



**307<sup>TH</sup> BOARD OF DIRECTORS MEETING  
MINUTES OF THE MEETING  
APRIL 4, 2024  
(Via Microsoft Teams)**

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**DIRECTORS PRESENT**

**District of Columbia Members**

1. Keith Anderson, Chairperson
2. Rachna Bhatt, Principal
3. Anthony Giancola, Principal
4. Howard Gibbs, Principal
5. Richard Jackson, Principal

**Prince George's County Members**

1. Floyd Holt, Principal
2. Jared McCarthy, Alternate

**Montgomery County Members**

1. Jon Monger, Principal
2. Steven Shofar, Alternate
3. Fariba Kassiri, Principal

**Fairfax County Member**

1. Sarah Motsch, Alternate

**DC WATER STAFF**

1. David Gadis, CEO and General Manager
2. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew Brown, Chief Financial Officer Finance and EVP, Procurement and Compliance
4. Wayne Griffith, Chief Administration Officer and EVP
5. Jeffrey Thompson, Chief Operating Officer, and EVP
6. Michelle Rhodd, Secretary to the Board

The 307<sup>th</sup> meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Keith Anderson at 9:31 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

## **I. APPROVE MINUTES**

Chairperson Anderson asked for a motion to approve the minutes of the March 7, 2024, meeting.

**Upon a motion duly made and seconded the Board of Directors approved the minutes of the March 7, 2024, meeting as presented.**

## **II. CHAIRPERSON'S OVERVIEW**

Chairperson Keith Anderson noted the recent communication to the Board about the upcoming town halls on DC Water's proposed rate adjustments and encouraged Board members to attend at least one of the meetings. He also congratulated Chris Peot, President of Blue Drop, and his team on receiving the 2024 Sustainability Award.

## **III. COMMITTEE REPORTS**

*Environmental Quality and Operations Committee Report  
Reported by Howard Gibbs*

Environmental Quality and Operations Committee Vice-Chairperson Howard Gibbs reported on the Committee meeting that was held on March 21, 2024.

Nicholas Passarelli, Vice President of Wastewater Operations, briefed the Committee on the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) which was operating within expected parameters. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 26% of the average treatment plant consumption while 8,350 wet tons of biosolids were sold as Bloom.

Dr. Haydee De Clippeleir, Director of Clean Water Quality and Technology at DC Water, presented on research efforts related to optimizing the performance of BPAWTP, with a goal to focus on technologies that have a lower overall footprint and cost. These technologies include partial denoxification (PdNA) using anammox for nutrient removal and densification of activated sludge in secondary treatment. PdNA, which has been piloted at Blue Plains since 2012, is cost-effective as it saves methanol and aeration costs and only requires modifications to existing infrastructure. The next step of PdNA is to implement a pilot-scale demonstration utilizing grant funding for a summer 2025 startup to inform a decision on full-scale implementation. Activated sludge densification would create additional capacity within the existing infrastructure.

Mr. Gibbs noted that a process change implemented in 2021 at no cost has already improved effluent quality from secondary treatment and a pilot that simulates the full-scale system for this process is underway.

Three joint-use, and two non-joint-use action items were presented for Board approval.

*Retail Water and Sewer Rates Committee  
Reported by Howard Gibbs*

Retail Water and Sewer Rates Committee Chairperson Howard Gibbs reported on the Committee meeting that was held on March 26, 2024.

Matthew Brown, Chief Financial Officer Finance and EVP, Procurement and Compliance presented the monthly report as of February 29, 2024, noting that year-to-date revenue was favorable to the budget by about 2.8 percent, receipts for Residential/Commercial/Multi-Family were favorable at 43.8 percent of the budget, and the DC housing authority was lower than budgeted at 37.3 percent due to a late February payment. Other revenue was lower than budgeted due to lower than anticipated developer fees, system availability fees, and the Washington Aqueduct Backwash. Total Delinquent Accounts increased in dollar amount and in number of accounts, primarily in the multi-family category.

In relation to developer fees, Ogechi Okpechi, Director of Permit Operations noted that her team is now handling refunds internally and processed 46 accounts totaling over \$600,000 in refunds in February. For FY24 to date, 158 accounts were processed compared to 105 in FY23. Ms. Okpechi noted that some accounts were debits, not credits, as the customer owed money to DC Water.

Mr. Brown discussed the Committee work plan, focusing on the rate adoption schedule, and updated the Board on the relevant dates for consultation and approval of the schedule. Finally, Mr. Brown reviewed the revised schedule for the Fire Protection Service Fee.

*Finance and Budget Committee Report  
Reported by Anthony Giancola*

Finance and Budget Committee Chairperson Anthony Giancola reported on the Committee meeting that was held on March 28, 2024.

Lola Oyeyemi, Vice President of Budget, presented the February 2024 Financial Report highlighting the total operating revenues of \$394.9 million, operating expenditures of \$266.7 million, and capital disbursements of \$172.8 million. The authorized staff vacancy rate at the end of February was 13.1 percent, and the active vacancy rate was 6.9 percent. Management continues to intensify efforts to lower the vacancy rate to achieve the target by the end of the fiscal year.

The Committee had one action item, a recommendation for approval of senior and co-managing underwriting services selected from a pool of 19 qualified investment bankers.

Mr. Brown noted that the Townhall hearings for the proposed rates are being scheduled with the dates to be posted on the DC Water website. Mr. Giancola noted that there would be no meeting of the Finance and Budget Committee next month.

#### **IV. CEO AND GENERAL MANAGER'S REPORT**

CEO and General Manager David Gadis announced that on April 8, DC Water will host two special events that Board members are encouraged to attend. The first is a round table discussion of regional business leaders on the workforce of the future and how businesses can best position themselves to attract and retain a high-performing workforce in an extremely competitive marketplace. He noted that the meeting is important and timely as the district is urging employers and employees to return to work sites in a bid to boost the local economy. After the round table, employees from across the authority are invited to a legacy event in which a bronze statue by artist Stephen Weitzman will be unveiled in tribute to past, present, and future DC Water staff.

Next, Mr. Gadis reported on the quarterly staff meeting on advancing DC Water's strategy noting that the Environment, Social and Governance (ESG) report is in progress and will be provided to the Board later in April. Mr. Gadis recognized the leadership of Matt Ries, Vice President of Strategy and Performance, and all leaders involved in advancing Blueprint 2.0 and ESG efforts over the last two years.

Finally, Mr. Gadis discussed community outreach on the Authority's rate proposal for FY25 and FY26. On March 27, DC Water held an employee briefing on the proposed rates and expanded customer assistance programs. Chief Financial Officer Matthew Brown led a high-level review of the focuses and factors shaping the rate proposal. Employees were provided with information to share in responding to customer inquiries and a list of upcoming community outreach meetings on the rate proposal.

Mr. Giancola commented that while he had been critical of the ability of staff to handle the facilities preventative maintenance programs, the service request program, the fleet preventative maintenance program and the priority vehicle program, he was pleased to acknowledge and commend the staff for achieving a new high in all four areas.

#### **V. CONSENT ITEMS (JOINT USE)**

1. Approval of Funding for FY24 and FY25 Fleet Vehicles and Equipment, Multiple Suppliers TBD, – **Resolution No. 24-17** (Recommended by the Environmental Quality and Operations Committee 03-21-24).
2. Approval to Execute a Sole Source Partial Denitrification/Anammox (PdNA) Pilot Equipment Purchase, World Water Works, Inc. – **Resolution No. 24-18**

(Recommended by the Environmental Quality and Operations Committee 03-21-24).

3. Approval to Execute Change Order No. 0003 of Contract No. 180060, Miscellaneous Facilities Upgrade – Phase 7, American Contracting Environmental Services, Inc. – **Resolution No. 24-19** (Recommendation by the Environmental Quality and Operations Committee 03-21-24).

**Upon a motion duly made and seconded, the Board of Directors voted to approve Joint Use resolutions as presented.**

#### **VI. CONSENT ITEMS (NON-JOINT USE)**

1. Approval of an Amendment to a District of Columbia Department of Transportation (DDOT) Participation Project, Florida Avenue NE from 2nd Street to H Street NE, District of Columbia Department of Transportation – **Resolution No. 24-20** (Recommended by the Environmental Quality and Operations Committee 03-21-24)
2. Approval of District of Columbia Department of Transportation (DDOT) Participation Project, Intersection of Florida Avenue NE and New York Avenue NE Intersection, District of Columbia Department of Transportation – **Resolution No. 24-21** (Recommended by the Environmental Quality and Operations Committee 03-21-24)
3. Approval of Senior and Co-Managing Underwriting Services, Multiple Firms – **Resolution No. 24-22** (Recommended by the Finance and Budget Committee 03-28-24)

**Upon a motion duly made and seconded the Board of Directors voted to approve the Non-Joint Use resolutions as presented.**

## VII. ADJOURN

Board member Steven Shofar stated that this was his last Board meeting. Mr. Shofar thanked his fellow board members and staff. Mr. Anderson and Board member Jon Monger thanked Mr. Shofar for his years of service.

There being no further business to come before the Board, Mr. Anderson adjourned the meeting at 9:59 a.m.

*Michelle Rhodd*

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Michelle Rhodd

Secretary to the Board of Directors