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

Section 112, FEES, Subsections 112.1, .2, .4 through 112.6, are amended to read as follows:

112 FEES

Subsection 112.1 is amended to read as follows:

112.1 Fees for installation, inspection and removal/abandonment of water and sewer tap or connection, and meter setter or vault, shall be as follows:

Inspection Fees	Fee
Inspect Sewer Tap Removal/Abandonment	\$325
Inspect Pointing Up Sewer Taps	\$915
Inspect Insertion of Y-Branch	\$325
Inspect Installation of Standard Cleanout	\$325
Meter Setter Inspection	\$250
Meter Setter Re-Inspection	\$250
Meter Vault Inspection	\$1,000
Meter Vault Re-Inspection	\$1,000
Tap Insertion and Abandonment	Fee
Tap Insertion – 1” diameter	\$455
Tap Insertion – 1-1/2” diameter	\$530
Tap Insertion – 2” diameter	\$575
Water Connection	Reimbursable
Water Connection 3” and Larger	\$2,500
Water Tap Removal/Abandonment – 2” diameter or less	\$425
Water Tap Removal/Abandonment – greater than 2” diameter	\$850

Subsection 112.2 is amended to read as follows:

112.2 Fees for fire hydrants flow tests; fire hydrant meter rentals; rentals of fire hydrant meters with backflow preventer; and for the installation and removal of water bubblers shall be as follows:

Fee Name	Fee
Fire Hydrant Flow Test (Field Test)	\$320
Fire Hydrant Flow Test (Computer Model)	\$320
Fire Hydrant Flow Test (Recent Test Record Available)	\$135
Fire Hydrant Use – Water and Sewer Rate	Usage-Based, see 21

	DCMR Chapter 41
Letter in Lieu of Hydrant Flow Test	\$250
Fire Hydrant Permit Fee	\$75
Private Fire Hydrant Flush	\$90
3" Fire Hydrant Meter Deposit	\$1,750 per rental
3" Fire Hydrant Meter Rental <15 days	\$130
3" Fire Hydrant Meter Rental ≥15 days	\$10 per day
3" Fire Hydrant Meter w/Backflow Preventer Deposit	\$2,750 per rental
3" Fire Hydrant Meter w/Backflow Preventer Rental <15 days	\$195 per rental
3" Fire Hydrant Meter w/Backflow Preventer Rental ≥15 days	\$15 per day
5/8" Fire Hydrant Meter w/Backflow Preventer Deposit	\$950 per rental
5/8" Fire Hydrant Meter w/Backflow Preventer Rental <15 days	\$115 per rental
5/8" Fire Hydrant Meter w/Backflow Preventer Rental ≥15 days	\$10 per day

Installation and Removal of Water Bubblers	Fee
1 Water bubbler	\$262
Each additional Water bubbler after the first in the same general location	\$54

112.4 Retail customer fees and charges; legal and copying fees; and event and equipment fees shall be as follows:

(a) Retail customer fees and charges shall be as follows:

Fee Name	Fee
Customer Bad Check Fee	\$30
Declined Credit Card Fee	\$40
Customer Penalty Late Payment Fee	10.00% after 30 days
Additional Penalty Late Payment Fee	1%/month after 60 days, compounded monthly
New Customer Account Initiation Fee	\$55
Turn-Off Charges for Non-Payment	\$55
Reconnection Fee – Residential Customer	\$50.00
Reconnection Fee – Multi-Family and Non-Residential Customer	\$100
Unauthorized Turn-On	\$260
Notice of Follow Up (NOFOL)	\$475
Compliance Fee	
Broken Bypass Seal	\$745
Second Water Audit within 24 months	\$135
Manual Meter Reading Fee ¹	\$20.00/month/meter
Manual Meter Reading Fee ¹ 5/8"-2" Multi-Family and Non-Residential	\$100
Manual Meter Reading Fee 3"-4" Multi-Family and Non-Residential	\$250
Manual Meter Reading Fee 6" & greater	\$500

Fee Name	Fee
Multi-Family and Non-Residential	
¹ The Manual Meter Read Fee is charged if customer refuses or does not respond to install Automatic Meter Reader or if the meter transmission unit is not transmitting due to the customer's failure to provide appropriate transmission requirements.	

(b) Legal and copying fees shall be as follows:

Witness Fee	\$40 + Travel Expenses
DC Water Staff Expert Witness Fee	Salary + Fringe + Travel Expenses
Standard Letter and Legal Pages (Photocopying)	\$0.75 per sheet
FOIA Processing Fee	\$10 + Staff Salary + Fringe

(c) Event and Equipment fees shall be as follows:

Size of Event (Attendees)	Number of DC Water Personnel Per Event¹	Cost per Event at \$90/hour per person
100 – 2,000	2	\$180/hour
2,000 – 5,000	4	\$360/hour
5,000 or more	6	\$540/hour

¹ Refers to the minimum number of personnel required for the event. Upon review of the event specifications, DC Water shall determine the appropriate number of personnel based on the assessed need.

Event Equipment	Cost per Unit per Event
Misting Tent ¹	\$585
Mobile Brita Hydration Station ¹	\$640
Cooling Station	\$450
Quench Buggy	\$2,650
DC Water Mascot	\$80

¹Refers to a per unit per event, assuming a single day event. For a multi-day event, the per unit cost would be multiplied by the number of days.

Subsection 112.5 is amended to read as follows:

112.5 Fees for engineering reviews both standard and expedited, excessive submission, and as-builts shall be as follows:

- (a) **Small Project Plan Review Fees** shall be as provided in the table below for Small Projects, including:
 - (1) Small Residential or Townhouse subject to 12 DCMR B Residential Code Supplement with water service and meter two inches (2”) or less;
 - (2) Small Non-Residential subject to 12 DCMR A Building Code Supplement with water service and meter inches (2”) or less;

- (3) Small Hybrid means a Small Residential or Non-Residential project with a domestic water service and meter two inches (2") or less and a fire service greater than two inches (2"); or
- (4) Projects requiring only a sewer connection six inches (6") or less in diameter or only a storm connection less than fifteen inches (15") in diameter.

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Project Base Plan - 1 st Submission Administrative Fee – All Small Projects	\$200	N/A	N/A	N/A
Small Project Rejected Plan Resubmission Administrative Fee - All Small Projects	\$100	N/A	N/A	N/A
Small Project Sheet and Shore - All Small Projects	\$1,250	\$2,500	14	7
Small Residential or Townhouse Project per meter connection:	\$1,500	\$3,000	14	7
Small Non-Residential Project per meter connection:	\$5,000	\$10,000	21	11
Small Hybrid Project per meter connection:	\$6,750,0	\$13,500	21	11
Small Residential Approved Plan Revision (APR) per metered connection	\$500	\$1,000	14	7
Small Non-Residential or Hybrid APR per metered connection	\$1,450	\$2,900	21	11
Small Residential, Non-Residential or Hybrid Raze Utility Release Letter - No Abandonment	\$400	\$800	14	7
Small Raze Permit Review and Utility Release Letter - With Abandonments	\$1,000	\$2,000	14	7
Small Non-Residential Temporary Water Connections	\$2,000	\$4,000	21	11

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Project Review and Sign Off - only in DCRA ProjectDox or for DCRA Walk-In Applicants	\$150	N/A	7	N/A

- (b) **Large Project Plan Review Fees** (large means having a domestic water service and fire service greater than two inches (2") in diameter) shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Project Base Plan -1 st Submission Administrative Fee	\$200	N/A	N/A	N/A
Large Project Rejected Plan Resubmission Administrative Fee	\$100	N/A	N/A	N/A
Large Plan Review Fee per meter:	\$15,000	\$ 30,000	30	15
Large Project Foundation to Grade	\$1,750	\$3,500	21	11
Large Project Approved Plan Revision (APR)	\$2,000	\$4,000	14	7
Large Project Sheet piling and Shoring	\$12,500	\$25,000	30	15
Large Project Abandonment Waiver Request	\$750	\$1,300	14	7
Large Project Temporary Water Connections	\$5,000	\$10,000	21	11
Large Fire Service Only Greater than 2" - with no interior renovations	\$5,000	\$10,000	21	11
Large Sanitary or Combined Connection Only 8" or larger	\$5,000	\$10,000	21	11

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Large Storm Connection Only 15" or larger	\$5,000	\$10,000	21	11
Large Project Doc and Sign Off Only in DCRA ProjectDox	\$500	\$1,000	10	5
Large Water Meter Size Reduction Plan (with no other work)	\$5,000	\$10,000	21	11
Large Project Raze Utility Release Letter - No Abandonments	\$500	\$1,000	14	7
Large Project Raze Utility Release Letter - With Abandonments	\$1,500	\$3,000	14	7
Utility Infrastructure Only Review Fee (0 to 1,000 linear feet of water and/or sewer mains)	\$10,000	\$20,000	30	15
Utility Infrastructure Only Review Fee (1,000 – 2,500 linear feet of water and/or sewer mains)	\$15,000	\$30,000	30	15
Utility Infrastructure Only Review Fee (greater than 2,500 linear feet of water and/or sewer mains)	\$18,000	\$36,000	30	15

***Review Times are estimated; Actual Time may vary.**

(c) **Miscellaneous Fees** shall be as provided in the table below as follows:

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
Small Residential or Townhouse Plan Excessive Submission Review (5 th review or more) per meter connection	\$500	N/A	Based on No. of metered connections	Based on No. of metered connections
1 to 5 metered connections			14	7

Fee Name	Standard Fee	Expedited Review Fee	Standard Review Time* (Business Days)	Expedited Review Time* (Business Days)
6 to 20 metered connections			21	11
21 to 50 metered connections			40	20
greater than 50 metered connections			50	25
Small Non-Residential and Hybrid Plan Excessive Submission Review (5 th review or more)	\$750	N/A	Based on No. of metered connections	Based on No. of metered connections
1-3 metered connections			21	11
4 or more metered connections			30	15
Large Plan Excessive Submission Review (5 th review or more)	\$3,500	\$7,000		
Request for Information (RFI)	\$175	\$350	20	10
Request for As-Built Drawings	\$200	\$400	20	10
Water and Sewer Availability Letter	\$750	\$1,300		
Delayed Abandonment or Waiver	\$750	\$1,300	14	7
Processing of Standard Easement and Covenant (Initial Document)	\$2,000	\$4,000	14	7
Processing of Non-Standard Easement and Covenant (Initial Document)	\$8,500	\$17,000	21	11
One Day Plan Design and Review and Approval (Velocity Sign-Off Program)	\$25,000	N/A	1	N/A

***Review Times are estimated; Actual Time may vary.**

- (d) **DC Water “Velocity” Sign-Off Program** (One Day Final Plan Review and Approval) - a DCRA permit applicant may request to participate in the DC Water “Velocity” program in accordance with the following requirements:

- (1) Participation in DC Water’s “Velocity” Sign-Off Program only applies to plans resubmitted after DC Water’s initial standard or expedited plan review.
- (2) Applicant shall pay the minimum DC Water “Velocity” Sign-Off Program fee of \$25,000 in an addition to the applicable plan review fee and any other applicable fees.
- (3) DC Water shall determine if the plans are eligible (complete and suitable) to participate in the program and that staff are available to perform the review requested.
- (4) Upon acceptance into the DC Water “Velocity” Sign-Off Program, DC Water shall schedule a meeting with the Applicant to review and approve the plans, not less than one (1) week after the request to participate in the program.
- (5) DC Water shall schedule one four-hour plan review and approval meeting, during which the Applicant shall present the revised plans and responses.
- (6) If approved, the Applicant shall pay all required fees (e.g., SAF, inspection review, deposits, etc.) and DC Water shall issue the Water and Sewer Approval Certificate and approve the plans in ProjectDox.
- (7) If DC Water issues additional comments or requirements, the applicant shall resubmit the revised plans within two (2) business days, and if all comments are acceptable, the plans shall be approved within one business day.

(e) **Existing/Proposed As-Built Fee** shall be as provided in the table below as follows:

Fee Name	Fee
Small Residential or Townhouse	\$250 (each bldg.)
Small Non-Residential	\$500 (each bldg.)
Small Hybrid	\$750 (each bldg.)
Large Project	\$750 (Each Connection – water or sewer)
Installation of New Water or Sewer Main (20 to 100 feet)	\$2,500
Each additional 200 feet of water line	\$2,000
Each additional 400 feet of sewer main/line	\$2,000
Installation of Water Line - larger than 24" in diameter	Determined on a per project basis
Installation of Sewer - larger than 60" in diameter	Determined on a per project basis

(f) **Construction Phase Customer Support Fee** that provides a proactive, white glove approach to contractor customer service to coordinate Water Services, Sewer Services, Meter Branch, Customer Service, Permits, Inspections

Branch, etc. to support a one stop shop to proactively manage the construction phase. The Fee shall be as provided in the table below as follows:

Fee Name	Fee
Residential Projects (including new Small Residential or Townhouse water/sewer connections, raze, temporary connection, 2" or less water meter)	\$500
Small Non-Residential or Hybrid (including new connections, raze, temporary connection, 2" or less water meter)	\$2,000
Large (including new connections, raze, sheeting and shoring, temporary connection, 3" or larger water meter)	\$4,500

112.6 Waste Hauler Permit and Disposal Fees; Pretreatment Industrial User Permit and Sampling Fees; High Strength Waste Fees; and FOG Facility fees shall be as follows:

Fee Name	Fee
Waste Hauler Discharge Annual Permit Fee per Vehicle	\$50
Waste Hauling Disposal Fees	
High strength grease trap waste	\$0.077 per gallon
High strength septage waste	\$0.077 per gallon
Domestic strength waste	\$0.004 per gallon
Low strength waste	\$0.004 per gallon
Industrial User Permit Fees	
Permit Initial Fee	\$2,865
Permit Renewal Fee	\$955
Industrial User Annual Compliance Fees	
Significant or Non-Significant Categorical Industrial User	
1 Outfall	\$3,290
2 or more Outfalls	\$4,560
Significant Non-Categorical Industrial User	
1 Outfall	\$3,290
2 or more Outfalls	\$4,560
Non-Significant Non-Categorical User	
1 Outfall	\$745
2 or more Outfalls	\$955
High Strength Waste Fees	
Biochemical Oxygen Demand (BOD)	\$0.162 per pound
Total Suspended Solids (TSS)	\$0.278 per pound
Total Kjeldahl Nitrogen (TKN) or Total Nitrogen (TN)	\$1.662 per pound
Total Phosphorus (TP)	\$5.234 per pound
Fats, Oil and Grease (FOG) Facility Monthly Fee	\$18.70 per month

Subsection 112.12(a), FEES, is amended to read as follows:

112.12 Cross-Connection/ Back Flow Prevention Fees and Turn-Off Charges

- (a) The Cross-Connection/ Back Flow Prevention Fees and Turn-Off Charges shall be as follows:

Fee Name	Fee
Cross-Connection/Back Flow Prevention Monthly Fee per Assembly	\$6.70
Cross-Connection Turn-off - 5/8" to 2"	\$215

Cross-Connection Turn-off - 3" to 5"	\$425
Cross-Connection Turn-off - 6" and larger	\$955